

**MINUTES OF THE MEETING OF THE
BOARD OF REGENTS OF THE UNIVERSITY SYSTEM OF GEORGIA
HELD AT
270 Washington St., S.W.
Atlanta, Georgia
June 8 and 9, 2004**

CALL TO ORDER

The Board of Regents of the University System of Georgia met on Tuesday, June 8 and Wednesday, June 9, 2004, in the Board Room, room 7007, 270 Washington St., S.W., seventh floor. At 10:00 a.m. on Tuesday, June 8, 2004, Chair Harris called the Board meeting to order. Present on Tuesday, in addition to Chair Harris, were Vice Chair Joel O. Wooten, Jr. and Regents Hugh A. Carter, Jr., Connie Cater, William H. Cleveland, Michael J. Coles, Julie Hunt, W. Mansfield Jennings, Jr., James R. Jolly, Donald M. Leebern, Jr., Elridge W. McMillan, Martin W. NeSmith, Patrick S. Pittard, Doreen Stiles Poitevint, Wanda Yancey Rodwell, J. Timothy Shelnut, Allan Vigil, and Glenn S. White. Chair Harris then asked Regent NeSmith to convene the Committee on Real Estate and Facilities as a Committee of the Whole.

COMMITTEE ON REAL ESTATE AND FACILITIES, “COMMITTEE OF THE WHOLE”

Chair NeSmith greeted the Regents and called upon Chancellor Thomas C. Meredith to introduce the capital outlay projects presentations.

Chancellor Meredith welcomed the Regents to the annual presentation of capital outlay project proposals. He noted that the legislature respects and honors the Board’s capital outlay process. He said that this demonstrates the confidence and trust that the state has in the decisions of the Board of Regents. All of the Regents have their individual interests, but they always put the interests of the state first and foremost. The Chancellor said that he admires and appreciates that. He noted that four institutions in the University System of Georgia serve a dual role by also offering courses for the Department of Technical and Adult Education (“DTAE”). Those are Bainbridge College (“BC”), Clayton College & State University (“CCSU”), Coastal Georgia Community College (“CCGC”), and Dalton State College (“DSC”). These institutions are under the governance of the Board of Regents, but they are also responsible to DTAE. The Board of Regents is responsible for making sure the facilities are in place to house and operate the DTAE programs, and DTAE is responsible for half of the salaries of the technical faculty and the costs of instructional equipment. At this meeting, CGCC would be proposing a major capital outlay project that would also benefit DTAE. Chancellor Meredith again thanked the Regents for their integrity in this process. He then turned the floor over to the Vice Chancellor for Facilities, Linda M. Daniels.

Ms. Daniels reviewed the first section of the Regents’ capital outlay projects notebooks. She

explained that the current major capital outlay priorities list was included in the notebooks and was on display in the Board Room. The current amount on that list could be increased by approximately \$150 million to keep it under the target of \$500 million, which is the total the Board has been keeping in its planning projections. The reason there is room to add to the list this year is because four projects were funded in the last legislative session. Ms. Daniels thanked the institutions involved in getting those projects moved up the list, and she also thanked the Senior Vice Chancellor for External Activities and Facilities, Thomas E. Daniel, for his hard work with the legislature.

Ms. Daniels noted that the major capital outlay projects list has existed for some time. Unfortunately, in fiscal year 2003, only one project on the list was funded. For a couple of years now, the Office of Facilities staff have not asked the Regents for construction escalation because of the economy and the state of the construction market here in the State of Georgia. The staff evaluate construction costs and escalation on an annual basis. They have internal sources, and they also outsource a study with major cost consulting firms that know the State of Georgia. The staff were recommending to the Board at this time that the current list be increased in dollar value by 6% to accommodate a number of anomalies. Ms. Daniels noted that the good news is that the economy is improving, but the bad news is that there are extraordinary questions related to petroleum and other major materials, which affect the construction industry. Moreover, the University System of Georgia has already seen the impact on steel costs. So, the staff were strongly recommending the 6% escalation cost. In addition, there are significant space and facilities needs. So, included in the Regents' notebooks was information covering the very aggressive push the staff would like to make in the coming legislative session asking for \$200 million off of the current major capital outlay projects list, which would fund the top eight projects on the list. The staff are asking for full funding, which is a different mechanism than has been historically done in the past, in which design funds have sometimes been provided in one year, while construction funds and equipment funds were provided in subsequent years. With the economy turning around, the staff have a strong desire to work with the Governor's Office of Planning and Budget ("OPB") to show expedited, fast-track, alternate delivery schedules for the top eight projects and to go with a very robust capital request to the legislature in fiscal year 2005.

Ms. Daniels next explained the major capital outlay process. She said that it is very similar to previous years. The institutions submit their requests, the staff review the requests, the Regents consider them, and the Board recommends the elected projects to the legislature for funding. Because of the statewide capacity study, which was presented to the Board in November 2003 by the Director of Planning, Alan S. Travis, the staff have better Systemwide information on the facilities needs of the institutions compared to benchmarks and national standards. The staff are continually working to improve this process to ensure their recommendations to the Board are as objective and data-driven as possible. However, Ms. Daniels stressed the dire need across the System. She said that all of the projects to be presented at this meeting are worthy of funding, and she encouraged the Regents to listen closely to each of the presenting presidents because sometimes there are things going on at the campus level that the data does not reveal. That is why the staff put so much

emphasis on the importance of these presidential presentations. They want the Regents to have a direct dialogue with the presidents. The staff believe in the validity of all of the projects, but they are dependent upon the Regents to rank the projects in order of importance. With that, Ms. Daniels called upon President Dorothy L. Lord to begin the first presentation.

The following presidents, representing their respective institutions, presented their proposed major capital projects to the Board:

<u>President</u>	<u>Institution</u>	<u>Project (Cost)</u>
Dorothy L. Lord	Coastal Georgia Community College (“CGCC”)	Academic/Technology Building (\$18.8 million)
Clifford M. Brock	Bainbridge College (“BC”)	Academic Building (\$16 million)
James A. Burran	Dalton State College (“DSC”)	Health Sciences Building (\$18.8 million)
Peter J. Sireno	Darton College (“DC”)	Academic Building (\$23.3 million)
Robert E. Watts	Gwinnett University Center (“GUC”)	Academic Building (\$24.5 million)
Jacquelyn M. Belcher	Georgia Perimeter College (“GPC”)	Academic Facility (\$36 million)
Carl V. Patton	Georgia State University (“GSU”)	Humanities Building (\$52 million in state funds, plus \$14 million in private funds, plus \$6 million in auxiliary funds)
Betty L. Siegel	Kennesaw State University (“KSU”)	Health Sciences Building (\$39 million in state funds, plus \$10 million in private funds)
Lisa A. Rossbacher	Southern Polytechnic State University (“SPSU”)	Mathematics and Engineering Building

(\$30 million)

Ronald M. Zaccari

Valdosta State University
("VSU")

Health Sciences and
Business Administration
Center (\$37.65 million in
state funds, plus
\$3 million in auxiliary
funds)

After each presentation, the Regents had the opportunity to ask questions of the respective president or make comments regarding the project. Those questions and comments were as follows:

Coastal Georgia Community College

Regent Leebern said with the workforce preparation emphasis of the facility and its leisure and resort focus, it would appear that a culinary school or a hotel management course would be a good idea for the local resort community.

President Lord responded that CGCC was certainly looking into such options, including a teaching kitchen on campus.

Regent Leebern said that this would serve the greater Glynn County workforce, and President Lord agreed.

Chair NeSmith said that he had been to CGCC and seen the existing facility, and he concurred that it does need some help, particularly as it attempts to serve DTAE. He asked Ms. Daniels to explain one section of the graphs in the Regents' notebooks.

Ms. Daniels explained that the staff were taking into account the fact that each proposed project is compared to peer institutions. So, the figures included in the graph represent the amount of space per student at CGCC, which is higher than average for a two-year institution. She noted that this is not, however, unusual for an institution that has the kind of technical lab space dedicated to a single purpose. So, if one goes by CGCC's facilities master plan, the space required by the programs being delivered at the institution are underserved. In other words, the institution needs more space in accordance with its master plan based upon the programs being delivered. The staff felt that this particular graph comparing the respective institution to its peer institutions did not fairly demonstrate the space deficit at CGCC.

Chair NeSmith thanked her for this clarification.

Regent Pittard noted that he had also been to this facility and felt this project was of very high need.

Chair NeSmith agreed and said that all indications are that Coastal Georgia will be the fastest growing area in Georgia outside of the metropolitan Atlanta area.

Bainbridge College

There were no comments or questions.

Dalton State College

Regent Jolly asked President Burran when DSC was last approved for a major capital outlay project.

President Burran responded that it was in 1996.

Chair NeSmith noted that DSC had received some state funds since then for minor capital projects.

President Burran responded that DSC had received funds for an economic development building, which was funded in fiscal year 2003. The preliminary design process for this project has been completed, and DSC plans to break ground early in 2005.

Chancellor Meredith asked whether private funds were also being used for the economic development building.

President Burran replied that there was \$1 million in private funds from local area businesspersons in Dalton.

Regent Leebern asked whether there is immigration from Southeast Tennessee into Northwest Georgia.

President Burran stated that this has happened as a result of the growth trend in Northwest Georgia since the mid-1990s. The tax structure in Georgia and the HOPE Scholarship program have also driven tremendous suburban growth in several counties that DSC serves.

Chair NeSmith noted that the presentations were moving rather fast and encouraged those from the local areas in attendance to feel free to comment on the projects.

Darton College

Regent White noted that even with approval of this project, DC would still be 15,000 square feet short of its need. He asked why the college is proposing to tear down a 15,000-square-foot building

to build this one.

President Sireno replied that the existing building is structurally and functionally outdated.

Regent White asked for further information. He did not understand why a 30-year-old building was already obsolete.

President Sireno responded that the classrooms are 700 square feet or smaller. The infrastructure of the facility is deteriorating. For example, the elevator is often out of order because of the shifting in the structure. The HVAC system is outdated. The height in the hallways and in the classrooms is at the minimum acceptable level.

Chair NeSmith asked how large DC's minority population is.

President Sireno responded that it is 47%.

Chair NeSmith asked how big DC's service area is.

President Sireno replied that DC serves an approximately 38-county area. Its district is 14 counties, but it draws students from throughout the state.

Regent Wooten asked President Sireno what projects had been completed at DC in the past five or so years.

President Sireno responded that DC had recently completed a physical education facility via the major capital outlay process. It has also completed a science and mathematics building via the minor capital outlay process.

Regent Wooten asked how many square feet comprised the science and mathematics building.

President Sireno responded that it is 34,000 square feet. He noted that DC's resident instruction assignable square feet is 99, while the System average for two-year institutions is 126. So, DC is in a catch-up mode with its enrollment.

Regent McMillan noted that in the Regents' materials, it reads that DC is estimating that 70% of the proposed facility will be used for existing enrollments. He said that of the proposed projects, this appeared to be the lowest amount of existing enrollment need. He asked why, if current enrollment need is so dire, DC does not dedicate more of the proposed facility to current enrollments.

President Sireno responded that part of the facility is to accommodate the PeachNet hub that serves other institutions within the University System of Georgia. It is about 17,000 to 18,000 net square

feet. As a result, there is less space for the current enrollment needs.

Gwinnett University Center

Regent White asked how soon the existing facilities will be full.

Mr. Watts responded that at peak hours, the facilities are already full. This fall, GUC will be having classes at 6:30 a.m. and 7:00 a.m. during the week and also on Sunday afternoons to see what the demand will be.

Regent White said that at an enrollment of 8,000 this fall, GUC is full, and Mr. Watts agreed.

Regent White said that he had projected the overwhelming demand on GUC.

Regent Coles noted that even with the addition of the proposed facility, the ratio of space per student would still be very low. He asked what GUC is going to do next to address facilities needs.

Mr. Watts replied that he hoped the minor capital outlay process would help GUC add some facilities space, and he was also open to privatized projects, particularly for student center spaces and the like.

Chair NeSmith remarked that the statewide assessment process should help shed some light on this issue and how the University System should proceed.

Regent Hunt noted that the construction cost of the project was \$16 million with a total cost of \$24 million. She asked what causes this cost differential.

Mr. Watts responded that the additional cost accounts for parking, infrastructure, site improvements, etc.

Ms. Daniels added that the facilities staff have performed significant analysis to determine building construction costs versus overall construction costs. A campus like GUC that does not have a lot of infrastructure and parking will have a significant impact on its overall construction cost. On this particular project, the parking would probably be in the total project cost.

