

**MINUTES OF THE MEETING OF THE
BOARD OF REGENTS OF THE UNIVERSITY SYSTEM OF GEORGIA
HELD AT
270 Washington St., S.W.
Atlanta, Georgia
May 7 and 8, 2002**

CALL TO ORDER

The Board of Regents of the University System of Georgia met on Tuesday, May 7 and Wednesday, May 8, 2002, in the Board Room, room 7007, 270 Washington St., S.W., seventh floor. The Vice Chair of the Board, Regent Joe Frank Harris, called the meeting to order at 1:00 p.m. on Tuesday, May 7. Present on Tuesday, in addition to Vice Chair Harris, were Chair Hilton H. Howell, Jr. and Regents Hugh A. Carter, Jr., Connie Cater, William H. Cleveland, Michael J. Coles, George M. D. (John) Hunt III, Allene H. Magill, Elridge W. McMillan, Martin W. NeSmith, Wanda Yancey Rodwell, J. Timothy Shelnut, Glenn S. White, Joel O. Wooten, Jr., and James D. Yancey.

ATTENDANCE REPORT

The attendance report was read on Tuesday, May 7 by Secretary Gail S. Weber, who announced that Regent Donald M. Leebern, Jr. had asked for and been given permission to be absent on that day. She explained that Chair Hilton H. Howell, Jr. would be present.

APPROVAL OF MINUTES

Motion properly made and duly seconded, the minutes of the Board of Regents meeting held on April 16 and 17, 2002, were unanimously approved as distributed.

SPECIAL PRESENTATION: FISCAL YEAR 2002 REGENTS' AWARDS FOR ACADEMIC EXCELLENCE

Vice Chair Harris called upon the Senior Vice Chancellor for Academics and Fiscal Affairs, Daniel S. Papp to present the Regents' Awards for Academic Excellence. Dr. Papp would introduce the award recipients while Vice Chair Harris and Chancellor Meredith presented the awards.

Dr. Papp explained that this is the fifth year that the Regents' Teaching Excellence Awards have been presented. They recognize both individuals and programs for excellence in teaching and service to students. This is the third year that the Regents' Research in Undergraduate Education Awards have been presented. They are presented to individuals and students who excel in the emerging area of the scholarship of teaching and learning. Dr. Papp recognized Dr. Dorothy Zinsmeister, Senior Associate for Academic Affairs, who served as the coordinator and chair of the awards program.

The first award was a Regents' Teaching Excellence Award for faculty in two-year and state colleges. This year's recipient was Dr. Timothy L. Rhoads, Assistant Professor of Biology at South Georgia College ("SGC"). Dr. Rhoads joined the faculty of SGC in 1997, where his success in instruction demonstrated an ability to accomplish extraordinary things with limited resources. He blends traditional teaching with modern technology to provide an outstanding learning environment for students. Dr. Rhoads does not confine his educational efforts to the classroom. As chair of the SGC Retention Task Force, he works to improve student advising, mentoring, and career counseling as well. He serves as faculty advisor to the Environmental Awareness Club and participates in community outreach programs such as the Postsecondary Readiness Enrichment Program ("PREP"), the Science Olympiad, and Sigma Z Young Scientist Mentoring program.

Dr. Kenneth S. Sajwan, Professor of Biology at Savannah State University ("SSU"), was the winner of the Regents' Teaching Excellence Award at the regional and state universities level. Dr. Sajwan joined the faculty of SSU in 1992 and has since distinguished himself with a collection of teaching awards and accomplishments, including the White House Millennium Award for Teaching and Research Excellence at Historically Black Colleges and Universities, which he received in 2001. In 1999, he received the international award for Innovative Excellence in Teaching, Learning, and Technology. In 1998, he was named the Regents' Distinguished Professor of Teaching and Learning at SSU. According to Joseph H. (Pete) Silver, Sr., Vice President for Academic Affairs at SSU, "Dr. Sajwan has earned the respect of the entire campus community with his enthusiasm, pleasant disposition, boundless energy, and total commitment to his students.... He has an uncanny ability to motivate, challenge, and inspire his students to excel in all settings."

Dr. Timothy M. Renick, Associate Professor of Philosophy and Director of Religious Studies in the Department of Philosophy at Georgia State University ("GSU"), was the winner of the Regents' Teaching Excellence Award at the research university level. A faculty member since 1986, he has built GSU's Religious Studies program from the one-person operation it was when he arrived to flourishing bachelor and master's of arts programs in Religious Studies. The programs are among the most sought-after options in the curriculum at GSU. In addition to building the Religious Studies program, Dr. Renick is also a committed teacher. Dr. Ronald Henry, Provost and Vice President for Academic Affairs, praises Dr. Renick's mentoring of students, his willingness to work one on one with large numbers of students, and his provision of detailed personal feedback needed for scholarly growth. This effort in particular has helped him place his undergraduate students in graduate programs at the most prestigious universities around the country.

Dr. Linda Medleau, Professor of Dermatology in the Department of Small Animal Medicine of the College of Veterinary Medicine at the University of Georgia, was also a winner of the Regents' Teaching Excellence Award at the research university level. Dr. Medleau joined the faculty of the College of Veterinary Medicine in 1984 and has earned a number of prestigious teaching awards, including the Josiah Meigs Award for Excellence in Teaching in 2000. She knows that there is a lot more to being a good teacher than just simply being a stimulating lecturer. She is also enthusiastic and encouraging in the classroom and the

clinic. Dr. Medleau has said, “I teach my students through example that by thinking positively, working diligently, and not giving up, one can transcend any limitation, whether it is physical or emotional, obvious to others or invisible, and this together can lead to a fulfilling life.” An alumna said, “Dr. Medleau is an amazing individual because she has and continues to make valuable contributions to veterinary medicine as a clinician, a researcher, and especially as a teacher....”

Dr. Papp explained that the next award was also a Regents’ Teaching Excellence Award, but this award was for a program at one of the regional and state universities, specifically to the School of Nursing in the College of Health and Professional Studies at Georgia Southern University (“GSOU”). In attendance to accept the award were Dr. Jean Bartel, Chair of the School of Nursing and Professor of Nursing, and Dr. Fred Whitt, Dean of the College of Health and Professional Studies. The School of Nursing has embraced the concept and practice of continuous improvement, the success of which is underscored by national and state recognition of its graduates. Retention rates for the Bachelor of Science in Nursing (“B.S.N.”) program average above 86% per class, and the average licensure pass rate for the last five years is 91%. In 2001, the Georgia Board of Nursing recognized the B.S.N. program as a model program in the state. In addition to focusing on student success, the School of Nursing has effectively embraced instructional technology to improve the geographic range and effectiveness of its programs. It has also incorporated distance learning and other instructional techniques that are especially appropriate for the rural mission of the program.

The Department of Oral Rehabilitation in the School of Dentistry at the Medical College of Georgia was awarded the Regents’ Teaching Excellence Award for a program at a research university. In attendance to accept the award were Dr. Kevin B. Frazier, Associate Professor of Oral Rehabilitation, and Dr. W. Franklin Caughman, Chair of the Department of Oral Rehabilitation. The success of the Department of Oral Rehabilitation at MCG can be easily demonstrated. For example, the pass rate of its students on the National Dental Board examination has ranked the program between first and twelfth nationally over the past nine years. Similarly, 95% of students in the program completed the Doctor of Dental Medicine degree within five years of enrollment. The department’s 2001 graduating class has a 100% on-time graduation rate. Faculty commitment to teaching quality and student learning is enhanced in the program through peer evaluation, course redesign, identifying and mentoring at-risk students, student self-assessment programs, state-of-the-art simulation laboratories, and innovative pedagogy. These strategies, coupled with collaborative faculty efforts in teaching and prominent links between rewards and good teaching, have resulted in a department that focuses its energies on student improvement.

Next, Dr. Papp presented two Regents’ Research in Undergraduate Education Awards. The first was awarded to Dr. Sarah Robbins, Associate Professor of English at Kennesaw State University (“KSU”). Dr. Robbins joined the faculty of KSU in 1993 and has distinguished herself through a number of nationally recognized and innovative projects that represent pioneering work in the scholarship of teaching and learning. She was the 1998 recipient of the Constance Rourke Prize awarded by the American Studies Association for the best article of the year in *American Quarterly*. At KSU, Dr. Robbins was the 1997 recipient of the Scholar as Mentor Award and the 2001 recipient of the President’s Award for Community Engagement. Among Dr. Robbins’ many accomplishments is the Kennesaw Mountain Writing Project. In this project, she moves her students from seeking answers to questions about teaching a particular class

to forging organized opportunities for collaboratively investigating, learning, and sharing the results of those studies with professional colleagues.

The second Regents' Research in Undergraduate Education Award was presented to the R.N. to B.S.N. Online Completion Program of the School of Nursing in the College of Health and Human Services at KSU. In attendance to accept this award were Dr. Beverly Farnsworth, Professor of Nursing and Coordinator of the Distance Learning R.N. to B.S.N. Program; Dr. Janice Flynn, Assistant Professor of Nursing; and Christine Horne, Associate Professor of Nursing. The R.N. to B.S.N. Nursing Completion program at KSU has implemented a successful Internet-based program for place-bound registered nurses to complete a baccalaureate degree in nursing. This program incorporates instructional technology into nursing education and is a completely online degree program that students receive enthusiastically. Program faculty researched the effectiveness of the online program and found that online students performed measurably better than graduates of the traditional program. Further research revealed that online students believed that their courses were more comprehensive and involved a higher level of thinking skill than on-campus courses. The scholarship of assessing online teaching and learning that they developed is now a model for assessing online education in a number of different locations and areas.

Dr. Papp said that this concluded the awards presentation. He remarked that this is one of the high points of the academic year and asked the Board to join him in congratulating the winners.

On behalf of the Board of Regents, Vice Chair Harris congratulated the award recipients. He remarked that the Board was very proud of them.

SPECIAL PRESENTATION: MEDICAL COLLEGE OF GEORGIA

Vice Chair Harris called upon the Chancellor to introduce the next presentation.

Chancellor Meredith said that he was delighted to introduce President Daniel W. Rahn of the Medical College of Georgia ("MCG") and Mr. Donald F. Snell, Chief Executive Officer of MCG Health, Inc. ("MCGHI"), who would be discussing the vision they have for MCG and MCGHI. He remarked that MCG is a very good medical college, but it has not yet met its potential. With the input of many people, President Rahn has been developing a vision to bring MCG up to a level that will make it competitive with some of the best academic medical centers in the country, but it will take some investment and perseverance. The Chancellor stated that President Rahn is the man to lead that charge and that the Regents would be excited about the vision he would present to them at this meeting.

President Rahn thanked Chancellor Meredith and the Board for inviting him to this meeting to talk about his vision for the future of MCG. The strategic planning process actually predated his presidency, which began in June 2001. In fact, in 1998, the vision for the future of MCG was the focus of the Medical College of Georgia Blue Ribbon Commission (the "Blue Ribbon Commission") chaired by the late Regent Thomas F. Allgood, Sr. At that time, it was decided that the clinical system of MCG should be restructured and placed under the management of a nonprofit corporate entity, MCGHI, in association with

MCG. In addition, the advancement of MCG as a research university was declared a high priority for the University System of Georgia. A goal was set to move MCG into the second quartile of the nation's medical schools because medical schools are the anchors of health science universities in terms of research productivity. A few months later, a legislative study commission was formed that examined the same issues, came to the same conclusions, and added one additional element, which was the recommendation of the formation of the Georgia Medical Center Authority ("GMCA"), which is chaired by President William Bloodworth of Augusta State University. The purpose of GMCA is to facilitate commercialization of discoveries at MCG. How to grow the research enterprise was a prominent topic of discussion during the search for a new president of MCG. As an incoming president, Dr. Rahn was charged with the responsibility of developing a strategy for how to move MCG up the ranks of the nation's health science universities in terms of research productivity. More recently, the Washington Advisory Group ("WAG"), in its capacity as a consultant to the University System, identified MCG as an opportunity for expansion of biomedical and biotechnology research and an opportunity for expansion of commercialization of discovery through technology transfer but noted that additional resources will be necessary in order to capitalize on that potential. So, that is the context in which President Rahn entered MCG. A second context, of course, was a revitalized clinical system, which Mr. Snell would discuss further. There was also the MCG early retirement plan, approved by the Board of Regents in August 1999, which provided both a challenge and an opportunity to repopulate the faculty of the institution in a way that would enable it to move toward a new vision. MCG has filled three dean positions and still has a large number of faculty positions to fill. This presents an opportunity to chart a strategic plan and a facilities master plan in the context of a restructured academic health sciences university in order to position MCG to move up the ranks of research universities.

President Rahn said that MCG's mission is to improve health and reduce the burden of illness on society by discovering, disseminating, and applying knowledge of human health and disease. MCG is a special-purpose university devoted solely to the health sciences, and it has five schools: the School of Allied Health Sciences; the School of Dentistry, which is Georgia's only school of dentistry; the School of Graduate Studies, which grants advanced degrees in the biomedical sciences; the School of Medicine; and the School of Nursing. MCG offers academic programs in 45 disciplines and recently conferred 640 degrees, most at the graduate level. MCG is structured the way most academic health science centers are structured. There are an academic enterprise, the university itself; a health system comprised of MCGHI, which has the responsibility for management of the facilities associated with the health system; and an academic group practice, the Physicians Practice Group ("PPG"), through which the physicians provide their professional services. PPG and MCGHI jointly comprise the health system that supports the mission and purpose of the overall university. Both of these are structured as nonprofit entities, and both are cooperative organizations of the University System.

MCG's total enrollment is approximately 2,000 students, reported President Rahn. In addition, there are 426 dental and medical residents. Of the students, 92% are Georgia residents representing 129 counties. However, 99.6% enrolled in the School of Medicine — all but three — are Georgia residents, and 100% of those enrolled in the School of Dentistry are Georgia residents. What happens educationally at MCG

has a profound impact on the quality of health services provided throughout the state. Twenty-three percent of the currently licensed physicians, approximately 3,500, and one-fourth of practicing dentists, more than 1,000, in Georgia are graduates of MCG. Each of them contributes to the health and well-being of their communities. They also are generally among the major contributors to the economy of their regions.

MCG's admissions have increased approximately 5% to over 16,000 students, stated President Rahn. Emergency room visits have increased 9% to over 60,000 a year. Outpatient visits are approaching 400,000 this year, and there are about 5,500 operative cases annually. All of these have been increasing since the restructuring of the clinical system, and Mr. Snell would discuss this further. In addition, there has been quality improvement: the mortality rate has decreased, while patient satisfaction has increased. President Rahn stated that MCG cannot be a world-class health science university without a world-class clinical system that supports its academic mission. The University System of Georgia estimates that MCG contributes \$716 million annually to the Georgia economy. The Georgia Hospital Association estimates MCG's economic contribution at \$787 million. MCG and MCGHI combined employ over 7,300 employees. The return on investment of state funds is in excess of ten to one.

President Rahn stated that his vision is for MCG to become one of the nation's premier academic health science universities. On the academic side, that is defined by educational accomplishments, accreditation, attainment of students, and research productivity. For purposes of this presentation, he would focus on research productivity, because one of the major challenges is to address how MCG can move up the ranks as a research university. President Rahn reiterated that MCG has been engaged in a strategic planning process since before he came to the institution. It has linked its strategic planning to its facilities master planning process with the intention that the facilities master plan will support the strategic plan. MCG has to get into the top 50 medical schools nationally in order to achieve preeminence as a research university. The anchor of a healthscience university is its school of medicine. The best quality indicator is that school's research productivity, and the best benchmark of productivity is peer-reviewed, competitive funding coming from the National Institutes of Health ("NIH"). These rankings are conducted on an annual basis. So, MCG has set a goal of getting into the top 50 by focusing on diseases of importance to Georgia and thematically organized research linking patient care, clinical trials, translational research, and basic research at the bedside, focusing on cancer, cardiovascular diseases, neurological diseases, infection and immunity, biomedical technology, and diabetes. Currently, MCG is ranked eighty-second of 122 medical schools that participate in ranking. The University of North Carolina, Chapel Hill, is ranked fourteenth nationally in NIH funding with \$180 million annually; the University of Alabama, Birmingham, is ranked seventeenth with \$160 million; the University of Virginia is ranked thirty-sixth with \$82.3 million; and the University of Florida in Gainesville is ranked forty-eighth with \$62.5 million. MCG received \$23.6 million in NIH funding, so in order to move up the ranks, it must receive approximately 2.5 times the NIH funding it currently receives. Of course, he noted, that baseline continues to move up.

NIH funding represents approximately 55% of MCG's total research funding, said President Rahn. The remainder comes from foundations, industry, and other sources. In 1997, MCG received \$18.8 million in total funding. When the Blue Ribbon Commission rendered its recommendations in 1998, MCG was

at \$25.6 million. From 1999 to 2000, MCG increased its funding by 25%, and from 2000 to 2001, funding increased by 28%. MCG is on track for continued increase this year, but not of that magnitude, in part due to transitions associated with the early retirement plan. If MCG wants to move up the ranks nationally, it must steadily increase its funding while the baseline also moves up. President Rahn projected that to move up the ranks, MCG will have to set an aggressive target of about 20% increase per year. If MCG achieves this goal, it could reach \$108 million by 2007.

The principal problem is not that faculty are not productive, said President Rahn. Research productivity of basic science faculty and clinical productivity of clinical faculty exceed the benchmarks of comparator institutions, many of which have higher research productivity. The primary difference is that the faculty is small in numbers. The main way MCG can build its research capacity is to recruit talented faculty. It must recruit research faculty who are already highly successful where they are and offer them an opportunity to be more successful here in Georgia. The Georgia Research Alliance (“GRA”) is an entity that greatly helps MCG in this regard, but there are relatively few GRA eminent scholar positions. President Rahn stated that MCG must recruit approximately 25 research faculty members each year. To do that, it must have start-up salary dollars and increased square footage devoted to laboratory research. There are extensive benchmarks for how to do that, and they are part of what drives the facilities master plan. If MCG can recruit successful faculty members, they will bring research funds with them. Nonetheless, this will require incremental investment of approximately \$110 million over the next five years to fuel this kind of development over and above the funds currently available. If MCG achieves this through the recruitment of successful faculty over time, it would have a research engine generating \$60 million annually over and above current revenues. So, there is the discovery process, the impact on health and science, and also the direct economic impact. These are funds that currently go to other states rather than Georgia. This also has an employment impact on the state because, on average, every \$50,000 to \$60,000 of research revenue contributes to one new job. So, increased funding of \$60 million translates into increased employment by 1,000 individuals. MCG needs a sizeable investment over a five-year period, but this must be referenced against the economic engine that would be created at the end of that period of time. In order to achieve this, everyone must work together. The benefits to the State of Georgia are increased funding, increased direct revenue, a greater return on investment of public funds on an annual basis, and the impact on health-related quality of life and diseases of importance to the people MCG serves. The quality of educational programs and clinical services are directly related to the research on campus. Nationally, those institutions that are the leaders in research are also the leaders in clinical service and education. These missions do not compete with each other but, rather, create synergy. In order for this to happen, there must be a clinical system that works in concert with the academic campus in terms of growth of the whole program. There must be a world-class clinical system in order to have a world-class research and educational enterprise. Mr. Snell would be discussing the vision for the future of the clinical system. Then, President Rahn would present the MCG facilities master plan during the meeting of the Committee on Real Estate and Facilities as a Committee of the Whole.

Mr. Snell greeted the Board and said that he began managing the clinical system in 1999. The reorganization began very modestly, but the MCGHI board, including many Regent members, has put forth

a vision for MCG to become one of the top 25% of academic medical centers in the United States and to be one of *U.S. News & World Report's* top-ranked hospitals among other quality indicator goals by 2005. The MCGHI board, with its establishment on July 1, 2000, developed a strategic plan with nine original initiatives. Now, there are ten strategic initiatives to get MCG into the top 25%. The first initiative is promotion of clinical quality. Most national rankings are based on clinical quality parameters, such as mortality and complication rates. What differentiates an academic medical center from a community hospital is quality. So, the promotion of clinical quality is absolutely paramount to MCG's success. The second initiative is health system integration and development. MCGHI inherited a lot of pieces of the clinical system, but the goal is to get those pieces together to operate in a smooth, seamless system. The third initiative is aggressive cost repositioning. Unfortunately, at the outset, the MCG hospital and clinics were the second worst performer of academic medical centers in the country. They were the second most expensive and had the worst staffing pattern and the highest days in accounts receivable among other issues. At that time, MCG was wrestling with a \$25 million deficit. At that rate, the deficit would have likely increased to \$55 million by 2003. So, a lot of the work has been and will continue to be aggressive cost repositioning. The fourth initiative is completion of the continuum of care. MCG is very good in specialty services. What it has not historically had are things on the front end of medicine, such as prevention and wellness, and on the back end, like home health and hospice. Healthcare is a journey through a continuum, and an academic medical center with the comprehensive nature that MCG has must have everything from "cradle to grave." The fifth initiative is the development and promotion of clinical centers of excellence. MCGHI realized when it drafted its first strategic plan that MCG could not be all things to all people. So, MCG is concentrating in Southern centers which align nicely with the research centers of which President Rahn had spoken. There are centers in children's health, neuroscience, oncology, women's health, and gerontology, among others.

Like any good business, information systems are going to be a key enabler for MCG to get where it needs to be, said Mr. Snell. Unfortunately, the beginnings were very humble. While the campus was ranked among the top 100 most "wired" organizations in the nation, from a clinical systems perspective, there was very little hardware and software attached to that network. So, the sixth initiative is evaluation, selection, and installation of enterprisewide information systems, both patient access systems and clinical information systems. The seventh initiative is indigent care management. Last year, MCG delivered \$113 million in indigent care and saw patients from all 159 Georgia counties. MCG will continue to work with the state to develop a more rational system in terms of provision of care to the indigent. The next two initiatives are strengthening relationships with the community and broadening the delivery network to fuel the three missions of MCG: patient care, academic, and research. These missions are all dependent on increasing the numbers of patients coming into the system. It is critical that MCG increase market share and attract a wider variety of patients. The last initiative is promotion of proactive customer service strategies. One of the historical criticisms of MCG was that it was not a very customer-friendly environment. MCG is working very hard to be competitive with other academic medical centers on customer service strategies.

Mr. Snell next discussed what it will take to get MCG into the upper quartile. First, it will take continued

improvement in operating margin, cash flow, and operating efficiencies. The first year after the establishment of MCGHI, MCG did a \$47 million turnaround. A \$25 million deficit became a \$22 million, or about 6%, operating margin. The top performers have operating margins in the neighborhood of 12% to 14%. So, the work in this area is not yet done. The budget that the MCGHI board would soon consider calls for an 8% operating margin in a very difficult economic environment. MCG started out with \$10.7 million in cash, which is only about 14 days' worth of operating expenses. It now has over \$100 million in cash, but it will need to increase this. It will also need to improve operating efficiencies. MCG was the second-highest staffed organization in the country, but it is beginning to operate more efficiently. MCG will also need to continue implementation of support systems and technology. The *U.S. News and World Report* weighs technology heavily in its scoring system. MCG must provide for technology that would not be available anywhere else in the state. MCG has some technologies, such as the Gamma Knife®, but it must continue to acquire leading-edge technologies. MCG must also have an intense focus on clinical quality and outcomes. Many rankings are based on mortality and complication rates. MCG has dropped its mortality rate from 1.38% to 1.05%, a 33% drop in mortality the first year. However, the top institutions operate at 0.75% to 0.85%, so MCG must continue to improve in this area. MCG must also focus on patient satisfaction, because all of the ratings take this into account. MCG must also develop world-class programs and facilities; recruit world-class faculty, leadership, and support personnel; and continue to change its organizational culture. The real difficulty is taking an organization that has traditionally been managed by the state and turn it into a world-class academic medical center.

Mr. Snell next presented the facilities plan of MCGHI, which will complement the MCG facilities master plan to be presented next. The MCGHI board approved the MCGHI plan in concept approximately six months ago. MCGHI will have to modify its facilities in order to help MCG get into the top quartile. Many of the buildings are very modern. The Children's Medical Center is only two years old. The Ambulatory Care Center and the Specialized Care Center are about 15 years old. However, the main patient care building, the Talmadge Building, was built in 1955, and the Sydenstricker Building was built in the 1970s. Any time there is a renovation, the entire facility must be brought up to code, so the MCGHI facilities plan calls for a total renovation of the Sydenstricker Building. As it continues to grow, MCGHI will build a new tower and faculty building to complement the campus. (Mr. Snell showed the Regents a picture of what the campus would like with these renovations and additions.) The cost of this over a ten-year period of time would be \$352 million. The MCGHI board has approved this conceptually and will return to this plan as it examines the building phases. In closing, Mr. Snell asked whether the Regents had any question or comments.

Regent McMillan asked whether the NIH rankings correlate with other kinds of rankings.

President Rahn responded that elite medical institutions in terms of research productivity are also generally the ones with the best reputations educationally and clinically. So, there is a general correlation. The institutions that excel in reputation and research productivity are a magnet for faculty who actively participate in pushing the frontiers both clinically and in research and translating that into new clinical and educational programs. Such institutions graduate the kinds of students who stay to become faculty

members or practice in the state.

Chancellor Meredith added that as the institution becomes financially successful, it will generate overhead dollars that will allow it to make investments to improve programs. In this way, there is a very good correlation.

President Rahn stated that one of the reasons to focus on federal research dollars is that federal research grants are accompanied by facilities and administrative revenue as well. For example, a \$100,000 research grant might bring with it a 44% indirect cost recovery rate, which means the institution will receive \$44,000 in addition to the \$100,000 to pay for the infrastructure that is necessary to support the research enterprise. The main difference between an elite institution and MCG is not the quality of the work of the individual faculty members, but rather it is the size of the overall operation. MCG has excellent core facilities and excellent programs, but they are small. Therefore, MCG's faculty are engaged more in other activities. There must be an expanded research enterprise, which in effect will pay for itself by generating soft money and has the potential for biotechnology business development associated with the discoveries that are made.

Regent Shelnut said that living in Augusta, he has had the opportunity to work with President Rahn and Mr. Snell. He assured the Regents that there are some very exciting things going on at MCG in addition to what they had heard at this meeting. Turning a \$25 million deficit into a \$22 million profit is a great job. MCG is already recruiting some of the best medical professionals in the industry. As this vision continues to unfold, the Board can be proud of the fact that MCG is going to be one of the best clinical and academic medical universities in the country.

President Rahn stated that MCG has just completed the recruitment of leadership in the area of anesthesiology, and there are three physicians coming from Harvard University and Massachusetts General to fill other leadership positions. Their recruitment funds were derived from the profit margin of the clinical system. In creating the clinical system, the parties developed a margin-sharing agreement such that 40% of the operating margin is transferred in the final audit of each fiscal year to the president for use in supporting academic program development. So, MCG now has access to venture capital for academic program support and development that comes directly from the clinical system. The two entities are absolutely wired together.

Chancellor Meredith noted that Regent Leebern serves as the chair of the MCGHI board and Regents Cleveland, NeSmith, and Shelnut are also on the board. The Deputy to the Senior Vice Chancellors, Margaret Taylor, serves in place of the Chancellor when he cannot attend MCGHI board meetings.

President Rahn noted that he is also a member of the MCGHI board, as are the dean of the School of Medicine, the chair of PPG, and a number of community members.

The Chancellor commended the MCGHI board for the incredible turnaround of the institution.

Regent Cleveland remarked that he was impressed with the world-class faculty who are coming to Augusta. He asked what is the likelihood that MCG will be able to recruit that same kind of talent for its current vacancies and what else would be needed to accomplish that.

President Rahn responded that if candidates will come visit the campus, they can generally be recruited. Through the Institute for Molecular Medicine and the Vascular Biology Center among others, MCG has been able to create thematically organized research programs that draw on certain core operations that are superb. When potential faculty come and see these programs, they are attracted. In order to continue to draw research-oriented faculty, however, MCG will need more facilities. MCG has received the funding for a new research building, for which it will soon be breaking ground. However, it must stay ahead of the curve. For example, MCG will need to build a cancer research building. It needs to be ahead of the curve in facilities and continue to have funds that can support the start-up. MCG needs funds to finance the start-up costs associated with new programs. MCG is also partnering with the University of Georgia to develop a research agenda in cancer, and it needs to develop partnerships across the University System in order to draw on existing areas of strength.

President Rahn added that MCG presents great potential for economic development. The economic difficulties in Georgia really are overshadowed by difficulties in other states, which presents an opportunity to recruit quality faculty and achieve some gains. People are aware of MCG's turnaround, its vision of excellence, and the GRA's and University System's support. There are faculty who are interested in learning about the opportunities at MCG.

Vice Chair Harris thanked the presenters for this portion of the program.

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

Vice Chair Harris then convened the meeting of the Committee on Real Estate and Facilities as a Committee of the Whole. He then turned the Chairmanship of the meeting over to Regent Hunt, the Chair of the Committee.

Chair Hunt explained that the Committee would be hearing a presentation on the facilities master plan of the Medical College of Georgia ("MCG"). He then called upon President Daniel W. Rahn to begin the presentation.

President Rahn introduced Mr. Jerry Cooper of the firm Cooper Carry, Inc., who would present the facilities master plan recommendations to the Committee. He reminded the Regents that the master plan is developed in the context of the institution's vision for the future as a research university aligned with a world-class clinical system. The metrics and goals that he had reviewed with the Regents in his presentation on the vision and future of MCG are what fed into the development of this plan.

Mr. Cooper said that he would be discussing how the vision and strategic plan for MCG are manifested

in the facilities master plan. Augusta has long been the state's center of medicine and continues to be so. MCG is located in Augusta on 15th Street. Mr. Cooper asked President Rahn to tell the Regents how MCG partners with its neighbors.

President Rahn said that one of the unique features of MCG's geographic location is that it is located alongside a large community health system, University Hospital, which is a nonprofit county authority hospital with which most of the community physicians are affiliated. Also near MCG are a rehabilitation hospital, the main campus of the two-campus Augusta VA Medical Center, and many private physicians' offices. The area targeted for the development of a research park by the Georgia Medical Center Authority is adjacent to MCG, and a neighborhood identified for redevelopment is just down the street. The whole area really constitutes a medical center. MCG and MCG Health, Inc. ("MCGHI") together have over 7,000 employees inside this area. There are over a million patient visits a year to the area; MCG's admissions are about 16,000. This is really the economic engine of this region of the state.

Mr. Cooper stated that the area is circumscribed in a fixed way. MCG has a fair amount of open space, most of which is used for parking lots. So, the density of development is relatively low compared to the average urban college. Before the MCGHI split, the total complex had 3.9 million square feet. Now, MCG itself has 2 million square feet. The consultants have performed due diligence on all of the buildings on campus, and they have concluded that 50% of them are obsolete. Mr. Cooper discussed the configuration of the campus, pointing to the buildings on a map. He explained that the consultants met with the administration of MCG numerous times and they also met with members of the community, planners for the health systems master plan, and City of Augusta officials. They recommend creating a tree-lined, heavily landscaped area to help differentiate MCG from its hospital neighbors. They also recommend developing Laney Walker Boulevard into a more pedestrian-friendly street. Without enlarging the right-of-way, they suggest creating parallel parking on either side of the street and making brick sidewalks and roadways to slow down the traffic and make it possible to cross the street with greater ease. This would also bring the campus closer together. In addition, they recommend creating a promenade to some of the other facilities to create an entry to MCG and connecting it such that patients do not have to enter the campus from 15th Street. He said that one of the problems on many campuses and hospitals is that people do not know where to go from the parking lot. This is an attempt to deal with that issue.