Georgia Perimeter College

Regent Jolly asked how GPC is differentiated from GUC when it comes to major capital projects.

President Belcher responded that the 5,000 of the students at GUC are GPC students, but this request is for the Dunwoody and Clarkston campuses of GPC, not GUC.

Chancellor Meredith said this is why GUC had a separate presentation.

Regent NeSmith asked how large the minority enrollment at GPC is.

President Belcher responded that she did not have those numbers on hand. She estimated that the minority enrollment is close to 60% at the Clarkston campus and 40% at Dunwoody.

Regent Hunt asked whether GPC's growth estimates included the enrollments at GUC.

President Belcher replied that they did, but if the GUC enrollments were excluded, GPC has still grown 67% in full-time equivalent enrollments and 39% in terms of headcount. So, GUC is not considered central to this request.

Regent Coles asked whether the 19,000 student enrollment of GPC included the enrollments at GUC.

President Belcher responded that it does.

Regent Coles asked whether the square footage at GUC was also included in GPC's square footage figures.

President Belcher responded that it was.

Chair NeSmith thanked President Belcher for this presentation.

Ms. Daniels noted that there is a \$1.5 million parking deck that would not be included in the building construction cost for the GUC project. She also noted that the charts for the proposed GPC project showed enrollments bifurcated between GPC and GUC.

After this discussion, Chair NeSmith called for a recess at approximately 11:40 a.m. The Committee readjusted at approximately 12:40 p.m.

Georgia State University

Chair NeSmith noted that GSU is an urban university but that it has reached out to Alpharetta. He asked how this plays into GSU's overall plans.

President Patton said that as an urban research university, GSU has a statewide mission and serves students from every county in the state. So, the Alpharetta campus actually replaced an aging facility that GSU had at the perimeter. This campus was used to provide courses in business and education, upper-division courses, as well as graduate programs and the part-time Master of Business

Administration. GSU also shares this facility with GPC. This facility serves the northern part of the metropolitan Atlanta area.

Chair NeSmith noted that GSU is buying a lot of property in downtown Atlanta. He asked how the Beaudry property fits into GSU's master plan.

President Patton responded that the Beaudry property had been purchased by the Georgia State University Foundation, Inc. to be used for student housing. GSU currently has 2,000 housing units purchased as a result of the 1996 Olympic Games, plus the 400 that were built at the University Lofts on campus. The Beaudry site will provide for another 2,000 units of student housing. He noted that GSU has tremendous backlogs of demand for the existing housing facilities.

Chair NeSmith asked when GSU last updated its master plan.

President Patton replied that GSU drafted its first master plan in 1995 and did a subsequent master plan for the Board of Regents in 1997, which was completed in 1999. Last year, he updated the Board on GSU's housing master plan, prior to moving forward with the Beaudry property. He said that the master plan is updated annual by GSU's consultants.

Regent Jolly noted that the proposed project would be built on the current site of Sparks Hall and asked how GSU will manage without that building in the interim.

President Patton responded that the idea is to move offices and classes out of Kell Hall and into the new science teaching laboratory. Then, offices and classes from Sparks Hall can be moved into Kell Hall. Once this facility is completed and opened for offices and classes, Kell Hall will be demolished. So, Kell Hall would serve as swing space while the humanities building is being built.

Regent Hunt asked whether Kell Hall was the building that was originally a parking deck.

President Patton responded that it was.

Kennesaw State University

Regent Leebern noted that applicants to the Nursing program were overwhelming, but the grade point average for admission is 3.3. He asked whether KSU had considered raising the minimum GPA for admission to the program.

President Siegel responded that KSU is consistently considering raising the GPA requirements on all programs. The need is so great, space is limited, and the ability to provide quality service must be to those who can best qualify for the professions that KSU serves.

Regent Coles asked President Siegel from where the \$10 million in private funding would come.

President Siegel said she believes that with the support of WellStar Health Systems, plus community support, there is a good base for outside donors.

Southern Polytechnic State University

Regent Wooten asked how many square feet the proposed project will replace in the two existing buildings.

President Rossbacher responded that the new project will replace 100,000 square feet with approximately 110,000 square feet.

Chair NeSmith said that he appreciated President Rossbacher's hard work with regard to the Life University property and that he was sorry the acquisition did not go through.

President Rossbacher replied that she appreciated all of the help the Board of Regents provided.

Chair NeSmith asked whether, considering SPSU is a special purpose university, it would be fair to say that it might be more reasonable to compare SPSU to a research university in terms of space per student.

President Rossbacher responded that it would be very reasonable, not only in terms of utilization of space, but also in terms of SPSU's needs for instructional equipment.

Chair NeSmith asked whether this proposal was for existing enrollment only, and President Rossbacher replied that it was.

Chair NeSmith observed that SPSU had received very little capital funding over the last five years. He asked about the \$2.5 million in minors funding that SPSU had received in fiscal year 2003.

President Rossbacher responded that it was for minor capital projects, which were primarily infrastructure upgrades to power lines and a small building for student competitive teams.

Chair NeSmith stated that the pictures of the existing facilities made the facilities look better than they actually are.

President Rossbacher thanked Chair NeSmith for his personal testimony. She said that SPSU has taken good care of its buildings.

Regent Coles asked whether SPSU has any projects currently on the major capital outlay list.

President Rossbacher responded that it does not.

Regent Coles asked when SPSU had its last major capital outlay project.

President Rossbacher replied that the last major capital project at SPSU was the architecture building, which was completed three years ago.

Regent Leebern added that it was funded in 1999 for \$11.6 million.

Valdosta State University

There were no comments or questions.

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After all of the presentations and discussions of the presentations were concluded, at approximately 1:35 p.m., Chair NeSmith called upon Ms. Daniels to discuss the voting process.

Ms. Daniels noted that it would take a few minutes for the staff to set up the laptops for voting. She distributed an alphabetical listing of all the proposed projects for the Regents to use at their discretion. She also reminded the Regents to be cognizant of the principles for capital outlay resource allocation as well as the strategic plan and goals of the University System of Georgia.

Chair NeSmith thanked the presidents who had presented their proposed projects at this meeting and encouraged them to come back to the Board if they did not make the current major capital outlay list. He then called for a brief break, which would give the staff time to prepare for the voting process.

After the break, at approximately 1:45 p.m., Chair NeSmith thanked the Regents for their consideration of all proposals in this process. The Regents then voted on the proposed projects.

At approximately 2:00 p.m., the Assistant Vice Chancellor for Facilities and Operations, V. Harold Gibson Jr., announced that in its regular Committee meeting, the staff would be asking the Committee on Real Estate and Facilities to approve a 6% escalation of the existing major capital outlay projects list as well as the list of projects approved at this meeting in rank order. The staff would also be asking the Committee to approve the allocation of major repair and renovations funds.

Ms. Daniels then presented to the Regents the results of their votes, which were as follows:

Institution	Project	State Funds	Cumulative Cost
Coastal Georgia Community College	Academic/Technology Building	\$18,800,000	\$383,471,800
Bainbridge College	Academic Building	\$16,000,000	\$399,471,800
Southern Polytechnic State University	Mathematics and Engineering Building	\$30,000,000	\$429,471,800
Georgia Perimeter College	Academic Facilities	\$36,000,000	\$465,471,800
Gwinnett University Center	Academic Building	\$24,500,000	\$489,971,800
Valdosta State University	Health Sciences and Business Administration Center	\$37,650,000	\$527,621,800

At approximately 2:05 p.m., Board Chair Joe Frank Harris adjourned the Regents into their regular Committee meetings.

CALL TO ORDER

The Board of Regents of the University System of Georgia met again on Wednesday, May 19, 2004, in the Board Room, room 7007, 270 Washington St., S.W., seventh floor. The Chair of the Board, Regent Joe Frank Harris, called the meeting to order at approximately 9:10 a.m. Present on Wednesday, in addition to Chair Harris, were Vice Chair Joel O. Wooten, Jr. and Regents Hugh A. Carter, Jr., Connie Cater, William H. Cleveland, Michael J. Coles, Julie Hunt, W. Mansfield Jennings, Jr., James R. Jolly, Donald M. Leebern, Jr., Elridge W. McMillan, Martin W. NeSmith, Patrick S. Pittard, Doreen Stiles Poitevint, Wanda Yancey Rodwell, J. Timothy Shelnut, Allan Vigil, and Glenn S. White.

INVOCATION

Before the invocation, Chancellor Meredith asked that the Regents observe a moment of silence in honor of late former President Ronald Reagan.

The invocation was given on Wednesday, June 9, 2004, by Regent James R. Jolly.

ATTENDANCE REPORT

The attendance report was read on Wednesday, June 9, 2004, by Secretary Gail S. Weber, who announced that all Regents were present on both days.

APPROVAL OF MINUTES

Motion properly made and duly seconded, the minutes of the Board of Regents meeting held on May 18 and 19, 2004, and the special meeting held on May 25, 2004, were unanimously approved as distributed.

TRIBUTE TO FORMER REGENT HILTON H. HOWELL, JR.

Chair Harris invited Vice Chair Wooten and Chancellor Meredith to join him at the podium for a special tribute to former Regent Hilton H. Howell, Jr. Chair Harris noted that he had served as Vice Chair of the Board during Regent Howell's Chairmanship during fiscal year 2002. He thanked Regent Howell for his leadership and his personal friendship. Regent Howell served as an at-large Regent from 1997 to 2004. He also chaired the Committee that brought Chancellor Meredith to the University System of Georgia in 2002. Chair Harris said that Regent Howell was a Georgia "transplant" from Texas, where he grew up and was educated, but now he is a full Georgian. Regent Howell was a devoted, hard-working, effective, and generous Regent. Chair Harris thanked Regent Howell for his great service to the Board, the University System, and the State of Georgia. As a token of the Board's appreciation for this service, Chair Harris presented to Regent Howell a Brumby rocking chair.

Former Regent Howell said that he is a Georgian by choice. He noted that while he chaired the Committee that brought Chancellor Meredith to the University System of Georgia, it was the Board of Regents acting unanimously that brought him here. He commended Chair Harris for his leadership in the last two years and said it was a great honor for him to have served along the former Governor. In closing, he said that it is the relationships on the Board that he misses the most and said that if there was ever anything he could do for the Regents, all they need do is ask.

COMMITTEE ON REAL ESTATE AND FACILITIES, "COMMITTEE OF THE WHOLE"

Chair Harris next convened the Committee on Real Estate and Facilities as a Committee of the Whole and turned the Chairmanship of the meeting over to Regent NeSmith, the Chair of the Committee.

Chair NeSmith called upon the Vice Chancellor for Facilities, Linda M. Daniels, to introduce a presentation on the Medical College of Georgia ("MCG").

Ms. Daniels noted that in the capital planning process, the staff reviewed the five-year facilities plans for all 34 System institutions. The project to be presented at this meeting came to the attention

of the staff through this process. This is an extraordinary project, and as the staff were reviewing it, they felt it needed to come to the full Board for further consideration and direction. Ms. Daniels then called upon President Daniel W. Rahn of MCG to make the presentation.

President Rahn thanked Ms. Daniels and the Regents for this opportunity to speak. He introduced the Dean of the School of Dentistry, Connie L. Drisko, and Provost Barry D. Goldstein, as well as representatives from Brookwood Design Group, LLC, who have been assisting MCG in facilities planning. At this meeting, President Rahn would be discussing an issue affecting MCG's planning for the future with regard to dental education in Georgia. He explained that on a national level, dental education is not keeping up with demand for oral healthcare. The dentist-to-population ratio has been declining at a regular rate, and there is a projection of significant deficits of practicing dentists by the year 2020. The current ratio of dentists to total population as generated by the American Dental Association is 54.3:100,000. This is a little less than half the ratio of physicians to total population. In Georgia, the ratio is 41.4:100,000. So, Georgia is presently significantly below the national average. In addition, there is a worse gap in minority professionals in dentistry than there is in medicine with both African- and Latin-Americans being significantly underrepresented. The shortage is not only an issue with regard to general dentistry, but also with regard to specialists, which is not keeping up with demand for services, particularly in underserved populations. In addition to these issues, there are also distribution inequities so that within adequately served populations, there are also embedded underserved populations.