Pointing to a campus planning map, Mr. Cooper showed the Regents possible locations where the new research facility, wellness center, allied health facility, and cancer center would be built by 2007. By 2012, Laney Walker Boulevard would be developed to create quadrangles leading to a proposed auditorium and connecting with the boulevard. He showed the Regents how this would look to someone entering the reconfigured campus. He then asked whether the Regents had any questions or comments.

Seeing that there were no questions, President Rahn again stated that it is important to have a world-class academic health science university and medical center as a component of the University System of Georgia. Thomas Jefferson once said that health and education are the foundations of democracy. As the state's public health sciences university, MCG sits at the intersection of both. It is critically important, he said, that

the Board aggressively pursue a world-class vision for MCG.

Chair Hunt commended Mr. Cooper and President Rahn on their presentation and turned the floor back to Regent Harris.

At approximately 2:15 p.m., Vice Chair Harris adjourned the Board into its regular Committee meetings.

CALL TO ORDER

The Board of Regents of the University System of Georgia met again on Wednesday, May 8, 2002, in the Board Room, room 7007, 270 Washington St., S.W., seventh floor. The Chair of the Board, Regent Hilton H. Howell, Jr., called the meeting to order at 9:00 a.m. Present on Wednesday, in addition to Chair Howell, were Vice Chair Joe Frank Harris and Regents Hugh A. Carter, Jr., Connie Cater, William H. Cleveland, George M. D. (John) Hunt III, Elridge W. McMillan, Martin W. NeSmith, Wanda Yancey Rodwell, J. Timothy Shelnut, Glenn S. White, Joel O. Wooten, Jr., and James D. Yancey.

INVOCATION

The invocation was given on Wednesday, May 8 by Regent Harris.

ATTENDANCE REPORT

The attendance report was read on Wednesday, May 8 by Secretary Gail S. Weber, who announced that Regents Michael J. Coles, Donald M. Leebern, Jr., and Allene H. Magill had asked for and been given permission to be absent on that day.

Chair Howell thanked Regents Wooten and Yancey, President Frank D. Brown, and the people at Columbus State University (“CSU”) and in the City of Columbus for hosting the April 29 and 30 tour of CSU, the downtown location of the Schwob School of Music at the recently opened River Center for the Performing Arts, and the Total System Services campus. He remarked that the visit was outstanding.

SPECIAL PRESENTATION: UPDATE ON GEORGIA TECH REGIONAL ENGINEERING PROGRAM

Chair Howell introduced President G. Wayne Clough of the Georgia Institute of Technology (“GIT”) and Dr. James David Frost, Associate Professor of Civil Engineering and Director of the Georgia Tech Regional Engineering Program (“GTREP”), to make a special presentation to the Board on the growth and success of GTREP.

President Clough greeted the Regents and thanked them for this opportunity to share about GTREP. The concept for GTREP germinated in 1994 or 1995. When President Clough first came to GIT, he was invited to speak to a number of groups in the Savannah and Statesboro area, and in the process, he learned

from business and education leaders that they felt there was a real need for access to engineering education in that part of the state, particularly from an economic development standpoint. The business community expressed that it would like GIT to be involved if possible because of its experience in engineering and the reputation of its programs. Parents and prospective students echoed this feeling. President Clough shared this information with then Chancellor Stephen R. Portch and the Board. At this time, he wanted to share a bit about the context for GTREP. First, the program is consistent with the mission of GIT. That is, GIT has a mission to provide statewide access to quality engineering education. Associated with this mission is economic development, which is addressed through the Economic Development Institute (“EDI”), which is based at GIT and has 17 offices around the state. Since before the establishment of GTREP, GIT has had a successful ongoing program called the Regents Engineering Transfer Program (“RETP”). The objective of RETP is to allow many institutions in the state to feed students into GIT at the junior and senior levels after those schools provide the basic curriculum at the freshman and sophomore levels. There are 13 schools who participate in RETP around the state. Two of the steady suppliers of students to RETP had been Georgia Southern University (“GSOU”) and Armstrong Atlantic State University (“AASU”). Savannah State University (“SSU”) had also brought some students to the program, but the other two schools have always been particularly strong participants. GIT felt there was a great opportunity to use the existing collaborative relationships that had been established through RETP and also capitalize on its efforts through EDI. President Clough noted that President Bruce F. Grube from GSOU and Dr. William Megathlin, Special Assistant to the President, from AASU were present at the meeting, and he thanked them for their partnership in GTREP. He said that SSU has also been a participant in GTREP, and although it has not brought as many students to the program, he hopes it will grow into that role.

President Clough explained that in 1998, Chancellor Emeritus Portch commissioned a study to decide whether there was a demonstrable need for engineering education in the southeast region of the state. Indeed, the study showed that there was a need for on-site delivery of engineering education in that region. The basis for going forward with the establishment of GTREP was that it would be a collaborative effort from the beginning. There were wonderful institutions in the region, including the Skidaway Institute of Oceanography (“Skidaway”), which was an underutilized resource in the state that could be brought into the partnership as an educational and research resource. There was also a clear indication that the program should be focused toward economic development. Not only does the program intend to educate, but it also intends to have those students gain employment in the region after they graduate. So, the participants worked closely with the Savannah Economic Development Authority (“SEDA”) in what was then called the Business, Education, Technology Alliance (“BETA”). It is now called Coastal. The participants also worked with Gulfstream Aerospace Corporation (“Gulfstream”), a very powerful economic industry in the area. Of course, the EDI office was already in the area. In 1998, Yamacraw was also coming online. This presented a great opportunity for AASU, GSOU, and SSU to participate, and this could also be a resource for educational activity. Combined with the Advanced Technology Development Center (“ATDC”), which is the state’s high-tech business incubator operated by GIT and working closely with Yamacraw in commercialization of technologies. GIT is in the process of franchising ATDC in other locations, such as Columbus and Savannah.

The guiding principles of GTREP were based on the Board's strategic plan, explained President Clough. GIT, as part of the partnership, would do what it has always done; that is, provide junior, senior, and graduate level education for students. The other institutions in the partnership would provide the core curriculum at the freshman and sophomore levels. Over time, this would blend, but this was the starting point because this kind of collaboration already existed in RETP. The program was built to optimize regional economic development opportunities, and facilities would be developed with the understanding that GTREP would have a hub and spoke kind of arrangement. This would be a location that would help drive economic development in other areas. The hub concept was important because it emphasized the notion that this is truly a collaborative partnership. President Clough asked Dr. Frost to bring the Regents up to date on the rapid growth of GTREP. He thanked Dr. Frost for doing a superb job in a challenging situation because there are five institutions and a number of cities involved. There is lot of diplomacy to be done in addition to developing these things in a very high-quality way.

Dr. Frost thanked President Clough. He said through GTREP, the Board has engineered a success story in Southeast Georgia. In fall 2002, there will be three undergraduate programs offered through GTREP. In addition to Civil Engineering and Computer Engineering, there will also be an Electrical Engineering program offered as part of an Intellectual Capital Partnership Program ("ICAPP®") partnership between the GTREP institutions and Gulfstream. The program will be focused on aviation electronics in an effort to address hiring difficulties at Gulfstream. At the graduate level, GTREP has always recognized the opportunity to take advantage of online master's programs in a number of disciplines already offered at GIT, including Civil and Environmental Engineering, Electrical and Computer Engineering, and Mechanical Engineering. GTREP is enhancing these programs with on-site delivery of a number of classes and labs. The next phase of GTREP will involve the addition of an undergraduate degree in Mechanical Engineering and perhaps both undergraduate and graduate programs in Industrial Engineering. These would round out the fairly full spectrum of engineering programs offered through GTREP.

Dr. Frost said that GTREP had approximately 100 students during its first year, and this coming fall, GTREP has anticipated enrollments of approximately 360 students. There are also approximately 200 students in lower division classes who are taking courses at the partner institutions in hopes of meeting the admissions criteria. The faculty have also grown during this time. By this fall, there will be 18 faculty directly involved in the program in Southeast Georgia. This does not reflect the significant Atlanta-based faculty who complement the program. This fall, 32 different engineering courses will be taught in Southeast Georgia. The total number of faculty is also increasing. This is important because it means an increased number of on-site courses. In addition to spaces available on the partner campuses, there will be approximately 30,000 gross square feet of leased space at the Chatham Center for the actual hub that houses GTREP.

In December 2001, GTREP graduated its first eight graduates, five of them with honors. Dr. Frost stressed that the GTREP honors are on the same scale as GIT honors. GTREP students perform on par and sometimes better than students on the GIT campus. One of the GTREP honor students graduated with a 4.0 grade point average. Four of the GTREP graduates took the Engineer in Training ("EIT") exam in fall

2001, and all four passed. Five of the graduates are now working in Southeast Georgia. This demonstrates that the program is doing what it set out to do for the region. One of the graduates is now in a GTREP graduate program and another has applied. The eighth student accepted an engineering job in South Carolina. Seven more students have since graduated in May 2002. The performance of the students enhances the process of the Accreditation Board for Engineering and Technology (“ABET”). Both the GTREP Computer Engineering and Civil Engineering programs are going to be evaluated by ABET in October 2002 alongside the GIT campus-based programs.

Next, Dr. Frost discussed the infrastructure and technologies being used by GTREP. For example, GTREP takes advantage of the Georgia Statewide Academic and Medical System (“GSAMS”), but it comprises only a small part of GTREP course delivery. GSAMS addresses the classroom-to-classroom issue, but delivering a program like GTREP requires a lot more. GTREP classrooms are designed to provide instructors and students with seamless high-quality interaction between sites. In addition, faculty keep students posted on class assignments and exam schedules using a wireless Palm Pilot network. This is but one example of how GTREP anticipates trends in technologies to offer anytime, anywhere education. It is not that these technologies are nice supplements to the program, but rather, they are critical to its operation. GTREP has developed what it calls interactive group study rooms that are used for multiple purposes. The rooms have Internet connections with an Internet meeting configuration so that a connection is established between a faculty office at a remote location and that room. The student can knock on the door to that room, and the faculty member at the other site can say, “Come in.” This essentially extends faculty offices to other sites so that faculty can effectively conduct office hours no matter the geographical difference. GTREP is about much more than classrooms. There are other areas in which technology is helping deliver the programs. In its first year, GTREP used the services of Federal Express to deliver class materials

and assignments back and forth from Atlanta. Now, there is technology such as digital senders that create digital files and send them. Students can now submit homework directly to a faculty member on the GIT campus even if it is handwritten. Now, there are even tactile screen palates that allow a faculty member to open up that homework file, write on the computer screen with a special pen, resave the document, and send it back to the student. This greatly enhances interaction between the faculty member and the student. GTREP is also, obviously, making use of the World Wide Web, where there exists a virtual student center. Technology provides these critical resources to ensure the desired quality of the programs. There are also student workrooms at the participant campuses where students can interact with each other across an Internet configuration that allows them to interact across campuses. Students may have small class sizes, but they can interact with colleagues at other campuses to enhance the academic environment.

GTREP’s research activities have also started to ramp up, reported Dr. Frost. Some of the research going on is clearly related to the fact that GTREP is located in a coastal region. For example, one of the faculty members is involved in a project that examines the near-shore impact of offshore dredging. There are a number of faculty who are looking at and developing educational technologies. There are also faculty working on technology for civil engineering field reconnaissance following disasters. Initially, this work addressed the aftermath of earthquakes, but last year, one of the faculty members was among eight faculty

members in the nation funded by the National Science Foundation to do reconnaissance at Ground Zero following the September 11, 2001, attacks. Faculty are doing both cutting-edge and high-profile research. That is critical to how GTREP is perceived nationally.

Dr. Frost stated that construction will soon begin on a permanent hub facility for the program at the Crossroads Business Center on the northwest side of Savannah. SEDA owns the 170-acre business park, part of which it wants to use as its Technology and Engineering Campus (“TEC”). SEDA is gifting approximately 47 acres of the park to the University System for the benefit of GTREP. (In January 2002, the Board of Regents authorized a memorandum of understanding with SEDA for the construction of this facility.) This location will create a very high-profile facility that will help attract industry to Southeast Georgia. It is close to Savannah International Airport and Gulfstream. It is beside I-95, so it has good visibility for the 30,000 cars that drive by daily. Plus, by being on the north side of Savannah, it is closer to GSOU. This makes it more convenient for the participating institutions. The value of the property that SEDA is gifting to the University System is approximately \$2.4 million. In addition, the Department of Transportation committed \$1.35 million for the pavement and sidewalks in the area. The City of Savannah has contributed approximately \$1 million in water and sewer extensions, bringing those utilities into the center of the site. Finally, Savannah Electric Power Company, BellSouth, and Atlanta Gas Light Company have also made commitments of approximately \$1.3 million in utilities infrastructure.

SPECIAL PRESENTATION: UPDATE ON GEORGIA TECH REGIONAL ENGINEERING PROGRAM

Dr. Frost next discussed GTREP’s projected enrollment growth. He explained that by fall 2010, it is anticipated that the program will serve approximately 1,600 total students. He stated that such growth puts challenges on the infrastructure both at the hub and at the partner campuses. Essentially, the hub will need to grow in a number of phases because much of the growth will take place in the early days to accommodate existing students. Over time, the need for physical facilities will level off as existing facilities become better utilized. For phase I, fall 2003 to summer 2005, GTREP will need to grow its space at the hub facility and similarly through subsequent phases. By phase IV, from 2009 to 2019, the relative increase in the hub facility space will be much smaller. In addition to the hub facility, there will also be a need for approximately 10,000 gross square feet of space for EDI, ATDC, and Yamacraw. Dr. Frost noted that the budget for that space would come from somewhere else or just pass through the University System budget process. For example, ATDC companies are responsible for their own lease. Phase I facilities needs include an addition of 104,000 gross square feet, including the EDI, ATDC, and Yamacraw space. The proposal to meet that need included the GTREP Collegiate Center, an approximately 17,000-gross-square-foot facility. As part of its memorandum of understanding, the Board appropriated and approved \$5 million for this project, including some soft costs. The purchase and sale agreement is pending. Phase I will also require leasing facilities of approximately 87,000 gross square feet. GIT will be requesting Board approval to lease this needed space. Dr. Frost reminded the Regents that GTREP has been in 30,000 gross square feet of space at the Chatham Center, which is almost twice the space of the proposed GTREP Collegiate Center. So, GTREP is definitely suffering with space issues. He noted that the bids recently

closed on the GTREP Collegiate Center, and he showed the Regents the design developed by the Brookwood Group for the project. It is a single-story building with a variety of classrooms, labs, and office space. There will be a satellite dish to help address the need for communications. Dr. Frost discussed the layout and intended uses of the proposed space. He said that the program has benefitted not only from the vision of the Board in establishing it and the collaboration of the partners, but also from the tremendous support of the community. GTREP wants to ensure that its first facility will impress all of the stakeholders in the program. With that, Dr. Frost turned the presentation back to President Clough.

President Clough explained that the master plan for the GTREP hub campus consists of two parts: core academic buildings and two leased buildings or facilities provided by collaborative business partners. The objective of having two buildings is to create more flexibility for the use of those buildings. Either way, a third party would build those buildings for GTREP at TEC. He said that leased space is not the optimal solution for GTREP, as it would certainly be preferable to have System-owned space on the campus. On GIT's five-year capital list is a proposed \$25 million building that would be a permanent building to address GTREP's growth needs. In closing, he said that GTREP has been on track and consistent with work that has come from the partner institutions, the University System Office, and the Board of Regents. It has followed the Board's strategic plan and has been consistent with the goals from the beginning. It takes advantage of the institutions in the area to optimize the synergy of the five partner institutions, including Skidaway. It uses technology to the maximum advantage of the student, but it recognizes the need for person-to-person contact. Finally, it is designed to drive economic development in the region. GTREP is already closely aligned with industry objectives in the area. The Chancellor, the Assistant Vice Chancellor for Development and Economic Services, Annie Hunt Burriss, and others are working with the Department of Industry, Trade and Tourism on a major economic development initiative, and the private partner is very interested in GTREP and would rely on graduates of GTREP to supply its workforce needs. It is very important for the private partner that this initiative move forward. President Clough asked whether the Regents had any questions or comments.