President Rahn reported that there are fewer dental schools nationally than there are medical schools. There are 126 medical schools, but only 56 dental schools. MCG has the only dental school in Georgia, and South Carolina, North Carolina, and Alabama each have only one dental school. Most dental schools are public. Many private institutions, like Emory University, have gotten out of the dental education business because dental education is extraordinarily expensive. Over the past four years, Georgia has issued an average of 180 new dental licenses per year. MCG has been positioned to produce a little less than one-third of these. MCG graduates only 56 dentists per year. In 2003, the American Dental Education Association performed a survey that resulted in an estimate of a shortage of general dentists in Georgia of 232. The number of underserved patients is estimated to be one-tenth of the population. There are 105 designated health professional shortage areas for dentistry in the State of Georgia, with 20 counties having no practicing dentists. There are only five states in the United States that have more health professional shortage areas for dentistry than Georgia does right now. There is a shortage of specialists nationally and in Georgia, particularly for the treatment of patients on public programs. During the 1990s, Georgia's dentist-to-population ratio decreased by 5.5%, which constitutes the sixth largest decline among all states. MCG as an institution has been positioned to graduate 56 dentists per year during a time when the population has increased substantially. In response to this, MCG has increased its entering class to 62 students this year, which is the absolute maximum that it can currently educate. MCG only accepts applicants from Georgia in the School of Dentistry, and it only accepts 14 to 16 new students into graduate dental education programs. There are 32 residents in the dental specialties all together. When

Emory University's dental school closed in 1988, the production of dentists within the State of Georgia decreased by 60% to 70%. Since 1973, MCG has graduated approximately 1,600 dentists, 83% of whom have remained in the state to practice. In 2002-2003, 88 Georgia residents enrolled in dental schools somewhere in the United States; 57 of them enrolled at MCG. This year, the number of applicants increased dramatically. There were 119 applicants that the School of Dentistry felt met the criteria for admission; however, the school was only able to accommodate 62 students. Only one state, Utah, has successfully outsourced its dental education through a contractual relationship with other states.

In order to address some of these concerns, President Rahn convened a task force to advise MCG on the future of dental education in the State of Georgia. He asked former Deputy to the Senior Vice Chancellors, Margaret Taylor, to chair that task force, which was comprised of representation statewide from the Department of Community Health, Department of Human Resources, the Georgia Dental Association, and MCG. He asked for advice on what MCG should do to position itself to meet the future oral health educational needs for the State of Georgia. The task force made 28 recommendations in its final report, which was completed in June 2003. These recommendations have been serving as guidance for Dr. Drisko in her capacity as Dean of the School of Dentistry. Two of the recommendations pertained to class size. The recommendations were that MCG needed to maintain a position to produce at a minimum one-third of the new dentists needed for the state. Another was that MCG needed to double the size of its residencies. In order to do this, MCG needs to be able to educate more than 70 dentists a year. Dental hygiene was also included in the task force's report, because it is an important allied health specialty. The report recommended doubling the size of the dental hygiene residencies to about 64 students. In responding to these recommendations, MCG had to consider a variety of capacity issues, particularly facilities capacity.

The School of Dentistry building was built in 1970, stated President Rahn. It is a 204,000-square-foot facility that has had only minor renovations over the past 34 years. The building itself is valued at approximately \$14.5 million. It is structurally sound and is in good condition. It could withstand another two floors above it. However, it is not easily renovated because of its age. The design is effectively out of date with today's dental education teaching methods. It is too small to accommodate growing enrollment. MCG needs 260,000 square feet of space to educate the current enrollments of dental students. To expand class size, MCG needs to go a minimum of 300,000 square feet to support instruction, clinical instruction and practice, research, and administrative space. The clinical equipment is also approaching obsolescence. The primary bedside site for dental education, of course, is the dental chair, the operatory. MCG's operatories are about 15 years old on average, and all of them need to be replaced. Moreover, much of the equipment is no longer serviceable. MCG is looking at a required expenditure of \$15 million for new equipment no matter what. The issue is that new equipment will not fit in the existing spaces because of fiber optics, bedside computer screens, and the other components of modern dental practice that were not part of dentistry in 1970. There are also issues of access and hazardous materials removal, if MCG should renovate the existing facility.

Clinical education is the last two years of dental school, and the primary site where it occurs is an operatory. President Rahn said that MCG's operatories are 64 square feet with an aisle width of 4 feet. To accommodate those with disabilities, MCG needs an aisle width of 5 feet, which it does not have. To accommodate new replacement equipment, MCG needs 100 square feet per operatory. These types of issues will require renovations, which become extremely expensive and strategically difficult to accomplish while continuing to provide the education and clinical services. The dental classrooms are outdated. There is only one classroom that has distance-learning capabilities. Simulation is a key component of dental education, and MCG's simulation facility is likewise significantly outmoded. President Rahn said that the School of Medicine is currently being renovated in blocks of 8,000 square feet at a time at a cost of approximately \$300 per square foot. The same thing needs to be done in the School of Dentistry. He stressed that it is extraordinarily expensive to renovate outdated laboratory space. So, to meet the need for practicing dental health professionals in the state in reasonable fashion, MCG must increase its class size. In order to do so, the college must deal with this facilities predicament.

MCG has only three options, explained President Rahn. Two of these options involve renovation of the existing space. MCG can renovate the existing space section by section as it is doing with the School of Medicine. However, if MCG wants to avoid shrinking the size of the class, it must also build new space. Another option is to construct a free-standing clinical facility. This is an option that a number of dental schools around the nation are choosing. Since it is the outmoded clinical facility that is the problem for many dental schools, it is sometimes easier to construct a new clinical facility for clinical education, resident practice, and faculty practice and then come back and adapt the existing facility to meet didactic and research activity needs. The final option is construct an all new facility, capturing the residual value of the existing building at \$14.5 million and then adapting it for other uses on the campus that would be less expensive. MCG has need for faculty office space as well as student services space. To simply bring the current building into modern functionality without expansion has been estimated to cost \$77 million. If that is all MCG were to do, however, because of the need for more space for clinical education, it would have to reduce class sizes of dental students to approximately 40 students per year and dental hygiene students to approximately 20, as well as shrinking the number of residencies. President Rahn said this is not an acceptable alternative, but that is the minimum that must be done over the course of the next three to four years.

The other options are to maintain the current class size, which could involve expanding the present facility and building a new facility or building a new clinic. In order to accommodate a class size of 60, MCG needs about 260,000 square feet. If it renovates the existing facility, adding one to two floors above it, it would take about six years and cost approximately \$104 million. It would take that long because the new space would have to be constructed first so that the original space could be vacated and renovated. The other issue with this building is that there is inadequate vacuum capacity to run current generation high-speed dental drills. There are no new electrical circuits in the building, and it cannot accommodate fiber optics. So, this building would require a full overhaul. In order to

accommodate a class size of 70, it would take about the same amount of time to renovate and expand the building, and it would cost approximately \$122 million. The least expensive option, said President Rahn, is to build an all new facility. His recommendation is to increase class size to 70, build a new facility, and then adapt the existing facility for other space needs. By recapturing the cost of the existing facility, the net cost of building a new facility would be approximately \$100 million over four years. The most expensive approach would be to build a new clinical facility and then renovate the existing facility for academic and research purposes, which would cost approximately \$132 million. He said the best choice appears to be either to build a new facility or to build on top of the existing facility and then come back with a series of individual projects to renovate the existing space.

Regent Shelnut asked President Rahn whether he had looked at other dental facilities in terms of new construction and equipment.

President Rahn responded that he had. The institutions that are actively engaged in projects right now are the Medical University of South Carolina, University of Maryland, University of Pennsylvania, University of Colorado, and Nova Southeastern University in Fort Lauderdale, Florida. These projects vary in size from 70,000 square feet at the University of Pennsylvania for a new clinical building to 366,000 square feet at the University of Maryland. The cost per square foot varies from \$200 to \$350. He noted that these cost estimates in part depend upon whether there is all new equipment. The MCG estimates include \$15 million for clinical equipment alone.

Regent Shelnut asked whether MCG has property upon which to build.

President Rahn responded that MCG has locations where it can build. One suitable location is one-eighth of a mile from the current location. This location would be suitable for either an all new facility or a new clinical facility.

Regent Pittard asked whether the MCG already owns this property, and President Rahn said that it does.

Regent Pittard asked why President Rahn was recommending a project that would only accommodate a class size of 70 instead of planning further ahead for Georgia's needs.

President Rahn responded that MCG has support from the Georgia Dental Association and the stakeholders around the state for maintaining an absolute minimum of one-third of the dentists needed. He would prefer that MCG be positioned to meet one-half of the need, but it is more costly.

Regent Pittard asked whether it is a criterion for admission that the student plans to practice in the State of Georgia.

President Rahn responded that MCG's School of Dentistry only accepts applicants from Georgia. It does consider their long-term plans, as well as whether they are in an underserved geographical location or ethnic group. He noted the school has increased the Latin- and African-American student population above the national mean. The school required this year in excess of a 3.5 grade point average and high test scores. Also, dentistry requires that the applicant have a high level of dexterity.

Regent Jolly said that the problem is that Georgia cannot get ahead of the curve. Four years from now, MCG may be asking to add on to the new dental facility because there is a greater demand. He said that considering the incremental costs and the obvious demand, it seemed MCG should try to move further ahead. If MCG is only producing one-third of Georgia's dental professionals needs, then Georgia has to import two-thirds of its dentists from elsewhere.

President Rahn responded that this problem will become more acute as the national shortage grows. MCG does not want to see qualified students leaving the State of Georgia, because there is solid evidence that people tend to relocate where they receive their terminal degrees. So, if MCG can keep the students in the state, there is a much greater likelihood they will stay to practice in the state. He noted that there is a very large economic development component as well. Every dentist employs six to eight people, so they are themselves a small business. He agreed that it would be advantageous to try to get ahead of the curve in this case.

Regent White thanked President Rahn for his informative and well researched presentation. He agreed that there was a need for dental professionals in the State of Georgia, but from a business perspective, he wondered whether there were any other sources of funding for this project to try to reduce the cost to the state. He also wondered whether there was a way to reduce the cost of the project. He pointed out that the Board was considering spending approximately \$100 million on a project that will probably need to be updated or redone in another 30 years because of advances in technology and ADA standards, etc. That averages out to \$3 million a year. He asked President Rahn how much more funding would be required for operations and instruction.

President Rahn replied that the total budget of the School of Dentistry is currently approximately \$17 million.

Regent White asked the Regents to consider how much cost this constitutes per student. He asked whether it would be better for Georgia to do what Utah is doing and outsource its dental education. Georgia could subsidize its dental education to get the graduates to come to Georgia after graduation.

President Rahn responded first to Regent White's first question regarding alternative sources of funding. He said that it is certainly possible through federal funding and private philanthropy, but he has not yet engaged in this process because he did not feel that he could until the Board had authorized him to do so. With regard to Regent White's concern whether the University System of Georgia should be in the dental education business, President Rahn said that the circumstance in Utah

is somewhat unique because of the draw of the Mormon Church. People leave the state but wish to come back for that reason. Other states have tried this and have not been able to maintain the appropriate numbers of dentists. Georgia is already ten dentists below the national mean. It is projected that the deficit is likely to worsen. The economic impact of adequate oral healthcare is something he said that he could not really quantify in terms of how much the System should spend annually to prepare dental professionals and the return on investment to the state, but he asserted that it is substantial.

Chair NeSmith noted this is just an information item. Because of the enormity of this project, it would not be able to go through regular channels. Additionally, processing this facilities request through the usual channels would result in the project's not being completed for eight to ten years. He said that this particular item would probably come back to the Board for a decision in a few months.

Regent Leebern said, "If you build it, they will come." If MCG has this facility to attract research in dentistry, it would demonstrate MCG's commitment to the field. So, the benefit of this facility would be substantial.

President Rahn remarked that MCG's total academic budget, exclusive of the health system, is in excess of \$500 million, but the state appropriation portion of that is only \$113 million. So, if MCG has the right kind of facility and is in fact able to attract the right kind of faculty, it will be shifting to more of the profile of premier dental schools. Currently, approximately 80% of the dental school's budget is from state appropriations plus tuition. At premier institutions, it is usually 50% or below. MCG must have the right kind of facility, however, to be able to accomplish this.

Regent Pittard agreed that Regent White had made a good point. He said he would be interested in the cost of production of one graduate. That would be an important figure for the Board to have in consideration of this matter. He also would like to know how long it would take that one graduate to pay back the cost of his/her education. If that happens to be in the three- to five-year period, then it may be a good investment. Rather than speaking in generalities, however, he would really like some hard figures.

President Rahn called upon Dr. Drisko to respond to this.

Dr. Drisko stated that currently, dentistry generates about \$1 million in economic impact because it is a very successful small business. The average income for a general dentist is approximately \$175,000 per year, but for a specialist, it may be \$275,000 or more. Also, each dentist employs about six to eight people. So, this is a substantial economic engine for the state. In response to Regent Leebern's comment, Dr. Drisko said that if MCG had 8,000 square feet of new research space, it could potentially recruit one faculty member who could bring in \$6 million every year in National Institutes of Health ("NIH") funding. MCG recently reported that every research dollar

generated is quadrupled. The data nationwide is that states that have had a horrible time attracting and retaining enough oral healthcare practitioners are now building new dental schools. These include Nevada, Arizona, and Florida. So, there are new schools being built to meet oral healthcare needs of the state, because outsourcing students and trying to bring them back has not worked. There is also significant information to show the association between oral health and general health. Dr. Drisko predicted that within the next five years, there will be enough intervention data to show that oral health in pregnant women alone will have an impact on healthcare in general. In other words, women who have poor oral health are six to eight times more likely to have pre-term, low birth weight babies. That is just one example of the importance of oral health to total health and total healthcare cost to the state.

Regent Shelnut commented that his primary concern is the economic impact to the state. He said that it sounds to him like dentistry has a \$40 million to \$50 million total economic impact to the state annually. He said that the Regents should take this into consideration as they continue to deliberate this matter.

President Rahn said there are 1,800 MCG dental school graduates in practice, of whom 83% are in the State of Georgia.

Regent Coles stated that if you look at the cost to admit 10 more students per year, the cost really dramatically drops from what it costs to educate the first 70 students. He suggested that MCG build a world-class dental school and even consider admitting 100 students per year, because if the costs continue to go down, then it makes a lot more sense, especially if MCG knows it will have a building that will last for 30 years.

Chair NeSmith reiterated that this item was being presented for informational purposes only. He remarked that one reason the Board is so receptive to this proposal is because of what President Rahn has been able to accomplish already at MCG. He thanked President Rahn for his good work. He said that it seemed to him that before the Regents can consider this proposal more seriously, it must have more information. He asked President Rahn to explore other areas of potential funding, such as the Dental Association or private donors.

Chancellor Meredith said this would not be uncommon. Other institutions explore those kinds of funding options before coming to the Board for its approval of public funding. He said that this project still needs to be developed.

Regent Pittard asked whether there is clinical income in the School of Dentistry,

President Rahn responded that there is.

Regent Pittard asked whether any of it could be privatized.

Chancellor Meredith replied that it is too soon to tell because more research must be done. He suggested that President Rahn explore the options further and return to the Board with more details at a later date.

President Rahn noted that MCG must make some decisions on how to proceed within the next three months because its obsolete equipment must be replaced.

Regent Wooten asked whether MCG had submitted any information to the University System Office staff so that they can start reviewing and vetting any of the potential proposals.

Ms. Daniels responded that the Office of Facilities has received significant information through the consultant from MCG. The importance of bringing it to the full Board as an information item is that this project has implications much broader than just facilities. Too often, facilities decisions come down to where the rubber meets the road. This project has implications in the areas of academic affairs and public policy. The Office of Facilities staff are reviewing the facilities elements of this project, but it is much larger than that.

Seeing that there were no further questions, Chair NeSmith thanked President Rahn and adjourned the meeting of the Committee on Real Estate and Facilities as a Committee of the Whole.

Chair Harris thanked Regent NeSmith for chairing the Committee of the Whole and then called for the Committee reports.

AUDIT COMMITTEE

The Audit Committee met on Wednesday, June 9, 2004, at 8:00 a.m. in the Sixth Floor Training Room, room 6041. Committee members in attendance were Chair Glenn S. White, Vice Chair Connie Cater, and Regents Julie Hunt, W. Mansfield Jennings, Jr., Martin W. NeSmith, Wanda Yancey Rodwell, and Joel O. Wooten, Jr. Regent Hugh A. Carter, Jr. and Chancellor Thomas C. Meredith were also in attendance. Chair White reported to the full Board on Wednesday that the Committee had reviewed one item, which did not require action. That item was as follows:

1. Information Item: Institutional Plans for Improving Audit Results

At the May 2004 Audit Committee meeting, the Associate Vice Chancellor for Internal Audit, Ronald B. Stark, presented the fiscal year 2003 audit ratings of the System institutions that are audited by the State Department of Audits and Accounts. The Committee requested that the presidents, chief business officers, and campus-based auditors from the institutions that received a Code 5 rating present their action plans to improve their audit results. (A Code 5 rating is the worst possible audit rating, indicating several significant observations or one or more major observations,

significant risk for noncompliance with regulations, and/or serious violation of laws, etc.) Therefore, at this meeting, representatives from Albany State University (“ALSU”) and Clayton College & State University (“CCSU”) presented their plans for improvement. (Representatives from Fort Valley State University will present their plans for improvement at the September 2004 meeting.)

President Portia H. Shields accepted full responsibility for the Code 5 audit rating of ALSU. She explained the extenuating circumstances of the audit and challenges that hindered the institution. She introduced the new Vice President for Fiscal Affairs, Stanley Williams, who had been hired from Morehouse College in May 2003. Mr. Williams discussed ALSU’s action plan to remedy this situation, including addressing personnel needs.

Chancellor Meredith noted that the poor audit rating at ALSU was an anomaly and asked President Shields to come back to the Committee with a status report in September.

President Thomas K. Harden also accepted full responsibility for the Code 5 rating of CCSU. He introduced the Vice President for Operations, Planning, and Budget, Patrick J. O’Hare, and the Executive Director of Budget and Finance, Bruce Spratt, who is now a direct report to the president. President Harden was also asked to update the Committee on this matter in September.

Regents NeSmith and White urged the institutions to cross-train their fiscal affairs staff.

COMMITTEE ON FINANCE AND BUSINESS OPERATIONS

The Committee on Finance and Business Operations met on Tuesday, June 8, 2004, at approximately 2:10 p.m. in the Board Room. Committee members in attendance were Chair Hugh A. Carter, Jr., Vice Chair Patrick S. Pittard, and Regents Connie Cater, Michael J. Coles, Julie Hunt, Donald M. Leebern, Jr., Martin W. NeSmith, J. Timothy Shelnut, and Glenn S. White. Chancellor Meredith was also in attendance for this meeting. Chair Carter reported to the Board on Wednesday that the Committee had reviewed seven items, six of which required action. Item 7 was a walk-on item. With motion properly made, seconded, and unanimously adopted, the Board approved and authorized the following:

1. Approval of Institutional Operating and Capital Budgets for Fiscal Year 2005

Approved: The Board approved the institutional operating and capital budgets for the University System of Georgia institutions and agencies. These budgets have been reviewed by fiscal affairs staff for compliance with Board of Regents policies and directives. They are on file with the Office of Fiscal Affairs.

Background: The approved fiscal year 2005 educational and general operating budget for the University System of Georgia is \$4.21 billion. This represents an increase of \$164 million, or 4%,

over fiscal year 2004. The Systemwide auxiliary enterprise budget, which includes housing, food services, intercollegiate athletics, bookstores, and shops, was approved at a level of \$383 million for fiscal year 2005, an increase of \$29 million over last year. The student activity budget, which supports educational, recreational, cultural, and social activities for students, was approved at \$83 million for fiscal year 2005. Finally, the approved fiscal year 2005 capital budget, funded through the use of auxiliary enterprise funds, interest income, institutional, and other funds, excluding bond funds, is \$89 million. This represents a decrease of \$8 million over last year's approved amount.

The fiscal year 2005 operating and capital budget recommendations were the culmination of a process that began in January 2004 with a review of institutional budget priorities and fee requests. The senior leadership group in the University System Office also held budget conferences with System institutions attended by presidents and senior staff. The Board of Regents approved allocation recommendations and tuition and mandatory fee increases in May 2004. These actions by the Board formed the basis for the institutional budgets presented at this meeting. In addition to budget requests' reflecting state appropriations and tuition revenues, each institutional budget included auxiliary enterprise funds, student activity funds, capital funds, and all other sources of revenue.

The staff provided a comprehensive picture of recommended institutional budgets. Their recommendations included a breakdown of budgets by fund source (i.e., educational and general, capital, auxiliary enterprises, and student activity) and a detailed description of educational and general budgets by revenue source and expenditure category (i.e., personal services, operating expenses, and equipment). The capital budget recommendation indicated sources of funds and types of projects. Capital projects that are supported by institutional funds will be subject to appropriate review as required by Board policy. The staff also included a table that shows the breakdown of the budget by functional category: instruction, research, public service, and academic, student, and institutional support.

2. Amendments to the Physician Practice Group Revenue Distribution Plan

Approved: The Board approved amendments to the Physicians Practice Group (the "PPG") revenue distribution plan to become effective July 1, 2004.

Background: The PPG is organized as a cooperative organization under Section 1907 of The Policy Manual of the Board of Regents. The faculty of the clinical departments of the Medical College of Georgia ("MCG") School of Medicine care for patients and perform other professional services for which fees are charged. The PPG is responsible for the collection and distribution of income generated by faculty from these fees to be used for the benefit of MCG.

In March 2001, the Board of Regents approved a revision to the PPG's 12-year-old revenue

distribution plan. In February 2002, a second phase to the revision was approved that provided a plan for faculty to share in the revenue from their clinical practices. The intent of the incentive was to encourage faculty to increase the number of clinical experiences available to students and to increase revenues for the hospital and clinics. Under this plan, faculty are eligible to receive incentive pay from the excess of their clinical revenues over expenses after all other expenses and obligations are met and the department in which the faculty member is employed has accrued adequate funds to cover at least four months projected expenses. The plan was developed on the basis of comparable plans at other academic medical centers where faculty clinical productivity is high.

MCG has benefited greatly from the creation of the PPG revenue distribution plan. It has been a key component for faculty recruitment through incentive payments, generating funding for faculty salaries and fringe benefits while providing funds for clinical department activities, the early retirement program, and student scholarships. None of the approved changes will adversely affect MCG but will enhance incentive aspects of this plan.

3. Corrections to Tuition and Fee Recommendations

Approved: The Board approved corrections to the tuition and mandatory fee recommendations approved at the May 2004 meeting. The original amounts and the approved corrections appear below.

Background: The following tuition and mandatory fee recommendations were incorrectly represented in the materials approved by the Board of Regents at its May 2004 meeting.

	<u>As Approved May 2004</u>	<u>Corrected Amount</u>
Georgia State University		
Study center facility fee	\$15/semester	\$35/semester
University of Georgia		
Master of Public Administration		
In-state tuition	\$2,326/semester	\$2,221/semester
Out-of-state tuition	\$9,221/semester	\$8,889/semester
Armstrong Atlantic State University		
Health fee	\$9/semester	\$11/semester

4. Acceptance of Gifts for Georgia Institute of Technology

Approved: The Board accepted on behalf of the Georgia Institute of Technology (“GIT”) gifts-in-kind from the following corporation:

<u>Company</u>	<u>Value</u>	<u>Items</u>	<u>Department</u>
Callard Research, LLC and	\$2,500,000	20 Licenses for Shareholder Value Frameworks software, Web site access, and support	School of Industrial Systems Engineering

Background: Board policy requires that any gift to a University System of Georgia institution with an initial value greater than \$100,000 must be accepted by the Board of Regents. Callard Research, LLC will donate annually for four additional years to the Tennenbaum Institute for Enterprise Transformation in the School of Industrial and Systems Engineering. GIT has advised that there are no material costs associated with the acceptance of any of these gifts.

5. Approval of Addition to The Policy Manual, Section 208 Compensation of Presidents

Approved as Modified: The Board approved this item as modified. Please note that the strike-through text represents deletions and the highlighted text represents additions.

Opposed: Regent Carter opposed the approval of this item.

The Board approved the addition of new policy 208 Compensation of Presidents to The Policy Manual. The new policy will require that salaries and fringe benefit expenses for all University System of Georgia presidents **and the Chancellor**, as approved by the Board of Regents, be funded exclusively from state appropriations, to become effective July 1, 2005.