Regent NeSmith noted that there was originally skepticism about the viability of putting engineering programs in Southeast Georgia. He thanked President Clough for sending Dr. Frost to head GTREP. He is very intelligent and enthusiastic, and the program has really boosted the region and has greatly improved access to quality engineering programs. Most importantly, four recent graduates are now working in the region, which has historically had trouble attracting graduates from high-quality engineering schools. So, this has been very good for Southeast Georgia, and he thanked them for putting together such a good program.

President Clough noted that GTREP also serves the needs of many nontraditional students because of the Army base and Kings Bay. As young people come out of the military, many of them are coming into GTREP.

Regent Yancey asked about the retention rate of GTREP students compared to students on the campus of GIT.

Dr. Frost responded that there are different retention rates at different levels within the program and even from the different partner institutions that reflect the different backgrounds of the students. For example, students who come into the program from AASU are nontraditional students who are typically in their mid to late 20s. Their retention rate from the sophomore to junior levels are in the high ninetieth percentile because they have reached a point in their lives where they are more motivated and dedicated. In contrast, at GSOU, where the students are traditional students, many students come in thinking engineering is the field they want to pursue, but they sometimes change majors. So, their retention rates are much more consistent with those of students on the main GIT campus. When students at the main campus decide they do not want to study engineering, they often leave because there are not many other options at GIT. However, on the GSOU campus, even if a student decides not to pursue engineering, he or she can go into one of a variety of other fields because of the broader offerings, including science or engineering technology.

President Clough said that he was very pleased with the GTREP retention rate.

Chancellor Meredith stated it was exciting to hear about this program, and he thanked President Clough and Dr. Frost for their outstanding work. He said that this demonstrates the value of the University System in addressing state needs. He said that this is what it is all about, and he thanked all of the presidents involved for their cooperative efforts. He noted that on Monday, May 6, 2002, President Clough received the National Engineering Award from the American Association of Engineering Societies. Chancellor Meredith said that he and the Regents are very proud of President Clough, his accomplishments, and the leadership he provides to GIT.

President Clough noted that the GTREP model is transportable to other parts of the state as the need arises. GTREP has already collaborated with the RETP program at Valdosta State University ("VSU") to deliver certain undergraduate courses that are not available at VSU but are necessary for the GIT component of RETP. This allows the students in RETP at VSU to graduate sooner and get more acclimated with engineering before they arrive at the GIT campus.

Chair Howell agreed that this is exciting for the System. He said that he hoped that all economic development efforts are successful and that GTREP will help prove the validity of the economic development efforts of the System. He hopes that the State of Georgia and the Board will do whatever they can to help this program.

After this special presentation, Chair Howell asked the Regents for their Committee reports.

AUDIT COMMITTEE

The Audit Committee met on Tuesday, May 7, 2002, at approximately 11:10 a.m. in room 7005. Committee members in attendance were Chair Connie Cater, Vice Chair Glenn S. White, and Regents George M. D. (John) Hunt III, Martin W. NeSmith, and Joel O. Wooten, Jr. Also in attendance were

Regent Hugh A. Carter, Jr. and Chancellor Thomas C. Meredith. Chair Cater reported to the full Board on Wednesday that the Committee had reviewed three items, none of which required action. Those items were as follows:

1. Information Item: Status of Fiscal Year 2002 Audit Plan

The Associate Vice Chancellor for Internal Audits, Ronald B. Stark, evaluates the status of the University System of Georgia audit plan each quarter. The campus-based auditors submit quarterly reports on the statuses of their individual plans and their resource utilization. Their information is consolidated with information from the University System Office Internal Audit Department. At this meeting, Mr. Stark presented the consolidated status of the fiscal year 2002 University System of Georgia audit plan as of March 31, 2002. Mr. Stark noted that attrition had exceeded 5,000 hours and had impacted completion of audit plans at several institutions as well as the University System Office.

Committee members expressed their concern that some campus-based auditors report to their respective chief business officers rather than the presidents. Chancellor Meredith assured them that this would be changed.

2. Information Item: Fiscal Year 2003 Audit Plan

Each year, the Associate Vice Chancellor for Internal Audits prepares an audit plan for the University System of Georgia. This plan is developed by requesting input from the Regents, University System Office audit managers, and the institutions. A matrix of the responses from all parties is prepared, and then, risk factors are determined and institutions are selected to be audited. The scope of the audit coverage is determined using a risk-evaluation process. Audit resources are then allocated cognizant of the coverage provided by the Georgia Department of Audits and Accounts and the audit plans of the 13 institutions with internal audit departments. The campus-based auditors prepare their audit plans based on an institutional risk-assessment process. Their plans are discussed and approved by the respective institution's president and the Associate Vice Chancellor for Internal Audits, Ronald B. Stark. At this meeting, Mr. Stark presented the full audit plan for the University System of Georgia for fiscal year 2003, including coverage provided by the Board of Regents audit staff and the campus-based auditors.

3. Executive Session

At approximately 11:40 a.m. on Tuesday, May 7, 2002, Chair Cater called for an Executive Session for the purpose of discussing a personnel issue. With motion properly made and variously seconded, the Committee members who were present voted unanimously to go into Executive Session. Those members were as follows: Chair Connie Cater, Vice Chair Glenn S. White, and Regents George M. D. (John) Hunt III, Martin W. NeSmith, and Joel O. Wooten, Jr. Also in attendance were Regent Hugh A. Carter, Jr., Chancellor Thomas C. Meredith, and President Carlton E. Brown of Savannah State University. 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 12:05 p.m., Chair Cater reconvened the Board meeting in its regular session and announced that no actions were taken in Executive Session.

COMMITTEE ON FINANCE AND BUSINESS OPERATIONS

The Committee on Finance and Business Operations met on Tuesday, May 7, 2002, at approximately 3:35 p.m. in the Board Room. Committee members in attendance were Chair James D. Yancey, Vice Chair J. Timothy Shelnut, and Regents Connie Cater, George M. D. (John) Hunt III, Glenn S. White, and Joel O. Wooten, Jr. Board Chair Howell was also in attendance at this meeting. Chair Yancey reported to the Board on Wednesday that the Committee had reviewed four items, all of which required action. With motion properly made, seconded, and unanimously adopted, the Board approved and authorized the following:

1. Approval of Changes to The Policy Manual, Section 704 Tuition and Fees

Approved: The Board approved changes to Section 704 of The Policy Manual, effective May 8, 2002.

Background: Beginning last year, the University System Office began a process of updating The Policy Manual of the Board of Regents. The purpose of this effort is to eliminate outdated language and procedures and modify policies that place unnecessary burdens upon institutions. Institutional presidents were asked early on in this process to identify policies that needed to be changed.

The changes proposed for Section 704 Tuition and Fees were reviewed extensively by chief business officers throughout the University System of Georgia and by staff at the System and institutional level. In addition, the recommendations were shared with University System presidents in April 2002. The major proposed changes to Section 704 Tuition and Fees are summarized as follows:

- The section has been reorganized and renumbered to improve sequencing of related policy provisions.
- Definitions have been added to clarify meaning and purpose and to include cross-references to other relevant sections of The Policy Manual. For example, definitions are provided for "in-state tuition" and "out-of-state tuition" with reference to the Board's residency policy.
- Approval requirements for elective fees have been changed such that Chancellor approval is required only for housing and food service fees, while other elective fees (user fees and special charges) may be approved under the authority of institutional presidents. Institutions will be required to report all mandatory and elective fees annually to the Board of Regents.

- A provision has been added to recognize the authority of institutional presidents to set fees for noncredit courses as described in Section 503 of The Policy Manual. (This reflects existing practice but formalizes that practice by including it in the tuition and fees policy).
- Section 704.014 Professional Program Tuition has been added to state that only nationally competitive graduate and professional programs would qualify for differential tuition rates under the policy. This reflects the original intent to make tuition rates for select graduate and professional programs comparable to competing programs in peer institutions across the country.
- A provision has been added which grants the Board authority to approve special tuition rates for distance learning courses and programs should an institution seek to obtain that approval. This is a departure from current policy but reflects the positive outcome of using special rates for the e-Core and WebM.B.A. programs. The new rates would not be differentiated by residency status. Additionally, this applies only to distance learning courses and programs in which 95 percent or more of class contact time is delivered by a distance technology.
- New language has been added to allow institutions to prorate mandatory fees on a per credit hour basis for students enrolled for less than 12 credit hours. Like the existing provision, which gives institutions the authority to waive mandatory fees for students enrolled for fewer than six credit hours, this new provision is permissive.
- New language has been added to include “tuition” in the existing payment deferral provisions. This change is necessitated by elimination last year of the terms “matriculation fees” and “nonresident fees” in favor of “in-state tuition” and “out-of-state tuition”.
- A new provision has been added to allow waiver of out-of-state tuition for students who are legal residents of bordering states and who enroll in Board-approved external centers. The nonresident students must live in out-of-state counties which border on Georgia counties in which the external center is located. Current policy restricts the out-of-state tuition waiver to nonresident student enrollment in institutions located in counties contiguous to out-of-state counties.
- A new provision has been added to allow waiver of out-of-state tuition for nonresident students enrolled in an Intellectual Capital Partnership Program (“ICAPP[®]”) Advantage program.
- The waiver of mandatory fees, exclusive of technology fees, for certain categories of students (Section 704.042) is clarified as an optional decision for institutions. A new provision allowing for waiver of mandatory fees for students enrolled exclusively in distance learning courses has been added.

Sections of The Policy Manual which are proposed to be revised are as follows. Please note that the strike-through texts represent deletions from the current version and highlighted texts represent additions.

704 TUITION AND FEES

~~704.01 AUTHORIZATION AND PAYMENT~~

~~704.0101 APPROVAL AND STRUCTURE~~

704.01 TUITION

Although tuition and fees charged students of the University System normally shall be approved by the Board of Regents, institutions may implement special technology fees on a pilot basis. Institutions choosing to establish such fees may submit a proposal for approval from the Chancellor prior to implementation. Proposals must have the support of affected students and must demonstrate program quality enhancement and competitive need. Before any pilot program becomes permanent, it would need the explicit approval of the Board of Regents.

Tuition shall be defined as payment required for credit-based instruction and related services and shall be charged to all students. Tuition rates for all University System of Georgia institutions and programs shall be approved annually by the Board of Regents at its April meeting to become effective the following fall semester. Exceptions to this requirement may be granted upon recommendation of the Chancellor and approval by the Board of Regents. Tuition for both undergraduate and graduate students enrolled at an institution within the University System of Georgia shall be charged at the full rate for students enrolled for 12 credit hours or more and at a per credit hour rate for students enrolled for less than 12 credit hours. and at the same rate for 12 or more credit hours. Distance education courses and programs as defined in Section 704.01 may be exempted from this policy and charged on a per credit hour basis.

Out-of-state tuition at all University System institutions shall be four times the tuition rate charged to Georgia residents. In addition, the Chancellor is authorized to approve institutional requests for special pilot programs for waiving the tuition differential. The Chancellor shall evaluate such requests 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.

704.011 IN-STATE TUITION

In-state tuition shall be defined as the rate paid by students who meet the residency status requirements as provided in Section 403 of The Policy Manual.

704.012 OUT-OF-STATE TUITION

Out-of-state tuition shall be defined as the rate paid by students who do not meet the residency status requirements as provided in Section 403 of The Policy Manual. Out-of-state tuition at all University System institutions shall be established at rate that is at least four times the tuition rate charged to Georgia residents. University System of Georgia research universities may request increases in out-of-state tuition rates based on the tuition levels of peer or benchmark institutions.

704.013 GRADUATE TUITION

The tuition rate for all University System graduate programs shall be at least 20 percent higher than the base tuition rate for undergraduate programs. The regular graduate tuition rates normally shall be charged to all graduate students; however, where a graduate student is classified as a research, teaching, or graduate assistant, the institution may waive the graduate tuition or waive the differential between in-state and out-of-state graduate tuition.

704.014 PROFESSIONAL PROGRAM TUITION

Board approval shall be required for differential tuition rates for nationally competitive graduate and professional programs, as deemed appropriate by the institution based on the academic marketplace and the tuition charged by peer institutions with similar missions. An institution seeking such approval from the Board shall provide the Board with an impact analysis and a plan for enhancing the quality of the program.

704.015 TUITION FOR DISTANCE LEARNING COURSES AND PROGRAMS

Board approval is required for special tuition rates for distance education courses and programs should an institution seek to charge special rates. Notwithstanding other provisions in Sections 704, rates shall apply to all students regardless of residency status and shall be no less than the standard in-state tuition rate approved for the offering institution. For the purposes of this policy, distance learning courses and programs shall be defined as those courses and programs in which 95 percent or more of class contact time is delivered by a distance technology.

704.016 TUITION AGREEMENTS WITH CORPORATIONS, ORGANIZATIONS, AND OTHER LEGAL ENTITIES

University System of Georgia institutions may enter into agreements with customers (defined as corporations, organizations, agencies, or other legal entities) for the delivery of credit courses and programs. The course/program delivery shall be restricted to members of the customer group and their dependents, except upon agreement between the institution and the customer to permit nonmembers or nonemployees to enroll in courses/programs on a space-available basis. The amount institutions may charge for the course/program delivery shall be agreed upon between the institution and the customer, such that the total cost shall represent the reasonable and fair market value of the instruction and provided that

the charges are not less than the total direct and indirect costs to the institution for the delivery of instruction and related services. Such costs may include, but are not necessarily limited to, course development, direct instruction, textbooks, consumables, noninstructional services, hardware, software, and indirect costs such as administrative overhead, maintenance, and security.

Institutions shall be required to report annually to the Chancellor regarding these agreements.

The charges agreed upon between the institution and the customer shall be assessed to the customer on a per seat, per student, or per agreement (flat-rate) basis.

704.17 POSTSECONDARY OPTIONS PROGRAM TUITION REIMBURSEMENT WAIVER

University System of Georgia institutions shall waive the portion of tuition representing the difference between the amount of the state reimbursement for the Postsecondary Options (PSO) program and the total cost of tuition, as approved by the Board, for the students enrolled in the program.

704.02 ~~CLASSIFICATION~~ STUDENT FEES AND SPECIAL CHARGES

~~A. MANDATORY FEES. Mandatory fees must be paid by all students unless waivers are specifically approved by the Board of Regents. There are two categories of mandatory fees:~~

- ~~1. Fees mandated by the Board of Regents for all University System students; and~~
- ~~2. Fees mandated by the institution and approved by the Board of Regents for all students at the individual institution, such as activity fees, athletic fees, health fees, and transportation fees.~~

~~ELECTIVE FEES. Elective fees are established by the institution, approved by the Chancellor or his/her designee, and paid by the students who elect and/or benefit from the specific services. Examples of elective fees are residence hall rentals, food service, post office box rentals, residence hall activities, and special class fees, such as applied music fees.~~

~~C. PENALTY CHARGES. Penalty charges are established to discourage undesirable practices and must be paid according to the schedule established by the institution.~~

704.021 MANDATORY STUDENT FEES

Mandatory student fees are defined as fees which are paid by all students as required by the Board of Regents or as required by the institution subject to approval by the Board of Regents. Mandatory fees shall

include, but not be limited to, intercollegiate athletic fees, student health service fees, transportation or parking fees (if the latter are charged to all students), student activity fees, and technology fees. All mandatory fees shall be approved by the Board of Regents at its meeting in April to become effective the following fall semester. Exceptions to this requirement may be granted upon recommendation of the Chancellor and the approval of the Board of Regents.

An institution may waive mandatory fees for students who are enrolled for fewer than six credit hours. Alternatively, institutions may prorate mandatory fees on a per credit hour basis for students taking less than 12 credit hours. Institutions may elect to reduce Board-approved mandatory fees for students enrolled in summer courses.

Proposals to increase mandatory student fees and proposals to create new mandatory student fees, submitted by an institution shall first be presented for advice and counsel to a committee at each institution composed of at least 50 percent students. Students shall be appointed by the institution's student government association.