~~**Further Recommended: That the Board require each System institution to pay the full salary and fringe benefit costs for their presidents, as approved by the Board of Regents, from allocated state funds.**~~

~~**Further Recommended: That the Chair of the Board of Regents request in writing that each institutional cooperative organization that contributed funds for the salary and fringe benefit of its institution's president provide those funds instead to the institution for educational and general purposes beginning in fiscal year 2005 and each year thereafter.**~~

~~**Background: Several presidents of institutions within the University System of Georgia receive their salaries as a combination of state appropriations and private funding from foundations affiliated with their institutions. This is not unique to Georgia but is a common and widespread practice in higher education. Although it is a practice that has enabled institutions to remain competitive in recruiting and retaining high-quality leadership, it also has raised questions and concerns about the role of cooperative organizations in the management of institutional affairs when the share of salary funds provided becomes**~~

~~significant. The collective initial cost to the System for this new policy will be approximately \$1.4 million. This cost will change over time as salaries increase. However, if foundations continue to contribute funds as requested, there will be no net cost to institutions.~~

The approved new policy addition is as follows:

Approved Policy

208 COMPENSATION OF PRESIDENTS

The salaries (and associated fringe benefits) for University System of Georgia presidents **and the Chancellor**, as approved annually by the Board of Regents, shall be paid exclusively from state appropriations allocated to each institution.

6. Information Item: Third Quarter Revenue and Expenditure Report, Fiscal Year 2004

The Vice Chancellor for Fiscal Affairs, William R. Bowes, presented to the Committee the third quarter financial report for the University System of Georgia for the period ending March 31, 2004, which is on file with the Office of Fiscal Affairs. The report includes tables that compare actual and budgeted revenues and expenditures through March 31, 2004, for educational and general funds, auxiliary enterprise funds, and student activity funds.

7. Approval of Acquisition of Fiber Resources for PeachNet

Approved: The Board approved the acquisition through leasing of fiber resources for PeachNet.

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

Background: At the January 2003 Board meeting, the Committee on Information and Instructional Technology heard a presentation by Georgia Institute of Technology's ("GIT") Chief Technology Officer, Ronald R. Hutchins, and Chief Information Officer, John K. Mullin, on the National Light Rail ("NLR") advanced optical networking project. The presentation highlighted the fact that the decline in the telecommunications market has provided an opportunity for educational institutions to acquire fiber resources through purchasing or leasing. Successful acquisitions of fiber assets have been occurring in pockets around the country in areas such as California, Ohio, Oregon, the Washington D.C. area, and other locations. The NLR initiative is in the process of connecting these areas to form a national high-speed research and education network that is owned and managed by the research and education communities.

In Georgia, similar attempts have been underway to locate "dark fiber" resources (fiber that is installed but not in use, or "lit") for support of the PeachNet network that can be leased directly

rather than continuing the model of dependence on telecommunications services from commercial providers “lit” to their specifications that do not successfully address the needs of education and advanced research. Having control of this fiber will provide the University System with the ability to control the supply of bandwidth both for long-distance and local circuits; separate advanced services like research, voice, and video onto their own physically secure networks; protect the University System’s investment from market forces that will increase the cost of commercial services; and create separate networks of sufficient speed and quality for connection of System institutions to the NLR.

The Senior Vice Chancellor for Academics and Fiscal Affairs, Daniel S. Papp, and the Assistant Vice Chancellor Information Technology, Thomas L. Maier, provided details of the proposed leasing agreement, including the cost and the scope of services for University System institutions.

COMMITTEE ON REAL ESTATE AND FACILITIES

The Committee on Real Estate and Facilities met as a Committee of the Whole on Tuesday, June 8, 2004, to listen to and vote on capital budget proposals by University System of Georgia presidents. (See pages 1 to 12.) The Committee next met in its regular session later that day at approximately 3:00 p.m. in the Board Room. Committee members in attendance at this meeting were Chair Martin W. NeSmith, Vice Chair J. Timothy Shelnut, and Regents Hugh A. Carter, Jr., Connie Cater, Michael J. Coles, Julie Hunt, Donald M. Leebern, Jr., Patrick S. Pittard, and Glenn S. White. Chancellor Meredith was also in attendance at this meeting. The Committee met again as a Committee of the Whole on Wednesday, June 9, 2004, to hear an informational presentation on a special project at the Medical College of Georgia. (See pages 15 to 22.)

During the approval of Committee reports on Wednesday, Chair NeSmith recognized Ms. Judy Wilder, Contracts and Budget Manager, who would be retiring from the University System Office on June 30, 2004, with 40 years of service. He also thanked the presidents and Office of Facilities staff who had worked hard on the major capital projects presentations, including the Vice Chancellor for Facilities, Linda M. Daniels; the Assistant Vice Chancellor for Facilities (Real Property and Administration), Peter J. Hickey; the Assistant Vice Chancellor for Facilities and Operations, V. Harold Gibson Jr.; and Program Manager Jeannie Wright. He remarked that all of the major capital projects proposed were very strong contenders, and the Regents used a set of nine principles to help them make their decisions. However, Regent NeSmith said that he and staff feel that those principles may need to be updated in light of privatization before the major capital projects are considered next year. He then reported to the Board that the Committee had reviewed three items, two of which required action. With motion properly made, seconded, and unanimously adopted, the Board approved and authorized the following:

1. Approval of Major Capital Projects List

Approved: The Board adopted the rank order of projects 17 to 22 for a cumulative cost of \$162,950,000 and added these projects to the fiscal year 2005-2010 five-year rolling capital outlay list, as presented below:

Institution	Project	State Funds	Cumulative Cost
Coastal Georgia Community College	Academic/Technology Building	\$18,800,000	\$383,471,800
Bainbridge College	Academic Building	\$16,000,000	\$399,471,800
Southern Polytechnic State University	Mathematics and Engineering Building	\$30,000,000	\$429,471,800
Georgia Perimeter College	Academic Facilities	\$36,000,000	\$465,471,800
Gwinnett University Center	Academic Building	\$24,500,000	\$489,971,800
Valdosta State University	Health Sciences and Business Administration Center	\$37,650,000	\$527,621,800

Modified: The Committee modified its agenda to approve a 6% escalation factor to projects 1 through 16 on the fiscal year 2005-2010 five-year rolling capital outlay list.

Altogether, ten major capital outlay projects were presented for consideration and placement on the major capital outlay projects priority list. For further information on these items, see pages 1 to 12, “Committee on Real Estate and Facilities, ‘Committee of the Whole.’”

2. Approval of Major Repair and Renovation Funds

Approved: The Board authorized distribution of major repair and renovation (“MRR”) funds in accordance with staff recommendations.

Understandings: MRR bond funds in the amount of \$55 million are in the fiscal year 2005 budget and will be available after the appropriate bond sale takes place.

The University System Office facilities staff reviewed proposed projects from each institution for priority and cost. Their recommendations generally follow institutional priorities; however, all must meet the test of efficiency, effectiveness, and return on investment. Guidelines are used to screen institution-requested projects for MRR funding.

MRR funds are not used for new construction nor land acquisition. Only when there are bona fide critical conditions in an auxiliary facility, such as a dormitory or dining hall, and the campus's own auxiliary reserves will not cover the need, will auxiliary projects be considered for MRR funding.

Institutions are expected to perform adequate annual maintenance. MRR funding is intended to cover nonroutine larger expenditure items. It is intended to be used for building systems and building integrity purposes before other uses; for example, roofs and mechanical/electrical systems take priority over programmatic renovations. MRR priorities are focused on building envelopes, systems, and utility infrastructure to reduce building outages due to failures.

3. Information Item: Special Project, Medical College of Georgia School of Dentistry

President Daniel W. Rahn of the Medical College of Georgia ("MCG") presented information concerning a special project proposed for the MCG School of Dentistry. This item was addressed by the Committee on Real Estate and Facilities as a Committee of the Whole on Wednesday, June 9, 2004. (See pages 15 to 22.)

COMMITTEE ON ACADEMIC AFFAIRS

The Committee on Academic Affairs met on Tuesday, June 8, 2004, at 2:15 p.m. in room 6041, the Training Room. Committee members in attendance were Chair William H. Cleveland, Vice Chair Wanda Yancey Rodwell, and Regents W. Mansfield Jennings, Jr., James R. Jolly, Elridge W. McMillan, Doreen Stiles Poitevint, Allan Vigil, and Joel O. Wooten, Jr. Chair Cleveland reported to the Board that the Committee had reviewed 12 items, 11 of which required action. Item 12 was a walk-on item. Additionally, 384 regular faculty appointments were reviewed and recommended for approval as part of Item 5. With motion properly made, seconded, and unanimously adopted, the Board approved and authorized the following:

1. Revision of The Policy Manual, Section 704.041 Out-of-State Tuition Waivers

Approved: The Board of Regents approved the recommendation to revise The Policy Manual, Section 704.041 Out-of-State Tuition Waivers (subsection Q) to extend out-of-state tuition waivers to military personnel who decide to establish residency in the State of Georgia upon separation from active-duty service with one of the branches of the armed forces of the United States, effective June 9, 2004.

Rationale: This policy change extends the current policy for military personnel who separate from active duty and enroll in a program for teacher certification to military personnel enrolling in any academic (i.e., credit-bearing) program available at any institution of the University System of Georgia.

There are two reasons for implementing this change. First, because of the State of Georgia's effort to minimize the impact of federal Base Realignment and Closure ("BRAC") undertakings in Georgia, the University System of Georgia has made a special effort to be educationally favorable to the military. Second, the System recognizes the mutual benefits to the economic and educational well-being of the state and to military personnel of having both active-duty military and separated military reside in Georgia for the purposes of pursuing higher education. This change in Section 704.041 of The Policy Manual seeks to encourage individuals with demonstrated competencies to take up residence in Georgia.

Approved revisions are as follows. The full policy is presented here; however, the only change is in subsection Q. Please note that the strike-through texts represent deletions from the previous version and highlighted texts represent additions.

704.04 OUT-OF-STATE TUITION WAIVERS AND WAIVER OF MANDATORY FEES

704.041 OUT-OF-STATE TUITION WAIVERS

An institution may waive out-of-state tuition and assess in-state tuition for:

- A. Academic Common Market. Students selected to participate in a program offered through the Academic Common Market.
- B. International and Superior Out-of-State Students. International students and superior out-of-state students selected by the institutional president or an authorized representative, provided that the number of such waivers in effect does not exceed 2% of the equivalent full-time students enrolled at the institution in the fall term immediately preceding the term for which the out-of-state tuition is to be waived.
- C. University System Employees and Dependents. Full-time employees of the University System, their spouses, and their dependent children.
- D. Medical/Dental Students and Interns. Medical and dental residents and medical and dental interns at the Medical College of Georgia (BR Minutes, 1986-87, p. 340).
- E. Full-Time School Employees. Full-time employees in the public schools of Georgia or of the Department of Technical and Adult Education, their spouses, and their dependent children. Teachers employed full-time on military bases in Georgia shall also qualify for this waiver (BR Minutes, 1988-89, p. 43).

- F. Career Consular Officials. Career consular officers, their spouses, and their dependent children who are citizens of the foreign nation that their consular office represents and who are stationed and living in Georgia under orders of their respective governments.
- G. Military Personnel. Military personnel, their spouses, and their dependent children stationed in or assigned to Georgia and on active duty. The waiver can be retained by the military personnel, their spouses, and their dependent children if the military sponsor is reassigned outside of Georgia, as long as the student(s) remain(s) continuously enrolled and the military sponsor remains on active military status (BR Minutes, February 2004).
- H. Research University Graduate Students. Graduate students attending the University of Georgia, the Georgia Institute of Technology, Georgia State University, and the Medical College of Georgia, which shall be authorized to waive the out-of-state tuition differential for a limited number of graduate students each year, with the understanding that the number of students at each of these institutions to whom such waivers are granted shall not exceed the number assigned below at any one point in time:

University of Georgia	80
Georgia Institute of Technology	60
Georgia State University	80
Medical College of Georgia	20

- I. Border County Residents. Residents of an out-of-state county bordering a Georgia county in which the reporting institution or a Board-approved external center of the University System is located.
- J. National Guard Members. Full-time members of the Georgia National Guard, their spouses, and their dependent children. (BR Minutes, April, 1998, pp. 16-17).
- K. Students enrolled in University System institutions as part of Competitive Economic Development Projects. Students who are certified by the Commissioner of the Georgia Department of Industry, Trade & Tourism as being part of a competitive economic development project.
- L. Students in Georgia-Based Corporations. Students who are employees of Georgia based corporations or organizations that have contracted with the Board of Regents through University System institutions to provide out-of-state tuition differential waivers.
- M. Students in Pilot Programs. Students enrolled in special pilot programs approved by the

Chancellor. The Chancellor shall evaluate institutional requests for such programs in light of good public policy and the best interests of students. If a pilot program is successful, the tuition program shall be presented to the Board for consideration.

- N. Students in ICAPP[®] Advantage programs. Any student participating in an ICAPP[®] Advantage program.
- O. Direct Exchange Program Students. Any international student who enrolls in a University System institution as a participant in a direct exchange program that provides reciprocal benefits to University System students.
- P. Families Moving to Georgia. A dependent student who, as of the first day of term of enrollment, can provide documentationsupporting that his or her supporting parent or court-appointed guardian has accepted full-time, self-sustaining employment and established domicile in the State of Georgia for reasons other than gaining the benefit of favorable tuition rates may qualify immediately for an out of state tuition differential waiver which will expire 12 months from the date the waiver was granted. An affected student may petition for residency status according to established procedures at the institution.
- Q. Recently Separated Military Service Personnel. Members of a uniformed military service of the United States who, within 12 months of separation from such service, enroll in **an academic program for teacher certification** and demonstrate an intent to become a permanent resident of Georgia. This waiver may be granted for not more than one year.

2. Establishment of the Doctor of Physical Therapy, Medical College of Georgia

Approved: The Board approved the request of President Daniel W. Rahn that the Medical College of Georgia (“MCG”) be authorized to establish the Doctor of Physical Therapy (“D.P.T.”), effective June 9, 2004.

Abstract: MCG proposed the establishment of the D.P.T. degree to meet the healthcare needs of Georgians and to enhance the current Master of Physical Therapy (“M.P.T.”) degree with a clinical doctorate in the discipline. This degree advancement is consistent with external benchmarks within the profession. MCG considers the upgrade of the existing M.P.T. to a D.P.T. an opportunity to remain competitive to recruit students and enhance the overall quality of healthcare practitioners for the State of Georgia. (See Item 8.)

Need: MCG proposed to convert the M.P.T. to a D.P.T. for the following reasons: 1) the transition is the result of a comprehensive assessment of the existing M.P.T. program as compared to current and future expectations and preferences for practice; 2) the transition is warranted based on the breadth, depth, and rigor associated with educational preparation; and 3) the realization of the

profession's goals, including direct access, physician status for reimbursement purposes, and clinical competence, are consistent with the preferred outcomes of evidence-based practice. The American Physical Therapy Association projects that in the next three to five years a minimum of 174 out of 213 (82%) accredited programs will be offered at the D.P.T. level.

Objectives: The D.P.T.'s primary objective is to provide the theoretical and technical knowledge, reflective and practical knowledge, and competencies to prepare a practitioner able to respond to the complexities of current practice.

Curriculum: The length of the accredited first professional D.P.T. program has been extended beyond the traditional two-year master's program. Specific augmented content areas include differential diagnosis, pharmacology, radiology/imaging, histology, and health promotion.

Projected Enrollment: The number of students will be similar to those that MCG has had over the past three years and will continue at approximately 36 students per cohort.

Funding: The program will build upon and reconfigure existing courses that are currently offered by the institution in addition to establishing new courses. President Rahn has provided reverification that funding for the program is available at the institution.

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

3. Establishment of the Existing Master of Education With a Major in Adult Education as an External Degree via Distance Education Delivery, University of Georgia

Approved: The Board approved the request of President Michael F. Adams that the University of Georgia ("UGA") be authorized to offer the existing Master of Education ("M.Ed.") with a major in Adult Education as an external degree via distance education delivery, effective June 9, 2004.

Abstract: UGA sought to offer the existing M.Ed. with a major in Adult Education as an external degree via distance education delivery in order to be in compliance with Southern Association of Colleges and Schools ("SACS") requirements and to have its program listed with the Electronic Campus of the Southern Regional Education Board ("SREB"). The delivery mode of the program will be computer-based Internet instruction using a WebCT platform. The program initially began providing a few courses online but eventually offered more than 50% of the curriculum at a distance over a two-year period.

Need: Generally, students in the Department of Adult Education at UGA are working adults, and distance education is well suited for those students unable to attend traditionally delivered classes due to job demands, location, or family responsibilities. Having the capacity to offer an M.Ed. through distance education will enable the department to meet student needs and provide another marketing advantage to attract potential students.

Objectives: The implementation of a distance education M.Ed. program enhances UGA's commitment to professional education and instructional quality and effectiveness. Through this program, the institution is better able to maximize its commitment by reaching larger numbers of students in areas otherwise underserved by the university.

Curriculum: The program was designed for students whose career objectives require teaching or administrative preparation in such areas as adult education, cooperative extension, and continuing education. The curriculum includes courses in adult learning and instruction, program development, and the social context of adult education.

Projected Enrollment: In order to preserve the quality of instruction, UGA will limit enrollments to cohorts of 20 students per year of programmatic instruction.

Funding: The program builds upon existing courses that are currently offered by the institution. President Adams has provided reverification that funding for the program is available at the institution.

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

4. Establishment of the Bachelor of Science in Computational Media, Georgia Institute of Technology

Approved: The Board approved the request of President G. Wayne Clough that the Georgia Institute of Technology ("GIT") be authorized to establish a Bachelor of Science ("B.S.") in Computational Media, effective June 9, 2004.

Abstract: GIT sought to offer the B.S. in Computational Media degree to be offered jointly by the College of Computing and School of Literature, Communication, and Culture in the Ivan Allen College of Liberal Arts. The goal of the program is to give students a thorough education in several aspects of computing, including technical, historical, critical, and applied. Graduates of the program will combine applied and theoretical knowledge of computing with an understanding of visual design and the history of media. Student outcomes associated with the program include the ability to plan, create, and critique new digital media forms for entertainment, education, and business

communication.

Need: Students graduating from this program might find job opportunities in such areas as interactive games design, film and digital special effects, and cultural and product-based program design. The combined resources of the Ivan Allen College of Liberal Arts and research programs in graphics and visualization are projected to enhance student demand for the program.

Objectives: The B.S. in Computational Media, an interdisciplinary program that combines computer science with media studies and design, enables graduates to 1) design digital artifacts (e.g., Web sites, multimedia presentations, and nontraditional applications), 2) understand and apply the principles of computing and emerging technologies, and 3) understand and analyze the historical and cultural forces that converge to form new digital media.

Curriculum: The 120-semester-hour degree incorporates coursework in media theory, production, and computing. Three tracks will be offered: 1) narrative and interaction design, 2) performance and interactive experiences, and 3) film and digital special effects.

Projected Enrollment: The institution anticipates enrollments of 50, 75, and 95 during the first three years of the program.

Funding: The program builds upon existing courses that are currently offered by the institution in addition to establishing new courses. President Clough has provided reverification that funding for the program is available at the institution.

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

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

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

6. Revised Institutional Statutes, Waycross College

Approved: The Board approved the request of President Barbara P. Losty that Waycross College ("WC") be authorized to revise its institutional statutes, effective June 9, 2004.

Abstract: WC sought approval to revise its institutional statutes. The revision of the statutes reflects a thorough review and brings the statutes into line with present Board of Regents policies and procedures. The statute revisions were necessitated by organizational changes involving the offices of student life, admissions, financial aid, and student records. The amendments provide clarification on the officers of administration, college governance, and faculty membership.

The general faculty of WC approved these changes. The changes were also reviewed by the Office of Legal Affairs and found to be consistent with the current organization and administrative processes at WC. The revised statutes will be on file in the Office of Academic Affairs of the Board of Regents.

7. Revised Institutional Statutes, Georgia College & State University

Approved: The Board approved the request of President Dorothy Leland that Georgia College & State University (“GCSU”) be authorized to revise its institutional statutes, effective June 9, 2004.

Abstract: GCSU sought approval to revise its institutional statutes. The revision of the statutes reflects a thorough review and brings the statutes into line with present Board of Regents policies and procedures. The amendments are a result of the newly formed university senate and processes associated with faculty organization.

The general faculty of GCSU approved these changes. The changes were also reviewed by the Office of Legal Affairs and found to be consistent with the current organization and administrative processes at GCSU. The revised statutes will be on file in the Office of Academic Affairs of the Board of Regents.

8. Termination of the Master of Physical Therapy, Medical College of Georgia

Withdrawn: This item was withdrawn from the agenda at the request of President Daniel W. Rahn.

Recommended: That the Board approve the request of President Daniel W. Rahn that the Medical College of Georgia (“MCG”) be authorized to terminate the Master of Physical Therapy (“M.P.T.”) degree, effective June 9, 2004.

Abstract: MCG seeks approval to terminate its existing M.P.T. degree contingent upon the establishment of the Doctor of Physical Therapy (“D.P.T.”). (See Item 2.) MCG has developed plans to transition current students into the clinical doctorate program. Termination of the M.P.T. is consistent with the institution’s long-range planning. Students and faculty will not be adversely impacted by this degree termination.

9. Termination of Specific Degrees and Majors, Valdosta State University

Approved: The Board approved the request of President Ronald M. Zaccari that Valdosta State University (“VSU”) be authorized to terminate specific degrees and majors, effective June 9, 2004.

Abstract: VSU sought to terminate the Associate of Applied Science in Air Traffic Control, the Bachelor of Business Administration with a major in Management Information Systems, and the Bachelor of Arts with a major in Economics. Upon reviewing and updating its institutional degree listing, VSU found that these majors and degrees were no longer offered at the institution but were not formally requested for termination. The programs have ceased active enrollments and graduates for several years. Termination of these specific degrees and majors will not have an adverse impact on students or faculty.

10. Establishment of the Assistant to the President Position, Fort Valley State University

Approved: The Board approved the request of President Kofi Lomotey that Fort Valley State University (“FVSU”) be authorized to establish the position of Assistant to the President in addition to the current organizational structure, effective June 9, 2004.

Abstract: The position of Assistant to the President is essential to provide support for the president in advancing a positive image of the university, with particular attention to public events and external constituents, but also including campus functions and internal constituents. The selected individual will be responsible for 1) serving as the university’s liaison with the Board of Regents with regard to compliance with Board policies, 2) serving as the university’s custodian of records with respect to the Georgia Open Records Act, 3) undertaking special projects of strategic importance to the university, 4) monitoring important internal and external relationships and tracking vital public policy issues, 5) monitoring and facilitating policy implementation, 6) serving as the point of contact for university community concerns, 7) coordinating large public lecture series, 8) coordinating the new student orientations and the annual university retreat, and 9) performing other functions as necessary.

11. Information Item: Service Agreements

Pursuant to authority granted by the Board at its meeting on February 7 and 8, 1984, the presidents of the listed institutions have executed service agreements with the indicated agencies for the purposes and periods designated, with the institutions to receive payment as indicated:

University of Georgia

Georgia Brain and Spinal Injury Trust Provide actuarial services for five-year projections involving brain and spinal injury cases	2/15/04 – 3/15/04	\$5,000
Georgia Commodity Commission for Corn	7/1/03 –	\$7,500

Support travel to county extension grower meetings, field days, demonstration projects, problem-solving/field diagnostic trips, out-of-state meetings, and printing and supplies for grower support and field demonstrations	6/30/04	
Georgia Commodity Commission for Peaches (“GACCP”) Provide secretarial support for the officers of the Georgia Peach Council and GACCP Chairman	7/1/04 – 6/30/05	\$9,187
Georgia Commodity Commission for Peaches Survey and define extent of resistance of propiconazole in Georgia and to confirm cross-resistance in other fungicides	1/1/04 – 12/31/04	\$5,000
Georgia Department of Human Resources Obtain services of a qualified firm to perform equine surveillance for West Nile Virus	3/1/04 – 2/28/04	\$32,000
Georgia Department of Human Resources Help participants adopt healthy eating habits and active lifestyles consistent with dietary guidelines and the food guide pyramid in order to improve overall health and as the first step in prevention of childhood obesity	10/1/03 – 9/30/04	\$1,262,917
Georgia Department of Human Resources Provide nutrition education to increase consumption of fruits and vegetables, whole grains, and/or calcium-rich foods; to promote physical activity; and to improve food budgeting and food safety among low-income persons using senior nutrition centers	10/1/03 – 9/30/04	\$242,783
Georgia Emergency Management Agency Procure and use equipment to help the University of Georgia to prepare for and react to acts of terrorism	3/29/04 – 3/29/05	\$211,303
Georgia World Congress Center Authority Provide report containing data supporting economic impact of the World Congress Center in fiscal year 2003	7/1/03 – 6/30/04	\$6,500

Georgia Southern University

Professional Standards Commission Pay for services provided by a university faculty member to coordinate this program	3/01/04 – 8/31/04	\$14,758
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TOTAL AMOUNT – JUNE	\$ 1,796,948
TOTAL AMOUNT FY 2004 TO DATE	\$ 131,651,016
TOTAL AMOUNT FY 2003 TO JUNE	\$ 25,349,678
TOTAL AMOUNT FY 2003	\$ 25,349,678

12. Establishment of the Louise McBee Professorship in Higher Education, University of Georgia

Approved: The Board approved the request of President Michael F. Adams that the University of Georgia (“UGA”) be authorized to establish the Louise McBee Professorship in Higher Education, effective June 9, 2004.