All mandatory student fees collected by an institution shall be budgeted and administered by the president using proper administrative procedures, which shall include the advice and counsel of an advisory committee composed at least 50 percent students. Students shall be appointed by the institution's student government association. All payments from funds supported by student mandatory fees shall be made according to approved business procedures and the appropriate business practices of the institution (BR Minutes, 1999-2000, p. 364).

704.022 ELECTIVE FEES AND SPECIAL CHARGES

704.0223 HOUSING FEES

Housing fees are defined as fees paid by students who elect to live in institutional residential facilities. All housing fees shall be approved by the Chancellor or his/her designee in April of each year. Exceptions to this requirement may be granted by the Chancellor if warranted by special circumstances.

704.0224 FOOD SERVICE FEES

Food service fees are defined as fees paid by students who elect to choose a institutional food service plan. All food service fees shall be approved by the Chancellor or his/her designee in April of each year. Exceptions to this requirement may be granted by the Chancellor if warranted by special circumstances.

704.0225 OTHER ELECTIVE FEES AND SPECIAL CHARGES

Other elective fees and special charges are defined as those fees and charges which are paid selectively

by students. These fees and charges may include, but are not limited to, resident hall deposits, penalty charges, non-mandatory parking fees and parking fines, library fines, laboratory fees, post office box rentals, and course fees. Institutional presidents are authorized to establish and adjust these fees, as appropriate. Institutions shall be required to report to the Chancellor annually on all such fees and any adjustments made thereto under procedures established by the Vice Chancellor for Fiscal Affairs and Treasurer.

704.0226 CONTINUING EDUCATION FEES

Institutional presidents shall be authorized to establish fees for noncredit-hour courses and programs as defined in Section 503 of The Policy Manual.

~~704.0102~~ 704.03 TUITION AND FEE PAYMENT AND DEFERRAL

All tuition and fees (mandatory and elective fees) are due and payable upon registration. Exceptions to the time of payment are as follows:

1. An institution may defer tuition and fees up to the amount authorized for a specific academic term for students whose fees are guaranteed and will be paid by an outside agency under a documented agreement with the institution.
2. An institution may defer tuition and fees up to the amount of the aid granted for a specified academic term for students who have an institution-administered loan or scholarship in process.
3. An institution may defer tuition and fees up to the limit stated in the certificate or other document for a specified academic term for foreign students who have a certificate or other acceptable documented evidence that payment of fees will be made after a statement of charges from the student has been presented for payment.

~~704.03~~ 704.04 TUITION DIFFERENTIAL AND FEE WAIVERS OUT-OF-STATE TUITION WAIVERS AND WAIVER OF MANDATORY FEES

~~704.0301~~ FEE WAIVERS

An institution may waive the health service and student activity fees for students who initially registered during any academic term for fewer than six credit hours or who are attending classes which meet fewer than two calendar days per week or for other special institutional circumstances approved by the Board (BR Minutes, 1968-69, pp. 506-7; 1982-83, p. 124).

In addition, each institution must adhere to the following guidelines in establishing policies and procedures

~~governing select student fees for those students who may be studying on other campuses or be located away from their home campus for various reasons.~~

~~a. Students who reside and/or study on a campus other than their "home institution" should pay the select fees of the institution at which they are residing or studying, entitling them to the services made available by that institution. They should not be required to pay fees at their "home institution."~~

~~b. Students enrolled at off-campus centers should pay a select off-campus fee for services made available at the center, if applicable. Additional campus-based fees, such as health and athletic fees, should be optional and elective for these students.~~

~~c. Students participating in practicum experiences (e.g., student teachers) and internships who are located over 50 miles from their home institution should not pay any select fees other than those prescribed by their home institution as directly related to the practicum experience. Additional campus-based fees, such as health athletic fees, should be optional and elective for these students.~~

~~d. Institutions may enter into mutual agreements that provide clearly articulated services to students at locations other than the students' home institutions. For services made available beyond the mutual agreement, the host institution may charge a special fee.~~

~~e. If an institution can clearly demonstrate that adherence to any of these guidelines would place undue hardship on that institution, it can request that the Chancellor grant it an exemption to the guideline.~~

704.0302 704.041 OUT-OF-STATE TUITION DIFFERENTIAL WAIVERS

An instituion 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.

~~A. Nonresident students who are financially dependent upon a parent, parents or spouse who has been a legal resident of Georgia for at least twelve consecutive months immediately preceding the date of registration, provided, however, that such financial dependence shall have existed for at least twelve consecutive months immediately preceding the date of registration;~~

B. Internationaland Superior Out-of-State Students. Up to two percent of the institution's full-time enrollment for superior out-of-state students in selected programs and/or international students, as selected by the president (BR Minutes, 1984-85, p. 372; March, 1996, p. 47); 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 percent 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 teachers in the public schools of Georgia or in the programs of the State Board 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 dependents children who are citizens of the foreign nation which that their consular office represents and who are stationed and living in Georgia under orders of their respective governments. This waiver shall apply only to those consular officers whose nations operate on the principle of educational reciprocity with the United States;
- G. **Military Personnel.** Military personnel, their spouses, and their dependents children stationed in Georgia and on active duty, unless such military personnel are assigned as students to System institutions for educational purposes;
- H. **Research University Graduate Students.** Graduate Students attending tThe University of Georgia, the Georgia Institute of Technology, Georgia State University, and the Medical College of Georgia, which shall be are authorized to waive the out-of-state non-resident 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 quota 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 Students who are legal residents of out-of-state counties bordering on Georgia counties in which an institution or a Board-approved external center

of the University System is located. ~~and who are enrolled in the institution;~~

- 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); and
- 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, Tourism and Trade as being part of a competitive economic development project;

~~Institutions shall exercise the greatest care in selecting students who are to receive waivers of the tuition differential. Such non-resident graduate students shall pay all tuition and fees required of residents of Georgia.~~

~~A Georgia-based corporation may contract with the Board of Regents to provide tuition differential waivers to the corporation's non-Georgia-domiciled employees attending University System institutions (BR Minutes, March, 1996, p.47).~~

- 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; and
- 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.

704.042 WAIVER OF MANDATORY FEES

An institution may waive mandatory fees, excluding technology fees, for:

- A. Students who reside or study at another institution
- B. Students enrolled in practicum experiences (e.g., student teachers) or internships located at least 50 miles from the institution.
- C. Students enrolled in distance learning courses or programs who are not also enrolled in on-campus courses nor residing on campus.

- D. Students enrolled at off-campus centers, except that the institution shall be authorized to charge select fees to these students for special services subject to approval by the Board of Regents.

NOTE: For the definition of residency status, see Section 403.

2. Approval of Changes to The Policy Manual, Section 701.01 Private Donations to the University System and Its Institutions

Approved: The Board approved changes to Section 701.01 of The Policy Manual, effective May 8, 2002.

Background: Beginning last year, the University System Office embarked upon an effort to update Board policies to eliminate outdated practices and practices which imposed unnecessary burdens upon institutions. The Policy Manual changes proposed herein are designed to clarify current policy, as follows:

- Establishes that the Board must accept on behalf of any University System institution all gifts, requests, agreements, or declarations of trust where the initial gift or trust estate is valued at \$100,000 or more.
- Establishes that any donation of real property valued at \$100,000 or more to an institution shall require approval of the Board of Regents.

701.01 PRIVATE DONATIONS TO THE UNIVERSITY SYSTEM AND ITS INSTITUTIONS

The Board of Regents of the University System of Georgia, recognizing that public institutions are dependent, in part, on private funding (just as private institutions are partially dependent on public funding) encourages the institutions under its control to seek the support of alumni, friends, corporations, and other private individuals and organizations who might be interested in contributing to the welfare of the institutions, their students, and their faculties.

Funds raised from private donations may be used in support of the mission and objectives of the institution, including funds for student scholarships, salary supplements, construction of physical facilities, and gifts and grants for other purposes as may be designated by the donor. However, institutions are not authorized to commit any state funds for challenge or matching grants or gifts for the construction of facilities or for other purposes without prior approval of the Chancellor.

The Board of Regents shall not consider gifts, contributions, or income from endowments held for the benefit of any University System of Georgia institution in determining the allocation of state funds to that institution.

Private donations to separately incorporated cooperative organizations established pursuant to Section

1905 of The Policy Manual shall not be subject to control by the Board of Regents or the college or university administration except as provided in Section 1905 or by the memoranda of agreement established between institutions and their cooperative organizations.

The Board of Regents must accept on behalf of any University System of Georgia institution Chancellor is authorized to accept, on behalf of the Board of Regents, gifts, bequests, agreements, or declarations of trust in those instances where the initial gift or trust estate is valued at \$100,000 or less more. Additionally, gifts of real property to any USG institution where the initial value is \$100,000 or more shall require prior Board approval. Institutions shall report annually to the Chancellor on all gifts received through private donations under procedures established by the Vice Chancellor for Fiscal Affairs and Treasurer. The Chancellor is further authorized to execute, on behalf of the Board, those documents necessary to provide proper fiscal management of those funds accepted under this authorization and, except as provided in this paragraph, to further delegate the authority to execute such documents. The Chancellor may, at his/her discretion, delegate the authority to execute said documents to the Treasurer or to the presidents of the several institutions in the University System, provided, however, that the Chancellor is not authorized to delegate to the presidents the authority to accept gifts of real property (BR Minutes, 1980-81, p. 241; January 1997, p. 24).

1. Approval of Changes to The Policy Manual, Section 702.0102 Auxiliary Enterprises

Approved: The Board approved changes to Section 702.0101 of The Policy Manual, effective May 8, 2002, to ensure that auxiliary enterprise programs operate consistent with new accounting requirements.

Background: Governmental Accounting Standards Board Statements Nos. 34 and 35 require colleges and universities to use the full accrual basis of accounting. Thus, depreciation of assets is required in fiscal year 2002. Depreciation is the accounting process used to allocate the cost of an asset over its useful life. (For example, a computer that cost \$3,000 with a useful life of three years would depreciate \$1,000 per year with a resulting reserve of \$1,000 per year; thus, at the end of three years, \$3,000 would be available for replacement of the computer). Consequently, the 5% repair and replacement reserve is no longer necessary.

702.0102 AUXILIARY ENTERPRISES

The second division — auxiliary enterprises — shall be placed on a self-supporting basis, and the state will not make appropriation to finance its operation. Funds collected from these enterprises will be used to provide the best possible services that can be provided for the amount charged without subsidy or support from the funds of the institutions for maintenance and utility services. Accounting records for auxiliary enterprises will be maintained on the full accrual basis of accounting, therefore, funded depreciation will be required for all auxiliary enterprise service equipment, buildings, infrastructure and facilities, and other improvements. The reserve for depreciation will be used for repair and replacement of auxiliary assets according to guidelines provided in the Business Procedures Manual. Profits made from these enterprises will be used at the direction of the Board for auxiliary enterprises (BR Minutes 1963-64, p.

~~391; 1984-85, p. 375): The funds collected will be left with the institutions. and an institution will be permitted to expend only 95% of its gross income in the operation of these enterprises. Profits made from these enterprises will be used at the direction of the Board for auxiliary enterprises (BR Minutes 1963-64, p. 391; 1984-85, p. 375).~~

Intercollegiate athletics shall be classified as an auxiliary enterprise for financial reporting; however, the provision of this policy prohibiting support from the funds of the institutions for maintenance and utility services ~~and the provision permitting expenditure of only ninety-five percent (95%) of gross income~~ shall not apply. Additionally, funds from intercollegiate athletics shall not be commingled with other auxiliary enterprise funds.

1. Acceptance of Gifts for the 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>
Intel Corporation	\$130,482	Various Computer Equipment	School of Electrical & Computer 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. The equipment will be used in GIT’s Internet teaching lab. GIT has advised that there are no material costs associated with the acceptance of this gift.

COMMITTEE ON REAL ESTATE AND FACILITIES

The Committee on Real Estate and Facilities met on Tuesday, May 7, 2002, at approximately 2:20 p.m. in the Board Room. Committee members in attendance were Chair George M. D. (John) Hunt III, Vice Chair Joel O. Wooten, Jr., and Regents Connie Cater, J. Timothy Shelnut, Glenn S. White, and James D. Yancey. Board Chair Hilton H. Howell, Jr. was also in attendance. Chair Hunt reported to the Board on Wednesday that the Committee had reviewed 13 items, 9 of which required action. One item was withdrawn prior to the meeting. With motion properly made, seconded, and unanimously adopted, the Board approved and authorized the following:

1. Information Item: Master Plan, Medical College of Georgia

The Medical College of Georgia physical master plan was presented by President Daniel W. Rahn and the consulting firm of Cooper Carry, Inc. This item was presented to the Committee on Real Estate and Facilities as a Committee of the Whole. (See pages 13 to 14.)

2. Executive Session, Augusta State University and Medical College of Georgia

At approximately 2:15 p.m. on Tuesday, May 7, 2002, Chair Howell called for an Executive Session for the purpose of discussing the acquisition of property. 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 George M. D. (John) Hunt III, Vice Chair Joel O. Wooten, Jr., and Regents Connie Cater, Michael J. Coles, J. Timothy Shelnut, Glenn S. White, and James D. Yancey. Also in attendance were Chancellor Thomas C. Meredith; the Secretary to the Board, Gail S. Weber; the Senior Vice Chancellor for External Affairs and Facilities, Thomas E. Daniel; the Interim Vice Chancellor for Facilities, George Wingblade; the Assistant Vice Chancellor for Facilities (Design and Construction), Linda Daniels; the Assistant Vice Chancellor for Facilities (Real Properties), Peter J. Hickey; the Assistant Vice Chancellor for Legal Affairs (Contracts), Robyn Crittendon; President Daniel W. Rahn, Medical College of Georgia; President William Bloodworth, Jr., Augusta State University; and John Anderson of Anderson Design. 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 2:50 p.m., Chair Hunt reconvened the Committee meeting in its regular session and announced that no actions were taken in Executive Session.

3. Facility Naming, Valdosta State University

Approved: The Board approved the naming of the north campus at Valdosta State University ("VSU") to the "Rea and Lillian Steele Business Center North Campus" of VSU.

Understandings: The Steeles were long-time contributors to VSU.

Rea Steele was one of the original founders of First State Bank, which became part of the holding company of Synovus Financial Corp. During his tenure with the bank, he served as Chairman and Chief Executive Officer. He began his career at the bank in 1954 and retired in 1982. Mrs. Steele was the former Lillian Skinner of Valdosta.

Mr. Steele was a major supporter of VSU's first capital campaign in 1986. He was active in business and community affairs, including the Chamber of Commerce, Georgia Christian School, Boys Club of Valdosta, and the Soup Kitchen. He attended the University of Florida and graduated from Bob Jones University and Rutgers School of Banking.

The estate of Mrs. Steele, estimated at \$10.5 million, is gifted to VSU and will be utilized to endow scholarships in the College of Business and for two matching distinguished chairs in the College of Business.

4. Demolition of Building Number 82, Joseph B. Whitehead Infirmary, Georgia Institute of Technology

Approved: The Board declared Building Number 82, the Joseph B. Whitehead Infirmary Building, located on the campus of Georgia Institute of Technology ("GIT"), Atlanta, Georgia, to be no longer advantageously useful to GIT or other units of the University System of Georgia and authorized the

demolition and removal of this building.

The Board requested that the Governor issue an Executive Order authorizing the demolition and removal of this building from the campus of GIT.

The demolition of this building is subject to satisfactory completion of environmental review.

Understandings: In January 2001, the Board authorized construction of a student health center. At that time, the Board was informed of the intent to demolish the existing student health center. This request is for the demolition.

The Joseph B. Whitehead Infirmary is a two-story, 21,000 gross-square-foot brick and stucco building with slab on-grade foundation and a built-up roof.

A Georgia Environmental Policy Act evaluation and Environmental Report have been prepared for this proposed demolition. These reports indicate that any potential adverse impacts to historical resources that may be caused by the demolition of this facility will be adequately mitigated. The reports are currently being reviewed by the Department of Natural Resources, Historic Preservation Division.

The demolition is in accordance with the Georgia Institute of Technology Master Plan.

5. Demolition of Building Number 21, 190 Bobby Dodd Way, Georgia Institute of Technology

Approved: The Board declared Building Number 21, 190 Bobby Dodd Way, located on the campus of Georgia Institute of Technology (“GIT”), Atlanta, Georgia, to be no longer advantageously useful to GIT or other units of the University System of Georgia and authorized the demolition and removal of this building.

The Board requested that the Governor issue an Executive Order authorizing the demolition and removal of this building from the campus of GIT.

The demolition of this building is subject to satisfactory completion of environmental review.

Understandings: The building at 190 Bobby Dodd Way is a two-story, 12,300 gross-square-foot concrete frame structure with a concrete and stucco finish exterior.

The Renovation and Expansion of Bobby Dodd Stadium/Grant Field, a project authorized by the Board in May 2001, proposes an expanded stadium and plaza in the location of the 190 Bobby Dodd Way building. This expanded plaza will enhance the athletic program by providing better stadium entrance and egress for students, faculty, staff, and the general public.

The building currently houses the Grants & Contracts Accounting, Indirect Cost Recovery, and Risk

Management user groups. These user groups will be relocated to two other buildings on campus: the 711 Marietta Street building and the 505 Tenth Street building.

A Georgia Environmental Policy Act evaluation and Environmental Report have been prepared for this proposed project. These reports indicate that any potential adverse impacts to historical resources that may be caused by the demolition of this facility will be adequately mitigated. The reports are currently being reviewed by the Department of Natural Resources, Historic Preservation Division.

6. Ground Lease and Rental Agreement for East Campus Dining Hall, University of Georgia

Approved: The Board declared approximately 6.4722 acres of land on the campus of the University of Georgia (“UGA”), Athens, Georgia, no longer advantageously useful to UGA or other units of the University System of Georgia but only to the extent and for the purpose of allowing this tract of land to be leased to UGAREF East Campus Housing, LLC (the “LLC”) for the purpose of constructing and owning a 69,270-gross-square-foot dining hall for UGA.

The Board authorized the execution of a lease agreement between the Board of Regents, Lessor, and the LLC, Lessee, for approximately 6.4722 acres of land on the campus of UGA for a period of 33 years with one option to renew for a period up to five years for the purpose of constructing and owning a 69,270-gross-square-foot dining hall for UGA.

The Board also authorized the execution of a rental agreement between the LLC, Landlord, and the Board of Regents, Tenant, for approximately 69,270 gross square feet for the period commencing on the first day of the first month after the LLC obtains a certificate of occupancy for the improvements and ending June 30, 2004, at a monthly rental of \$108,333.33 (\$1,300,000 per year/\$18.77 per square foot per year) with options to renew on a year-to-year basis for 29 consecutive one-year periods at the same rent rate.

The terms of the above-referenced lease and rental agreements are subject to review and legal approval of the Office of the Attorney General.

Understandings: In October 2001 and March 2002, the Board authorized and amended ground leases for housing and a parking deck on East Campus. The potential for a student dining facility was contemplated; however, planning for the facility was incomplete. This facility will include a dining hall, commissary, bookstore, and parking services headquarters. These service facilities are not currently available within the East Campus development.

Construction of the dining hall is in accordance with the University of Georgia Campus Master Plan. At the end of the terms of the ground lease, the land, all improvements, and any accumulated capital reserves will become the property of the Board of Regents.

Operating costs for the rental agreement, including utilities, insurance, maintenance, repairs, janitorial services, and pest control, are estimated to be \$344,200 per year.

Rental and operating expenses will be paid from UGA auxiliary funds.

7. Rental Agreement, East Campus Parking Deck, University of Georgia

Approved: The Board authorized the execution of a rental agreement between UGAREF East Campus Housing, LLC (the “LLC”), Landlord, and the Board of Regents, Tenant, for an approximately 850-car parking deck and 400 surface parking spaces for the period commencing on the first day of the first month after the LLC obtains a certificate of occupancy for the improvements and ending July 31, 2003, at a monthly rental of \$64,583.33 (\$775,000 per year) with options to renew on a year-to-year basis for 29 consecutive one-year periods at the same rent rate.

The terms of the above-referenced rental agreement are subject to review and legal approval of the Office of the Attorney General.

Understandings: In October 2001 and March 2002, the Board authorized and amended a ground lease for a parking deck on East Campus. The Board was informed that a rental agreement would be presented for consideration when construction of the parking deck is complete.

Operating costs for the rental agreement, including utilities and insurance, are estimated to be \$52,000 per year.

Rental and operating expenses will be paid from UGA auxiliary funds.

8. Rental Agreement, Studies Abroad Program, Costa Rica, University of Georgia

Approved: The Board authorized the execution of a rental agreement between La Dominga de San Luis, S.A., a nonprofit affiliate of the University of Georgia Foundation, Inc. (the “Foundation”), Landlord, and the Board of Regents, Tenant, for approximately 169 acres of land with building structures in Costa Rica for a period commencing on the first day of the first month after the Foundation closes on the property and ending June 30, 2003, at a monthly rental of \$7,083.33 (\$85,000 per calendar year) with options to renew on a year-to-year basis for 19 consecutive one-year periods with rent increasing 3% each year for the use and benefit of the University of Georgia (“UGA”).

Modified: The rental rate was revised prior to the Board meeting.

The terms of this agreement are subject to review and legal approval of the Office of the Attorney General.

Understandings: UGA’s Ecology and Environmental Study program has utilized this property for classroom and residential space as well as outdoor research. The property has previously been leased by students and faculty; however, it is shared with other universities and tourists and is not available year-round to UGA.

The land provides one of the few natural rain forests and ecosystems available for research. The buildings include a dining hall, four rooms with 30 bunks, a classroom, and a laboratory. There are also two rooms with 8 bungalow beds, a lodge with 12 rooms, a horse stable, and housing for employees.

Operating costs, including utilities, janitorial services, rubbish removal, pest control, and maintenance, are estimated to cost \$82,976 annually.

Rental and operating expenses will be paid from UGA's Costa Rica Ecology and Environmental Study program fees.

9. Rental Agreement, Studies Abroad Program, Cortona, Italy, University of Georgia

Approved: The Board authorized the execution of a rental agreement between the UGA Real Estate Foundation, Inc. ("UGAREF"), Landlord, and the Board of Regents, Tenant, for approximately 30,000 rentable square feet in Cortona, Italy, for a period commencing on the first day of the first month after UGAREF closes on the purchase of the improvements and ending June 30, 2003, at a monthly rental of \$10,833.33 (\$130,000 per calendar year/\$4.33 per square foot) for the first year. For the first option period, the monthly rental jumps to \$18,333.33 (\$220,000 per calendar year/\$7.33 per square foot) with options to renew on a year-to-year basis for 29 consecutive one-year periods with rent increasing 3% each year for the use and benefit of the University of Georgia ("UGA").

Modified: The rental rate was revised prior to the Board meeting.

The terms of this agreement are subject to review and legal approval of the Office of the Attorney General.

Understandings: UGA's Cortona, Italy, studies abroad program has utilized portions of this space for studio, classroom, and residential accommodations under a lease from the Italian government. The government is selling the property, and it would not be available to UGA following the sale.

UGAREF is preparing to purchase the property and make necessary repairs and renovations. UGAREF plans to rent the space back to UGA for its continued use.

If UGAREF is not the highest bidder for the property, this lease request will be rescinded.

Operating costs, including utilities, janitorial services, rubbish removal, pest control, and maintenance, are estimated to cost \$71,600 per year.

Rental and operating expenses will be paid from UGA's Cortona program fees.

10. Authorization of Project, "Dan Magill Tennis Complex," University of Georgia

Approved: The Board authorized Project No. BR-10-0204, “Dan Magill Tennis Complex,” University of Georgia (“UGA”), with a total project budget of approximately \$7.3 million from the UGA Athletic Association (the “AA”).

The Board declared the AA’s locker room/VIP seats structure at the tennis complex located on the campus of UGA, Athens, Georgia, to be no longer advantageously useful to UGA or other units of the University System of Georgia and authorized the demolition of the structure.

The Board requested that the Governor issue an Executive Order authorizing the demolition and removal of the existing AA locker room/VIP seats structure at the tennis complex from the campus of UGA.

The Board authorized an amendment to the lease agreement between the Board of Regents, Lessor, and the AA, Lessee, to include the new facilities upon completion of construction.

Understandings: The project involves the construction of approximately 20,000 gross square feet of program area. The project will provide men’s and women’s tennis archival display, locker rooms, a lounge, public restrooms, storage, tiered VIP seats, offices, and improved access to the indoor tennis venue.

The development of the Dan Magill Tennis Complex with new men’s and women’s tennis clubhouses flanking the main tennis courts will form a more cohesive facility. This development of the athletic precinct to achieve a more optimal student environment is consistent with the University of Georgia Campus Master Plan.

11. 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: The percentage of the state’s budget appropriation for the University System of Georgia has declined this year. MRR funds suffered a \$12.2 million, or 22%, cut for fiscal year 2002 and a \$23 million, or 43%, cut for fiscal year 2003. The \$31,075,000 MRR bond funds received in the fiscal year 2002 amended budget are anticipated to be available sometime in late July or early August. Institutions that lost unencumbered funds last year will have those funds reinstated as part of their target allocation this year. The remaining funds will be distributed to all institutions based on the merit of projects requested.

Proposed projects from each campus were reviewed by the Board of Regents facilities staff for priority, quality, and cost. Recommendations generally followed campus priorities, although all were required to meet the test of quality and cost. Guidelines were used to screen campus requested projects for MRR funding.

MRR funds are not used for new construction or 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 are auxiliary projects recommended for MRR funding.

Campuses are expected to perform adequate annual maintenance and operations; MRR is intended to cover nonroutine larger expenditure items. MRR is intended to be used for building system and building integrity purposes before other uses; for example, roofs and HVAC systems take priority over sidewalks and driveways. MRR should be focused on critical building systems and utility infrastructure to reduce building outages due to failed central systems.

12. Rental of Space in Athens, Gainesville College

This item was withdrawn from the agenda.

13. Information Item: Armstrong Atlantic State University Housing

Armstrong Atlantic State University ("AASU") first presented its housing plan to the Board in March 1998.

At this meeting, President Thomas Z. Jones presented an update to the AASU housing plan. The update included a modification to the targeted student populations to also include students in the economics and teacher education programs. Additionally, the percentage targets were revised to reach 15% of the total student population.

AASU is preparing a proposal for the Board to consider its the June 2002 meeting to add a Phase II to the student housing approved by the Board in March 2001. The proposal will amend the existing ground lease for an additional 6.9 acres to provide an additional 292 student beds.

14. Information Item: Master Plan, Darton College

Darton College and the Office of Facilities proposed a physical master plan for the future development of the institution. President Peter J. Sireno and the consultant, Mr. David Harper, President of the architectural/planning firm of Harper Partners, Inc., presented the plan to the Committee. The consultants reviewed the college's enrollment targets, mission statement, strategic plan, academic and support programs, and other variables. They met with the administration, faculty, and students to receive input and then presented options for facilities, parking/traffic patterns, future growth, pedestrian circulation patterns, and campus green space. Based upon the consultants' findings, Darton College's master plan includes the following:

Replace the student services building, a building that is beyond cost-effective repair, and open up the central portion of campus to create a "sense of place" for the central academic core.

Identified building location sites, current building conditions, need for additional classroom and faculty office space, and the need to renovate aging facilities to meet growing academic needs and community outreach activities.

Expand the vehicular loop to promote better traffic circulation and minimize pedestrian cross-over with vehicular traffic. Establish a focal entry to campus.

Preserve and continue use of green space and wetlands area for educational purposes. Establish campus zones for appropriate recreation facilities.

COMMITTEE ON EDUCATION, RESEARCH, AND EXTENSION

The Committee on Education, Research, and Extension met on Tuesday, May 7, 2002, at approximately 2:30 p.m. in room 6041, the Training Room. Committee members in attendance were Chair Allene H. Magill, Vice Chair Martin W. NeSmith, and Regents Hugh A. Carter, Jr., William H. Cleveland, Joe Frank Harris, Elridge W. McMillan, and Wanda Yancey Rodwell. Vice Chair NeSmith reported to the Board that the Committee had reviewed 14 items, 12 of which required action. Additionally, 200 regular faculty appointments were reviewed and recommended for approval. With motion properly made, seconded, and unanimously adopted, the Board approved and authorized the following:

1. Establishment of the Bachelor of Science in Environmental Science, Georgia College & State University

Approved: The Board approved the request of President Rosemary DePaolo that Georgia College & State University ("GCSU") be authorized to establish the Bachelor of Science in Environmental Science, effective May 8, 2002.

Abstract: The program is designed to provide students with an interdepartmental baccalaureate degree with a major in Environmental Science. As a discipline, environmental science is concerned with the maintenance of the health and well-being of societies, the sustainability of resource use, and endangerment and extinction of species and natural systems. The program, with its emphasis on the natural sciences, integrates existing resources of the Departments of Biological and Environmental Sciences; Chemistry and Physics; Economics/Finance and Marketing; English, Speech, and Journalism; Government and Sociology; and Health, Physical Education, and Recreation.

Need: According to the Georgia Department of Natural Resources Environmental Protection Division's 2001 assessment of Georgia's environment, public and private awareness and concern have led to the demand for individuals with backgrounds in the environmental sciences. Positions are available in both private and public sectors with the latter ranging from municipal to federal agencies. A sample of career opportunities for graduates with this degree includes environmental scientist, environmental site assessor, research assistant, and environmental field technician.

Objectives: The program is designed to produce graduates with the capability of understanding the causes and consequences of ecological phenomena with an emphasis on fresh-water organisms and their environments. The program will also offer students the basis for further graduate study in various areas of environmental science. The program of study is constructed such that students will have the scientific, economic, social, political, ethical, and technical knowledge required of environmental scientists.

Curriculum: The 120-semester-hour curriculum will emphasize fresh-water environments and will include courses in geomorphology, urban and regional planning, and environmental toxicology.

Projected Enrollment: The institution anticipates new enrollments of 18, 25, and 36 students during the first three years of the program. An enrollment of 55 students is anticipated by end of the fifth year.

Funding: The institution will redirect resources to establish and implement the program. The institution anticipates that tuition revenues from increased enrollments will also support the program.

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.

2. Establishment of the Associate of Science in Dietetic Technician, Darton College

Approved: The Board approved the request of President Peter J. Sireno that Darton College ("DC") be authorized to establish the Associate of Science in Dietetic Technician, effective May 8, 2002.

Abstract: DC proposed the establishment of an Associate of Science in Dietetic Technician to meet a societal need in Southwest Georgia. The program will provide a formal educational setting for those demanding opportunities in this allied health field. According to the Bureau of Labor Statistics, allied health jobs in Georgia are expected to increase by over 131,000 by 2006, a 45% increase. Most of these jobs require postsecondary education completion. Demographic trends confirm an increased life expectancy and a burgeoning elderly population. These two factors alone contribute to changing disease patterns in the United States. The incidence of medical conditions, such as heart attack, hypertension, diabetes mellitus, obesity, and malnutrition in the elderly is rising. In other age groups, nutrition-related health problems can be addressed by dietetic technicians.

Need: The movement of many expensive treatment modalities from in-patient areas to out-patient and home-care settings presents an added demand for the associate's expertise. According to *Planning for Tomorrow*, the Georgia Department of Labor's industry and occupational outlook, the State's need for dietetic technicians is predicted to increase by 26% with 680 new jobs by 2006. Dietetic technicians work in a variety of environments, including hospitals, nursing homes, schools, daycare centers, public health agencies, weight management clinics, and food companies.

Objectives: The dietetics program prepares students to become dietitians who are qualified professionals and experts in food, nutrition, food production systems, and food safety.