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

Abstract: The Louise McBee Professorship in Higher Education will be housed within the Institute of Higher Education (the “Institute”), where Dr. McBee serves as Professor Emerita. Its purpose will be to add substantially to the quality and depth of the Institute faculty and to bring new perspectives to the study of higher education. The professorship is supported by an endowment of \$257,185.

Biographical Sketch: Louise McBee came to UGA in 1963. Dr. McBee served the university as Dean of Women, Associate Dean of Students, Dean of Students, Assistant Vice President for Instruction, Associate and Senior Associate Vice President for Academic Affairs, and Acting Vice President for Academic Affairs. Throughout her tenure at UGA, she won the high regard of students, faculty, and alumni for her openness, candor, honesty, and integrity, as well as her consummate skill as an administrator. As a Fulbright Scholar and as author or coauthor of four books, she also enjoys the approbation of the scholarly world. Dr. McBee retired in 1988 and was elected to the Georgia General Assembly in 1991. She now serves as Chair of the Higher Education Committee of the Georgia House of Representatives.

The holder of the Louise McBee Professorship in Higher Education will be a nationally distinguished scholar who will advance the multi-disciplinary character of the Institute. The scholar and full professor will teach Institute courses, direct and supervise advanced doctoral students in the study of higher education, and conduct research. In addition, the holder of the professorship shall be engaged in teaching, research, and public service or a combination of such duties consistent with the purpose of the professorship.

COMMITTEE ON ORGANIZATION AND LAW

The Committee on Organization and Law met on Tuesday, June 8, 2004, at approximately 3:15 p.m. in room 6041, the Training Room. Committee members in attendance were Chair Joel O. Wooten, Jr., Vice Chair Elridge W. McMillan, and Regents William H. Cleveland, W. Mansfield Jennings, Jr., James R. Jolly, Doreen Stiles Poitevint, Wanda Yancey Rodwell, and Allan Vigil. Board Chair Joe Frank Harris was also in attendance. Chair Wooten reported to the Board on Wednesday that the Committee had reviewed three items, all of which required action. Item 1 included 15 applications for review; of these, 8 were denied, 2 were continued, 4 were remanded to the respective president,

and 1 was withdrawn. In accordance with H.B. 278, Section 3 (Amending O.C.G.A. § 50-14-4), an affidavit regarding this Executive Session is on file with the Chancellor's Office. With motion properly made, seconded, and unanimously adopted, the Board approved and authorized the following:

1. Applications for Review

- a. In the matter of Robert Fuller, an employee of North Georgia College & State University, concerning promotion, the application for review was remanded to the president for reconsideration and revision of policies.
- b. In the matter of Katrina Tobin, a former employee of Gordon College, concerning termination, the application for review was continued pending settlement discussions.
- c. In the matter of file #1680 at Albany State University, concerning disciplinary suspension as a result of Regents' Tests irregularities, the application for review was denied.
- d. In the matter of David Lickteig, an employee of Georgia Southern University, concerning failure to receive tenure, the application for review was denied.
- e. In the matter of Faith L. Stephen at Fort Valley State University, concerning an appeal of sanction by the president, the application for review was denied.
- f. In the matter of Amanda Manning at the Medical College of Georgia, concerning dismissal from the physical therapy program, the application for review was denied.
- g. In the matter of file #1688 at Gordon College, concerning her petition to withdraw from Math 1111, the application for review was remanded to the president for reconsideration.
- h. In the matter of file #1689 at Georgia Southern University, concerning his suspension, the application for review was remanded to the president for rehearing.
- i. In the matter of file #1690 at the Medical College of Georgia, concerning his dismissal from the nursing program, the application for review was denied.
- j. In the matter of Pricilla Dolney at the University of Georgia, concerning her termination, the application for review was denied.

- k. In the matter of David Roberts at Albany State University, concerning his denial of a request for investigation of racial discrimination claims, the application for review was continued to August.
- l. In the matter of Speedy Arnold at the University of Georgia, concerning the termination of the American Language Program, the application for review was denied. Regent Rodwell opposed this action.
- m. In the matter of Virginia Vickery at the University of Georgia, concerning her termination, the application for review was withdrawn.
- n. In the matter of Bret R. Fowler at the University of Georgia, concerning his termination, the application for review was denied.
- o. In the matter of Jean Badham at Kennesaw State University, concerning her termination, the application for review was remanded to the president with instructions.

2. Approval of Revision to The Policy Manual, Section 1905 Cooperative Organizations

Approved: The Board approved the revision of Section 1905 Cooperative Organizations of The Policy Manual to reflect the adoption of the Regents’ Guiding Principles for Cooperative Organizations (the “Guiding Principles”).

Background: The Board promulgated its Guiding Principles to assist cooperative organizations in most efficiently supporting their respective institutions’ missions. These revisions are necessary to bring the Guiding Principles into official Board policy.

The approved revisions are as follows. Please note that the strike-through texts represent deletions from the current version and highlighted texts represent additions.

1905 COOPERATIVE ORGANIZATIONS

- I. An organization is a cooperative organization if it
 - A. is organized or operated primarily
 - 1. for the purpose of soliciting gifts or assisting a System institution in soliciting gifts from third persons in the name of the System institution or any of the institution's programs; or
 - 2. for soliciting grants and contracts or accepting grants or entering into contracts for research or services to be performed by or in

conjunction with a System institution or using the institution's facilities; or

- B. bills or collects professional fees in the name of or in behalf of faculty members of a System institution who provide professional services within the scope of their employment by the institution; or
- C. includes officials, faculty, staff, or employees of a System institution as ex officio members of the organization's board of directors or other governing structure; or
- D. is formally designated as a cooperative organization by the Board of Regents or by the president of the relevant System institution, **and of those formally designated, certain cooperative organizations will be required to follow the Regents' Guiding Principles for Cooperative Organizations. The Board of Regents and the president will determine the cooperative organizations that must follow the Guiding Principles.**

II. A relationship, whether formal or informal, between a System institution and a cooperative organization may be maintained only if

- A. the relationship between the cooperative organization and the System institution is in the best interest of the System institution as determined by ~~the president of the System institution or the president's designee; and~~ **the Board of Regents and the president of the institution in consultation with the Chancellor; and**
- B. the financial records of the cooperative organization, including any audits, are available for inspection by the president of the System institution or the president's designee; and
- C. any use by the cooperative organization of the name of the System institution, or of a symbol or trademark of the System institution, is approved in advance by the president of the System institution or the president's designee; and
- D. the cooperative organization annually presents evidence satisfactory to the president of the System institution or the president's designee that the cooperative organization is adequately capitalized for any activities undertaken in the name of, for the benefit of, or in conjunction with the System institution; and
- E. the cooperative organization annually presents evidence satisfactory to the president of the System institution or the president's designee of insurance or self-insurance adequate in form and amounts to cover foreseeable liability arising from activities undertaken in the name of, for the benefit of, or in conjunction with the System institution; and

- F. there is a written general agreement or memorandum of understanding between the System institution and the cooperative organization describing each party's responsibilities so that it is clear to third parties dealing with the cooperative organization that the organization is acting as a legal entity separate from System institution; and
- G. actions of the System institution's officials, faculty, staff, or employees pursuant to the relationship are consistent with policies established by the Board of Regents and the System institution regarding conflicts of interest, outside activities, and other matters (BR Minutes 1988-89, pp. 150-151).

3. Delegation of Authority to the Georgia Institute of Technology to Receive Gift

Approved: The Board authorized President G. Wayne Clough at the Georgia Institute of Technology ("GIT"), to take necessary acts to receive a gift on behalf of GIT of approximately \$1 million from the estate of the late Carlton Spencer Wilder.

Modified: The Committee modified this item to authorize President Clough to take necessary action rather than the Associate Vice President for Financial Services, Joel E. Hercik, as was originally proposed.

4. Ratification of Coastal Georgia Community College Agreement

Approved: The Board ratified the agreement entered into by Coastal Georgia Community College pertaining to activities associated with the Group of Eight ("G-8") Summit that will be held on Sea Island, Georgia, in June 2004.

EXECUTIVE AND COMPENSATION COMMITTEE

The Executive and Compensation Committee met on Tuesday, June 8, 2004, at approximately 4:00 p.m. in room 7028, the Chancellor's Office. Committee members in attendance were Chair Joe Frank Harris, Vice Chair Joel O. Wooten, Jr., and Regents Donald M. Leebern, Jr. and Elridge W. McMillan. Chancellor Thomas C. Meredith was also in attendance, and the Secretary to the Board, Gail S. Weber, was in attendance for part of the meeting. Chair Harris reported to the Board on Wednesday that the Committee had met in Executive Session to discuss personnel and compensation issues and that no actions were taken in Executive Session. The matters discussed were taken to the full Board in Executive Session on Wednesday, June 9, 2004. (See page 56.) In accordance with H.B. 278, Section 3 (Amending O.C.G.A. § 50-14-4), affidavits regarding these Executive Sessions are on file with the Chancellor's Office.

TRIBUTE TO RETIRING INTERIM PRESIDENT J. FOSTER WATKINS AT EAST GEORGIA COLLEGE

Chancellor Meredith said that it was his pleasure to recognize someone who has served this System well, Dr. J. Foster Watkins. Dr. Watkins is a graduate of the Georgia Institute of Technology (“GIT”) and Auburn University. He has worked in both Alabama and Georgia. He served as President of Gainesville College (“GVC”) for 18 years. He then retired from the University System of Georgia and went to work at University of Alabama, Birmingham (“UAB”) in a number of capacities. When President Jeremiah J. Ashcroft announced his retirement from East Georgia College (“EGC”) at the end of fiscal year 2002, Chancellor Meredith called Dr. Watkins back from Alabama to step in as Interim President. This assignment would end on June 30, 2004. The Chancellor remarked that Dr. Watkins had served the institution well and that he appreciated his work at the college. He thanked Dr. Watkins for his contributions to GVC, EGC, the University System of Georgia, and higher education in general.

Dr. Watkins thanked Chancellor Meredith and the Board of Regents for giving him the opportunity to come back to Georgia. He he knew Chancellor Meredith at UAB and he had encouraged the Board of Regents in his recruitment as Chancellor of the University System of Georgia. He said that he was born in Alabama and has always worked back and forth between Alabama and Georgia. He thanked the Regents for their hard work individually and collectively as a Board. He said that the support the institutions receive from the University System Office staff is extraordinary. His wife, Janice, was unable to attend this meeting, but she had asked Dr. Watkins to extend her appreciation for this opportunity to come back to Georgia.

Regent Leebern said that he had been friends with Dr. Watkins since 1953. He noted that Dr. Watkins excelled at Baker High School in academics and athletics. At GIT, he was captain of the football team in addition to being an excellent student. He is also a great gentleman and a wonderful friend.

On behalf of the Board of Regents, Chair Harris thanked Dr. Watkins for his service to the University System of Georgia.

CHAIRMAN’S REPORT ON HIGHLIGHTS OF THE PAST YEAR

Next, Chair Harris gave his report on the highlights of the past year, which was as follows:

In a short time, I will be in the happy position of being able to turn over the Chairman’s gavel to Regent Joel Wooten. Joel, I have just one word of advice. If the Board asks you to serve a second year as Chair, ask for some time to consider the offer! Seriously, I deeply appreciate the confidence you have placed in me over these past two years. Words can’t express how much your support has meant to me.