Curriculum: The 69-semester-hour program is designed to meet the standards of the Commission on Accreditation for Dietetic Education of the American Dietetic Association. The program of study requires that students complete practicums in clinical nutrition, consumer nutrition, or food service management.

Projected Enrollment: The institution anticipates new enrollments of 16, 21, and 27 during the first three years of the program. All projected enrollments will be new to the institution.

Funding: The institution has redirected resources to establish the program and has been approved for a Title III grant under the Strengthening Institutions Program. The program will be housed in the existing Nursing and Allied Health Division.

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 Associate of Arts and Associate of Science Core Curriculum in Athens, Gainesville College

Approved: The Board of Regents approved the request of President Martha T. Nesbitt that Gainesville College ("GVC") be authorized to establish the Associate of Arts and Associate of Science core curriculum in Athens, effective May 8, 2002.

Abstract: With the successful outcome of the academic year 2001-2002 pilot core curriculum program in Athens, GVC requests permission to provide the entire core for students who want to obtain an Associate of Arts or Associate of Science degree. Prior to GVC's decision to offer classes in Athens, citizens in this region had access to only two public institutions of higher education, the University of Georgia and Athens Technical College. Piedmont College, Truett-McConnell College and Brenau University, all private institutions, also have campuses in Athens. The private institutions serve different populations. Truett-McConnell College offers freshman and sophomore-level courses in the day and evening. Piedmont College offers only upper-division and graduate course work in the evening. Brenau University offers upper-division courses in business and its evening Master of Business Administration degree.

In an effort to more conveniently meet the needs of area citizens desiring an affordable lower-division education, GVC decided to offer courses in Athens beginning with a pilot program during fall 2001. During academic year 2001-2002, 218 students enrolled in the fall term and 304 students enrolled in the spring term. Anticipated enrollment for fall 2002 is 420 to 480 students. The basic curriculum provided at the Athens site is equivalent to the curriculum approved on the main campus. Beginning fall 2002, GVC plans to expand its course offerings to include Area F of the core for students pursuing degrees with upper-level

course work in business, education, English, history, political science, psychology, sociology, and general studies. Additional Area Fs will be considered based on student demand, student population, and the availability of physical facilities and instructional and support personnel.

GVC has contacted and will cooperate with the Southern Association of Colleges and Schools (“SACS”) to obtain approval to offer associate degrees in Athens. In August 2001, GVC informed SACS that it would be offering courses at an off-campus site in Athens and requested approval for a substantive change. As part of the SACS review that was conducted January 29 to 31, 2002, a SACS team reviewed the pilot program in Athens. The review found that “Gainesville College has carefully planned and implemented a program at the Athens center to ensure consistency of academic program delivery and to provide services in Athens equal to those enjoyed by students on the Gainesville campus.” Contingent upon Board approval, Gainesville College will request approval for a substantive change from SACS to expand course offerings and thereby allow students to earn the Associate of Arts and Associate of Science degrees at the Athens location.

4. 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.

5. Establishment of the Albert Berry Saye Professorship of American Government and Constitutional Law, 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 Albert Berry Saye Professorship of American Government and Constitutional Law, effective May 8, 2002.

Abstract: The Albert Berry Saye Professorship of American Government and Constitutional Law was established to perpetuate the name of Albert Berry Saye with a gift in trust to the University of Georgia Foundation, Inc. The fund is supported by an endowment of more than \$250,000. The fund was created for the purpose of establishing an endowed professorship to advance the study of American government and constitutional law. The appointee will have an outstanding national reputation and hold the title of full professor. In addition, the appointee will be engaged in teaching, research, public service, or a combination of such duties consistent with the purpose of the professorship.

Biographical Sketch: Dr. Albert Berry Saye, one of the institution’s most distinguished and honored faculty, began his career at UGA in 1939, when he was appointed Instructor in History. He was named Assistant Professor of Political Science in 1940, was promoted to the position of Professor in 1948, was

designated Alumni Foundation Distinguished Professor in 1956, and in 1975 became the first Richard B. Russell Professor of Political Science, a position he held at the time of his retirement in 1979.

Dr. Saye was a prolific writer of articles on such topics as the county unit system, civil rights, voter registration, reapportionment, and federal intervention in state government matters. He was the author of numerous articles and books including: *Principles of American Government*, Tenth Edition (1986), *Handbook on the Constitutions of the United States and Georgia*, Twelfth Edition (1984), *A Constitutional History of Georgia*, Second Edition (1970), *New Viewpoints in Georgia History* (1943), *History of Georgia* (1954), *Georgia Government and History* (1957), *Constitutional Law* (1965), and *American Constitutional Law* (1975). He was widely known as a leading authority on state and federal constitutional law. When the state Constitution was rewritten in 1976 and revised in 1978, state leaders consulted Dr. Saye for his expert guidance. Dr. Saye was well known for his interest in students, frequently keeping files on their academic progress for years after they graduated. He was an active member of Phi Beta Kappa and was faculty advisor to the Demosthenian Society, where he assisted many students in advancing their forensic skills.

6. Establishment of the Orkin/Georgia Research Alliance Eminent Scholar in Emerging Diseases and Cellular Biology, 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 Orkin/Georgia Research Alliance (“GRA”) Eminent Scholar in Emerging Diseases and Cellular Biology, effective May 8, 2002.

Abstract: UGA requests approval to establish the Orkin/Georgia Research Alliance Eminent Scholar in Emerging Diseases and Cellular Biology in the Franklin College of Arts & Sciences. This position is being developed through cooperative arrangements between UGA and the GRA.

The GRA designated half of the endowment fund for the professorship, \$750,000, which was matched by a generous gift of \$750,000 from Sanford and Barbara Orkin of Atlanta to help establish a new faculty position for an expert on some of the world’s most deadly parasitic diseases. The gift will be applied toward this new GRA eminent scholar position in UGA’s Center for Tropical and Emerging Global Diseases (the “Center”). Scientists in the Center study parasites and vectors that cause diseases such as malaria and African sleeping sickness. Mr. and Mrs. Orkin attended UGA in the 1950s and live in Atlanta, where Orkin is active in business and civic affairs.

The position will enhance the recruitment of a commanding scholar in the area of emerging diseases who will provide additional scientific leadership to UGA’s developing program in this area. The professional qualifications desired include an earned doctorate or comparable degree, an internationally recognized research program in an appropriate area, and a successful record of accomplishment and distinction with demonstrated leadership abilities. The Center is a vital part of UGA’s biomedical and health science initiative, and the eminent scholar will strengthen this new initiative.

A joint enterprise between the College of Arts and Sciences and the College of Veterinary Medicine, the interdisciplinary Center was established to support and promote the development of research, service, and educational programs related to tropical and emerging diseases. The research focus of the Center includes the immunology, cell biology, biochemistry and molecular biology of protozoan and metazoan parasites, and the biology of vectors of infectious agents. The eminent scholar position will further strengthen the Center and will foster an expanded interaction of the Colleges of Arts and Sciences and Veterinary Medicine. The eminent scholar will have a faculty home in the Department of Cellular Biology and will provide senior scientific leadership for the department.

7. Establishment of the William and Pamela Prokasy Professorship in the Arts, 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 William and Pamela Prokasy Professorship in the Arts, effective May 8, 2002.

Abstract: The William and Pamela Prokasy Professorship in the Arts is named for William Prokasy, who served with distinction as Vice President for Academic Affairs at UGA from 1988 to 1998, and his wife, Pamela. Both have been strong advocates and patrons of the arts. The professorship is fully endowed from gifts made in their honor by friends and colleagues at UGA and in the community, with approximately \$260,000 currently in trust with the University of Georgia Foundation, Inc. The endowment was created for the purpose of supplementing the regular salary of an outstanding professor in the fine arts. This professorship recognizes an outstanding faculty member in the fine arts and will bring support for use in teaching and creative work and/or research. Such individuals should be outstanding artists and/or scholars and teachers whose instructional and creative and/or scholarly work has had a significant impact at UGA as well as nationally and internationally. The recipient of the professorship will hold the position until his or her retirement.

Biographical Sketch: Dr. Prokasy taught psychology at Pennsylvania State University, then joined the University of Utah, where he was Chair of the Psychology Department, Dean of the College of Social and Behavioral Science, and Acting Dean of the Graduate School. He was Dean of Liberal Arts and Sciences at the University of Illinois for eight years before coming to UGA. During Dr. Prokasy’s tenure at UGA, student admissions scores rose, several nationally prominent scholars were recruited, and the university began to appear in U.S. rankings as one of the country’s best educational values. He actively supported a sharp expansion in the use of computers, audio-visual aids, video, and other technology in the classroom. Dr. Prokasy also helped create and enhance awards programs for outstanding teaching and played a key role in creating UGA’s first long-range strategic plan.

8. Establishment of the Albert W. Jowdy Professorship in Pharmacy Care, 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 Albert W. Jowdy Professorship in Pharmacy Care, effective May 8, 2002.

Abstract: At the request of Albert W. Jowdy, the College of Pharmacy transferred \$300,000 from the Albert W. Jowdy Scholarship Fund to create a trust agreement for the establishment of the Albert W. Jowdy Professorship in Pharmacy Care. This professorship will be established to recognize a faculty member who has demonstrated a genuine interest for students, has an outstanding teaching record, and has a distinguished scholarship and/or service record. The appointee will have an outstanding national reputation, will have reached the highest rank in his/her appointed faculty rank, and will hold the title of full professor. In addition, the appointee will have demonstrated scholarly achievements in pharmacy care and evidenced a commitment to develop the stimulation of student curiosity, creativity, and critical thinking in one of the fields of pharmacy care. The professor will be engaged in teaching, research, public service, or a combination of such duties consistent with the purpose of the professorship.

Biographical Sketch: Dr. Albert W. Jowdy began his career on the faculty of UGA in 1966. In 1968, he became Head of the Department of Pharmacy Care Administration and Director of Pharmaceutical Services. During his tenure, 12 College of Pharmacy graduating classes invited Dr. Jowdy to speak at their commencement exercises. Following his retirement in 1985, Dr. Jowdy returned to the College of Pharmacy as Development Coordinator and established the annual Albert W. Jowdy Golf Classic. Proceeds from the annual Albert W. Jowdy Golf Classic benefit the Albert W. Jowdy Scholarship, established by UGA in 1998 in his honor.

Dr. Jowdy's achievements, both as a student advocate and as a researcher in pharmacy care administration, are nationally recognized. Dr. Jowdy was elected Fellow of the Academy of Pharmaceutical Sciences in 1975 and served as Chairman of the Academy's Economic, Social and Administrative Sciences Section. He was also Chairman of the Teachers' Seminar and the Council of Faculties of the American Association of Colleges of Pharmacy. In 1980, he received the University of Georgia Public Service Award. In 1994, Dr. Jowdy received the Alumni Society Faculty Service Award and the Carlton Henderson Award from Mercer University for outstanding personal and professional contributions to the practice of pharmacy in Georgia.

9. Establishment of the Eminent Scholar Chair in Genomic Medicine, 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 Eminent Scholar Chair in Genomic Medicine, effective May 8, 2002.

Abstract: MCG requested approval to establish the Eminent Scholar Chair in Genomic Medicine within the School of Medicine. Genomic medicine is the study of how biomedical science utilizes genetic code information to elucidate normal gene function and to determine how changes in gene structure cause human disease. The Medical College of Georgia Foundation, Inc. (the "Foundation") has on deposit \$1,500,000 in an endowment for this chair. The funding for this chair comes from a combination of sources, as follows:

1) \$750,000 in contributions provided by the Georgia Research Alliance and matching funds in the amount of \$500,000 provided by the Bradley Turner Foundation; 2) Foundation institutional support funds, which are derived from donations by corporations; and 3) the Foundation's unrestricted endowment fund.

The endowment for this chair will be used to support the salary of a distinguished faculty member in the field of genomic medicine.

10. Termination of Several Majors, University of Georgia

Approved: The Board approved the request of President Michael F. Adams that the University of Georgia ("UGA") be authorized to terminate several majors that have ceased to be offered since implementation of semester conversion and corresponding comprehensive program review processes, effective May 8, 2002.

Abstract: UGA requested approval to terminate the following majors and degrees:

Undergraduate

Bachelor of Science in Physics

Bachelor of Science in Physics and Astronomy

Bachelor of Science with a major in Biological and Physical Sciences

Bachelor of Arts with a major in Chemistry

Bachelor of Arts with a major in Computer Science

Bachelor of Business Administration with a major in Location Analysis

Bachelor of Arts with a major in Microbiology

Bachelor of Arts with a major in Physics

Bachelor of Arts with a major in Physics and Astronomy

Bachelor of Science with a major in Physical Science (Engineering Related)

Graduate

Doctor of Education with a major in Educational Measurement

Doctor of Education with a major in Educational Philosophy

Master of Education with a major in Educational Philosophy

Master of Education with a major in Elementary Education

Specialist in Education with a major in Elementary Education

Specialist in Education with a major in Recreation and Leisure Studies

Master of Education with a major in Safety Education

Specialist in Education with a major in Safety Education

Doctor of Education with a major in School Psychology

Master of Education with a major in School Psychometrist

UGA requested that these programs be terminated for a variety of reasons. In some cases, both a bachelor of science and a bachelor of arts had been approved and the differences between the two degrees were small. In other cases, low enrollments or numbers of graduates made the program less viable. The programs recommended for termination that are housed within the College of Education have been defunct for several years, have no matriculating students, and have been discontinued at the institutional level, but requests for program termination have not been forwarded to the Board for action until now. The termination of these programs will not have an adverse impact on faculty members or students.

11. Termination of Several Majors, Middle Georgia College

Approved: The Board approved the request of Interim President Robert E. Watts that Middle Georgia College (“MGC”) be authorized to terminate several majors that have ceased to be offered since implementation of semester conversion and corresponding comprehensive program review processes, effective May 8, 2002.

Abstract: MGC requested approval to terminate the following programs:

Associate of Applied Science in Data Processing
Associate of Applied Science in Fashion Merchandising
Associate of Applied Science in Legal Secretarial
Associate of Applied Science in Medical Secretarial
Associate of Applied Science in Surveying Technology
Associate of Applied Science in Health Information Technology

MGC requested that these programs be terminated for a variety of reasons. In some cases, low enrollments or numbers of graduates made the program less viable. The termination of these programs will not have an adverse impact on faculty members or students.

12. Termination of Several Majors, South Georgia College

Approved: The Board approved the request of President Edward D. Jackson, Jr. that South Georgia College (“SGC”) be authorized to terminate several majors that have ceased to be offered since implementation of semester conversion and corresponding comprehensive program review processes, effective May 8, 2002.

Abstract: SGC requested approval to terminate the following programs:

Associate of Applied Science in Agribusiness
Associate of Applied Science in Banking

SGC requested that these programs be terminated for a variety of reasons. In some cases, low enrollments or numbers of graduates made the program less viable. The termination of these programs will not have an adverse impact on faculty members or students.

13. Information Item: Applied Learning Experiences/Clinical Training

Pursuant to authority granted by the Board at its meeting on February 7 and 8, 1984, the presidents of the listed institutions have executed the indicated number of memoranda of understanding respecting affiliation of students for applied learning experiences/clinical training in the programs indicated. In order to streamline what used to be monthly reporting, the Board voted in January 2001 in favor of an annual report. This is the first annual report of applied learning experiences/clinical training.