Let me start by thanking a few special people. I want to thank first each of the members of this Board. Without your support, I wouldn't have had the chance to experience the challenges of the last two years. I also want to thank Regent Joel Wooten. It is always good in a leadership position to have a really strong backup. I have had that this year, and Joel, I am grateful for all the hours you've spent, in particular in your negotiations with the University of Georgia Foundation, Inc. You still have that problem on your plate, but you are experienced. I appreciate the support you have given me personally in your role as Vice Chair of this Board. And I want to note a special thanks to Chancellor Meredith – he's a person in whom I have a tremendous amount of confidence, and I've enjoyed the opportunity to work with him. I told him yesterday, I have worked with a great number of people in public life, but I don't know of anyone I've had more respect for and who has communicated better than he. He has kept me informed, and I haven't had any surprises. I've had some notifications that I didn't like, but there were no surprises. I appreciate that and respect his ability and integrity, as well as the moral standards he supports. Chancellor Meredith, I appreciate your friendship. All of us are the recipients of Gail Weber's expertise. Gail, I thank you and deeply cherish your friendship. Gail and I became acquainted when I was Governor, and she has a tremendous amount of experience. Gail, thank you for the outstanding job you do. Our Senior Vice Chancellor for External Activities and Facilities, Tom Daniel, has been a long-time friend, and he keeps us politically correct. Tom, I am grateful for your support of me here and over the years and for the friendship that we share. Thank you for the job you continue to do. I also want to express my appreciation to the University System Office staff and our 34 System presidents. I have had a personal relationship with each of the presidents both prior to and since becoming a Regent, especially during my chairmanship. It has been an honor to serve and work with each one of you.

During my time as your Chair, I have worked to keep our focus on quality, on efficiency and effectiveness, and on partnership. Looking back on the record of these past two years, we have made significant gains in these areas. This is progress of which we can be proud, particularly given the challenging economic times. In terms of quality, it is significant that our increase in student enrollment is being matched by high academic achievement. We continue to see increases in SAT scores and in our retention rates. The Georgia Institute of Technology ("GIT") and the University of Georgia ("UGA") continue to be in the ranks of the nation's top 20 public universities.

Our ability to foster partnerships that support our academic efforts continues to receive national recognition. One example is the \$34.6 million National Science Foundation grant to the University System to strengthen math and science programs at the K-12 level – the Partnership for Reform in Science and Mathematics ("PRISM") initiative.

In the Chancellor's monthly report, we continue to hear good news about the quality of work

being done by faculty, staff, and students. In terms of efficiency and effectiveness, there is good news. Over the past year we continued to make strides in our efforts to identify areas for consolidation of business practices and operations. The work on a purchasing alliance moves us in the right direction. Our “Best Practices” program had a successful first year and is well into its second edition. The Chancellor’s “barnacle scraping” produced some significant savings at our institutions. And we have worked hard to provide needed services with fewer dollars. Today, we are serving more students than ever before, and our presidents have risen to the challenge posed by tight budgets. This Board approved budget allocations and operating budgets that are significantly tighter than two years ago. Yet despite fewer state dollars, we were able to hold tuition increases to a very modest rate. This says a great deal about our ability to be efficient and effective, but this System and this Board also have faced additional challenges, and I am proud of the leadership this Board has shown in facing up to both the expected and unexpected.

If there is one word that sums up the nature of the past two years, it is transition. We have seen turnover on this Board – six new regents have been appointed since I was elected Chair. Our new Regents bring a great deal of ability to this table, and there is no question in my mind that we have no less energy and no less commitment today than two years ago.

We have seen a historic transition in state government leadership, and I believe we have done an excellent job of telling our story to the Governor and other elected leaders. Despite tight budgets and tough economic times, despite significant budget cuts to the University System, we have been treated with fairness. As Chancellor Meredith has stated, Governor Perdue supports public higher education and would do more if he had more money. As it is, in our fiscal year 2005 budget, we received funding support from the Governor and General Assembly for full funding of the formula, for a significant capital budget, and for other needed and critical programs. That is a testament to our good partnerships. During this historic transition of political leadership, the University System has continued to be seen as one of this state’s most important assets.

We have seen a transition in Georgia’s economy. I’ve touched upon how challenging this has been over the past two years. The University System has seen cumulative cuts of \$313 million. While the latest state revenue reports continue to bring good news for the state budget and overall economic recovery, we cannot be complacent. We still have a tremendous job to do to ensure that the University System recovers along with the state. We must never forget that our work is about and for students. They are the reason we are around this table today and month after month. I am certainly pleased that we have been successful in maintaining access and quality during these tough economic times. Our ongoing challenge is to make the case that our funding partners must now begin to rebuild the System’s state appropriations to the level needed to serve the state and strengthen quality for students.

We have seen a transition to a new public-private approach to capital funding. Last year's Sasaki Associates study pointed out the challenges we face to meet rising student enrollment. Even in the best of economic times, the state will not have the bonding capacity to meet all of our needs for new facilities. So it is gratifying to see us develop an aggressive public-private partnership approach to meet capital needs. This has been one of the most significant developments of the past two years.

The change in how we meet capital needs is related to the growth we have experienced in enrollment. Not only has enrollment on our campuses exploded, it continues to change in terms of the type of students on our campuses. Today, we see more and more nontraditional students. Our challenge is to meet both increased numbers and different student needs.

Finally, I have been proud of the manner in which this Board has responded to other key issues. One is the transition in the relationship between the Board and the various institutional foundations. This Board has responded with patience and with an eye to the long-term good of the System and the institutions. Our decisions to revamp our policy towards cooperative organizations as well as presidential pay supplements are in the best interests of all parties. I appreciate your support and your decisive action on these important matters. Now, let me be very clear about this! The situation surrounding the University of Georgia Foundation, Inc. called for this Board to take action. You have done so in a strong stand. You have reaffirmed the ultimate responsibility of the Board of Regents for the management of the System's 34 institutions. If you review the history of the Board of Regents, you will find other moments that have challenged past Boards to take action and to do what's right for the state. So, your actions have a good historical precedent, and I am confident that history will validate our decisions. Let me be frank. We are seeing support for our action in many newspapers and from individuals. They are not supporting us because we are the Board of Regents. They are supporting us because we put our responsibility for the education of students first. We have placed the current and long-term welfare of students and the System as a whole above the lesser, but often distracting, issues of personalities and dollars and cents. Serving on the Board of Regents is a huge responsibility. It is a heavy weight, and given my career in public service, I do know how to judge weight! That weight will not become any lighter in the months and years ahead during your individual terms as Regents, but it will be an easier burden to shoulder knowing you have done the right thing on this and many other issues. While we value all of the achievements of our colleges and universities, with our recent actions we have taken a clear position that the achievement that matters the most is and will be academic achievement. That's a great decision for the State of Georgia and our students. This Board can rest easier for going on record with this decision.

Now, we transition to new leadership at the Board level. I know Regent Wooten will provide outstanding leadership for this Board over the coming year. I know he will appreciate, as I have appreciated, the excellent and hard work that each of you do in meeting your

responsibilities to the state. I appreciate the time, the extra meetings, and the commitment each of you brings to the work at hand, and I know that you will join me in working with Joel and in supporting the work of our Chancellor and so many others as we partner to “create a more educated Georgia.” Thank you again for your support and your good work. I also want to thank our Director of Communications and Marketing, John Millsaps, for his special support and assistance over the last two years. It truly has been a pleasure and honor for me to serve this Board. Thank you very much.

ELECTION OF CHAIR AND VICE CHAIR FOR FISCAL YEAR 2005

Chair Harris stated that he had asked Regent McMillan to chair this year’s Nominating Committee, which also included Regents Leebern and White. At the May 2004 Board meeting, the Nominating Committee had recommended to the Board that Vice Chair Joel O. Wooten, Jr. be elected Chair and Regent J. Timothy Shelnut be elected Vice Chair for the upcoming fiscal year, beginning July 1, 2004. He asked whether there were any other nominations at this time. Seeing that there were none, he called upon Regent McMillan, Chair of the Nominating Committee.

Regent McMillan made a motion that Vice Chair Wooten be elected Chair.

Chair Harris then called for the vote on the office of Chair. With motion properly made and variously seconded, the Board unanimously elected Regent Joel O. Wooten, Jr. as Chair of the Board of Regents for fiscal year 2005.

Regent McMillan next made a motion that Regent J. Timothy Shelnut be elected Vice Chair.

Chair Harris then called for a vote on the office of Vice Chair. With motion properly made and variously seconded, the Board unanimously elected Regent Shelnut as Vice Chair of the Board of Regents for fiscal year 2005.

Chair Harris thanked the Nominating Committee and congratulated Regents Wooten and Shelnut on their elections as Chair and Vice Chair, respectively.

UNFINISHED BUSINESS

There was no unfinished business at this meeting.

NEW BUSINESS

Chair Harris called upon the Secretary to the Board, Gail S. Weber, to make an honorary degree recommendation to the Board.

Secretary Weber announced that President Beheruz N. Sethna at State University of West Georgia (“UWG”) had nominated Dan Cathy for an honorary degree. Mr. Cathy is President and Chief Operating Officer of Chic-fil-A. He will be the commencement speaker at UWG on July 31, 2004. He is recognized as a successful businessman and a strong leader. He received his degree in business administration from Georgia Southern University, and he completed an owner management course at Harvard Business School. On behalf of President Sethna, Secretary Weber submitted this nomination for the Board’s approval. With motion properly made, seconded, and unanimously adopted, the Board approved the honorary degree.

Chair Harris announced that there would be no July 2004 meeting of the Board of Regents. He then asked for a motion to authorize Chancellor Meredith to take any actions necessary on behalf of the Board between this meeting and the August 2004 Board meeting with such actions to be ratified by the Board at the August meeting. With motion properly made, variously seconded, and unanimously adopted, the Board approved this authorization.

Regent Carter said that he had attended an awards ceremony on June 1, 2004, in the rotunda of the State Capitol, and two of the University System Office staff were recognized at that time, along with the Chief Operating Officer for the State of Georgia, James R. “Jim” Lientz, Jr. The Senior Vice Chancellor for Academics and Fiscal Affairs, Daniel S. Papp, and the Vice Chancellor for Academic, Student, and Faculty Affairs, Frank A. Butler, each received from the U.S. Army Forces Command the Outstanding Civilian Service Medal, a recognition of their efforts to make the University System of Georgia more accessible to all branches of the U.S. armed forces. The Board of Regents had approved the military policies recommended by Drs. Papp and Butler, and Regent Carter asked the Regents to recognize them for a job well done.

Chair Harris thanked Regent Carter for bringing this to the Board’s attention. He said it is a credit to the University System Office that it has people like this on its staff.

PETITIONS AND COMMUNICATIONS

Secretary Gail S. Weber announced that the next Board meeting would take place on Tuesday, August 3 and Wednesday, August 4, 2004, in the Board Room in Atlanta, Georgia.

EXECUTIVE SESSION

At approximately 10:50 a.m. on Wednesday, June 9, 2004, Chair Joe Frank Harris called for an Executive Session for the purpose of discussing personnel and compensation issues. With motion properly made and variously seconded, the Regents who were present voted unanimously to go into Executive Session. Those Regents were as follows: Chair Harris, Vice Chair Joel O. Wooten, Jr., and Regents Hugh A. Carter, Jr., Connie Cater, William H. Cleveland, Michael J. Coles, Julie Hunt, W. Mansfield Jennings, Jr., James R. Jolly, Donald M. Leebern, Jr., Elridge W. McMillan, Martin W.

NeSmith, Patrick S. Pittard, Doreen Stiles Poitevint, Wanda Yancey Rodwell, J. Timothy Shelnut, Allan Vigil, and Glenn S. White. Also in attendance were Chancellor Thomas C. Meredith and the Secretary to the Board, Gail S. Weber. In accordance with H.B. 278, Section 3 (amending O.C.G.A. § 50-14-4), an affidavit regarding this Executive Session is on file with the Chancellor's Office.

At approximately 11:20 a.m., Chair Harris reconvened the Board meeting in its regular session and announced that in Executive Session, the Chancellor had presented his recommendations for presidential salaries, which were then discussed. Chair Harris then called for a motion to approved the Chancellor's recommendations. Motion properly made, seconded, and unanimously approved, the Board of Regents approved the fiscal year 2005 presidential salaries, as recommended by Chancellor Meredith.

Chair Harris then called upon Vice Chair Wooten to make another motion.

Vice Chair Wooten moved that the Board of Regents approve a salary increase to the Chancellor for fiscal year 2005 in the amount of \$6,005. Motion properly made, seconded, and unanimously approved, the Board of Regents approved the fiscal year 2005 salary for Chancellor Meredith.

Chair Harris noted that the Chancellor's salary increase was of the same percentage as that which would be given to the University System of Georgia presidents.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at approximately 11:30 a.m. on June 9, 2004.

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

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