Fiscal Year 2001 Annual Report of Applied Learning Experiences/Clinical Training

<u>Institution</u>	<u>Program</u>	
	<u>New</u>	<u>Renewal</u>
Georgia Institute of Technology		
Psychology	1	
Georgia State University		
Counseling and Psychology	8	2
Education Psychology/Special Education	11	
Georgia Hospital Assoc.	37	1
Kinesiology and Health	12	
Nursing	31	17
Physical Therapy	22	5
Psychology	15	
Social Work	15	
Medical College of Georgia		
Allied Health Sciences	10	44
Biochemistry and Molecular Biology	2	1
Cellular Biology and Anatomy	1	
Clinical Pharmacy	1	
Clinical Trials Compliance	1	
Dentistry	10	21
Emergency Medicine	1	
Family Medicine	1	
Health Information Management	2	4
Hemodialysis		1
Institute of Molecular Biology		1

Medical College of Georgia Health, Inc.	1	
Medical Technology	2	
Medicine	2	7
Nephrology		1
Neurology		19
Nursing	40	31
Obstetrics and Gynecology	4	8
Occupational Therapy	20	11
Pathology		1
Pediatrics	2	2
Pharmacology and Toxicology		1
Physical Therapy	17	19
Physician Assistant	60	29
Physician's Practice Group		1
Psychiatry		1
Psychiatry and Health Behavior	5	7
Pulmonary		1
Radiation Therapy		1
Radiologic Sciences	6	1
Radiology	2	4
Research Affairs	1	
Respiratory Therapy	2	2
Surgery		3
Telemedicine	1	
University of Georgia		
Child and Family Development	33	1
Communication Sciences and Disorders	10	32
Counseling and Human Development	19	
Education	6	132
Foods and Nutrition	5	5
Health Promotion and Behavior	2	
Pharmacy	22	31
Psychology	6	
Recreation and Leisure Studies	42	27
Social Work	27	132
Georgia Southern University		
Family and Consumer Science	6	49
Health and Kinesiology	7	37
Leadership, Technology and Human Development	15	

Nursing	11	41
Psychology		1
Recreation and Sport Management		3
Sociology and Anthropology		8
Valdosta State University		
Nursing	27	61
Albany State University		
Nursing and Allied Health Sciences	26	16
Armstrong Atlantic State University		
Criminal Justice	1	
Education	4	18
Nursing	15	1
Physical Therapy	3	2
Radiologic Science	4	
Augusta State University		
Nursing, Psychology and Sociology	2	6
Criminal Justice		1
Psychology	4	2
Health and Physical Education	1	
Political Science and Sociology	1	
Psychology and Sociology	1	1
Psychology, Sociology and Health and Physical Education	1	
Clayton College & State University		
Nursing		1
Nursing and Dental Hygiene	1	
Nursing and Health Care Management	1	
Columbus State University		
Nursing	5	3
Fort Valley State University		
None		
Georgia College & State University		
Nursing	9	66
Health, Physical Education and Recreation	25	
Music Therapy	10	11
Georgia Southwestern State University		
Education		35
Nursing	6	7
Psychology and Sociology	1	
Computer Information Systems	1	

Kennesaw State University		
Nursing	51	26
Professional Development in Health Care	3	1
North Georgia College & State University		
Nursing	39	19
Physical Education	14	1
Physical Therapy	5	47
Savannah State University		
Biology	2	
Social Work	4	8
Southern Polytechnic State University		
None		
State University of West Georgia		
Nursing	6	34
Dalton State College		
Nursing and Health/Medical Technicians	2	39
Macon State College		
Nursing		17
Abraham Baldwin Agricultural College		
Nursing		21
Atlanta Metropolitan College		
None		
Bainbridge		
Nursing/Nurse Assistant		6
Emergency Medical Technician		3
Coastal Georgia Community College		
Nursing and Allied Health	2	6
Air Conditioning		1
Emergency Medical Technician	2	
Darton College		
Dental Health	2	
Emergency Medical Services	4	
Health Information Technology	4	
Histology	1	
Histology Technician	8	
Human Services	17	
Medical Laboratory Technology	3	6
Nursing	10	
Occupational Therapy Assistant	19	
Physical Therapist Assistant	16	

Respiratory Care	5	
East Georgia College		
None		
Floyd College		
Human Services	4	22
Nursing	1	5
Nursing and Human Services		3
Nursing and Physical Therapist Assistant		3
Nursing, Human Services and Physical Therapist		4
Physical Therapist Assistant	7	10
Gainesville College		
Service Learning	1	
Georgia Perimeter College		
Nursing	1	6
Dental Hygiene	2	1
Gordon College		
Nursing	1	
Middle Georgia College		
Nursing	1	1
Nursing and Occupational Therapy Assistant	1	4
Nursing, Occupational/Physical Therapy		2
Nursing and Physical Therapy		1
Occupational Therapy Assistant	3	15
Occupational/Physical Therapy Assistant		2
South Georgia College		
Nursing	6	8
Waycross College		
None		

14. 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			
Purpose	Agency	Duration	Amount
Train animal waste operators for certification	Georgia Department of Agriculture	9/12/99 - 9/30/02	\$55,395
Organize dietetic internship program support	Georgia Department of Human Resources	12/01/98 - 01/31/03	\$22,000
Form food stamp nutrition education plan	Georgia Department of Human Resources	10/01/01 - 09/30/02	\$1,186,009
Create nutrition resources for elderly nutrition programs	Georgia Department of Human Resources	10/01/01 - 09/30/02	\$362,597
Develop nutrition resources for low-income women and their families	Georgia Department of Human resources	10/01/01 - 09/30/02	\$219,060
Direct juvenile counseling and assessment program	Georgia Department of Juvenile Justice	07/01/01 - 06/30/02	\$31,000
Organize development of habitat conservation plan	Georgia Department of Natural Resources	12/01/01 - 11/30/02	\$158,050
Conduct regional GIS inventory and functionality criteria	Georgia Department of Natural Resources	10/01/01 - 01/31/03	\$23,536
Direct occupant safety education program	Georgia Department of Transportation	10/01/01 - 09/20/02	\$56,700
Study economic impact of Georgia World Congress Center on Georgia's economy	Georgia World Congress Center Authority	07/01/01 - 06/30/02	\$10,000

Georgia State University			
Study home care satisfaction	Georgia Department of Human Resources	12/01/01 - 09/28/02	\$49,480
Develop electronic court filing	Georgia Courts Automation Commission	01/01/01 - 06/30/02	\$70,000
Develop education workforce and development	Georgia Professional Standards Commission	01/07/02 - 08/16/02	\$23,800
Create historic American building document	Georgia Building Authority	12/31/01 - 12/01/02	\$31,350

TOTAL AMOUNT -MAY	\$ 2,298,977
TOTAL AMOUNT FY 2002 TO DATE	\$ 24,225,579
TOTAL AMOUNT FY 2001 (TO MAY)	\$ 21,527,222
TOTAL AMOUNT FY 2001	\$ 23,180,836

COMMITTEE ON ORGANIZATION AND LAW

The Committee on Organization and Law met on Tuesday, May 7, 2002, at approximately 2:45 p.m. in room 7019, the Chancellor's Conference Room. Committee members in attendance were Chair Hugh A. Carter, Jr., Vice Chair Elridge W. McMillan, and Regents William H. Cleveland, Joe Frank Harris, Allene H. Magill, Martin W. NeSmith, and Wanda Yancey Rodwell. Chair Carter reported to the Board on Wednesday that the Committee had reviewed three items, two of which required action. Item 1 included eight applications for review, all of which were denied. He noted that the Committee requested that the staff examine the practice of using e-mail to notify students of disciplinary review proceedings. Item 3 was a walk-on information item. With motion properly made, seconded, and unanimously adopted, the Board approved and authorized the following:

1. Applications for Review

- a. In the matter of Samuel Adekunle, at Albany State University, concerning his employment status, the application for review was denied.
- b. In the matter of Roderick Teemer, at Georgia State University, concerning denial of his hardship appeal, the application for review was denied.
- c. In the matter of Andrea Lewis, at Georgia Institute of Technology, concerning disciplinary action, the application for review was denied.

- d. In the matter of Dr. Hyacinth C. Ezeamii, at Albany State University, concerning suspension, the application for review was denied.
- e. In the matter of Dr. Weimin Mo, at Albany State University, concerning suspension, the application for review was denied.
- f. In the matter of Peace Ibe, at Georgia State University, concerning denial of hardship withdrawal, the application for review was denied.
- g. In the matter of Ben Johnson, at Georgia State University, concerning removal from directorship, the application for review was denied.
- h. In the matter of Tom Carter, at Georgia Institute of Technology, concerning disciplinary sanctions imposed on his son, the application for review was denied.

2. Policy Manual Revisions

Approved: The Board approved the following recommended revisions to The Policy Manual.

Modified: One Subsection of Section 403.02 A was continued for further study.

Background: The proposed revisions to Board of Regents residency policies were developed by a committee of University System Office and institutional officers who work with the issue of residency. Former Chancellor Portch's charge to the committee was to make the rules more flexible and easier to apply. In addition, in keeping with the Board's strategic planning goal to effectively recruit and retain employees, the criteria for determining salaries were also revised.

Sections of The Policy Manual which were revised are as follows. Please note that the strike-through texts represent deletions from the current version and highlighted texts represent additions.

Former Board Policy

Section 403.02 CLASSIFICATION OF STUDENTS FOR TUITION PURPOSES

- A. (1) If a person is 18 years of age or older, he or she may register as an in-state student only upon a showing that he or she has been a legal resident of Georgia for a period of at least twelve months immediately preceding the date of registration.
- (2) No emancipated minor or other person 18 years of age or older shall be deemed to have gained or acquired in-state status for tuition purposes while attending any educational

institution in this State, in the absence of a clear demonstration that he or she has in fact established legal residence in this State.

- ~~B. If a person is under 18 years of age, he or she may register as an in-state student only upon a showing that his or her supporting parent or guardian has been a legal resident of Georgia for a period of at least twelve months immediately preceding the date of registration.~~
- C. If a parent or legal guardian of a ~~minor~~ changes his or her legal residence to another state following a period legal residence in Georgia, the ~~minor may continue to take courses for a period of twelve consecutive months on the payment of in-state tuition. After the expiration of the twelve-month period, the student may continue his or her registration only upon the payment of tuition at the out-of-state rate.~~
- D. In the event that a legal resident of Georgia is appointed as guardian of a nonresident minor, such minor ~~will not be permitted to register as an in-state student until the expiration of one year from the date of court appointment, and then only upon a proper showing that such appointment was not made to avoid payment of the out-of-state tuition.~~
- E. Aliens shall be classified as nonresident students, provided, however, that an alien who is living in this country under an immigration document permitting indefinite or permanent residence shall have the same privilege of qualifying for in-state tuition as a citizen of the United States.

Revised Board Policy

Section 403.02 CLASSIFICATION OF STUDENTS FOR TUITION PURPOSES

- A. (1) If a person is 18 years of age or older, he or she may register as an in-state student only upon showing that he or she has been a legal resident of Georgia for a period of at least 12 months immediately preceding the date of registration.

Exceptions:

- i. A student whose parent, spouse, or court-appointed guardian is a legal resident of the State of Georgia may register as a resident providing the parent, spouse, or guardian can provide proof of legal residency in the State of Georgia for at least 12 consecutive months immediately preceding the date of registration.
- ii. A student who previously held residency status in the State of Georgia but moved from the state then returned to the state in 12 or fewer months.
- iii. Students who are transferred to Georgia by an employer are not subject to the durational residency requirement.

(2) No emancipated minor or other person 18 years of age or older shall be deemed to have gained or acquired in-state status for tuition purposes while attending any educational institution in this state, in the absence of a clear demonstration that he or she has in fact established legal residence in this state.

- B. If a parent or legal guardian of a student changes his or her legal residence to another state following a period of legal residence in Georgia, the student may retain his or her classification as an in-state student as long as he or she remains continuously enrolled in the University System of Georgia, regardless of the status of his or her parent or legal guardian.
- C. In the event that a legal resident of Georgia is appointed by a court as guardian of a nonresident minor, such minor will be permitted to register as in-state student providing the guardian can provide proof that he or she has been a resident of Georgia for the period of 12 months immediately preceding the date of the court appointment.
- D. Aliens shall be classified as nonresident students, provided, however, that an alien who is living in this country under an immigration document permitting indefinite or permanent residence shall have the same privilege of qualifying for in-state tuition as a citizen of the United States.

Former Board Policy

Section 803.1402 CRITERIA FOR DETERMINING SALARIES

Consistent with Regents' policy on non-discrimination and with the approved purpose of the institution, each institution of the University System shall utilize specific criteria for the determination of entry-level salaries for full-time teaching faculty members employed at the ranks of instructor, assistant professor, associate professor, and professor and for the determination of the extent of salary increases awarded to currently employed full-time faculty members.

- A. Each entry-level salary shall be determined on the basis of the specific requirements of the position and the qualifications of the individual employed to fill the position. Position criteria shall include the academic rank, the academic discipline and the nature of the responsibilities to be performed. Criteria related to the qualifications of the individual shall include academic degrees earned, teaching and other relevant experience, research and publication record, academic achievements and honors, and relevant professional achievements or recognitions.

- B. Salary increases for full-time teaching faculty shall be awarded on the basis of merit. The criteria for the determination of the extent of such increases shall include teaching ability, completion of significant professional development activities including the attainment of additional academic degrees, promotion in rank, ~~seniority~~, research productivity, academic achievements and publications, academic honors and recognitions, relevant professional achievements and recognitions, and non-teaching services to the institution. Each institution shall identify specific criteria, consistent with this policy, upon which the determination of the extent of salary increases will be based. The institution shall also identify the methods by which the faculty member's performance will be evaluated for purpose of the determination of salary increases. Upon approval by the Chancellor, both the criteria and the evaluation methods shall be published in the faculty handbook of the institution (BR Minutes, January 1982, p. 184).
- C. When a fiscal year administrative employee returns to an academic appointment as a faculty member, the salary shall be determined on the same basis as other faculty members with similar rank and experience within the department to which he/she returns or in other similar positions within the institution (BR Minutes, 1986-87, pp. 103-104).

Revised Board Policy

Section 803.1402 CRITERIA FOR DETERMINING SALARIES

Consistent with the Board of Regents policy on nondiscrimination and with the approved purpose of the institution, each institution of the University System shall utilize specific criteria for the determination of entry-level salaries for full-time teaching faculty members employed at the ranks of instructor, assistant professor, associate professor, and professor and for the determination of the extent of salary increases awarded to currently employed full-time faculty members.

- A. Each entry-level salary shall be determined on the basis of the specific requirements of the position and the qualifications of the individual employed to fill the position. Position criteria shall include the academic rank, the academic discipline and the nature of the responsibilities to be performed. Criteria related to the qualifications of the individual shall include academic degrees earned, teaching and other relevant experience, research and publication record, academic achievements and honors, and relevant professional achievements or recognitions.

- B. Salary increases for full-time teaching faculty shall be awarded on the basis of merit. The criteria for the determination of the extent of such increases shall include teaching ability, completion of significant professional development activities including the attainment of additional academic degrees, promotion in rank, research productivity, academic achievements and publications, academic honors and recognitions, relevant professional achievements and recognitions, and nonteaching services to the institution. Each institution shall identify specific criteria, consistent with this policy, upon which the determination of the extent of salary increases will be based. The institution shall also identify the methods by which the faculty member's performance will be evaluated for purpose of the determination of salary increases. Upon approval by the Chancellor, both the criteria and the evaluation methods shall be published in the faculty handbook of the institution (BR Minutes, January 1982, p. 184).
- C. When a fiscal year administrative employee returns to an academic appointment as a faculty member, the salary shall be determined on the same basis as other faculty members with similar rank and experience within the department to which he or she returns or in other similar positions within the institution (BR Minutes, 1986-87, pp. 103-104).

3. **Information Item: Update on Football Program at Middle Georgia College**

This was a walk-on item to be added to the agenda of the Committee on Organization and Law. The addition of this item to the agenda required unanimous consent of the Committee members, and all Committee members present voted to add the item to the agenda.

The Senior Vice Chancellor for Support Services, Corlis Cummings, reported to the Committee that Interim President Rob E. Watts of Middle Georgia College ("MGC") has informed the National College Athletic Association ("NCAA") and the National Junior College Athletic Association ("NJCAA") of the discontinuation of MGC's football program. As of April 25, 20 players had signed athletic scholarships with other institutions. Interim President Watts believes others will also be recruited to other institutions. MGC is continuing scholarships for current students, some of whom are completing their studies this summer.

COMMITTEE ON INFORMATION AND INSTRUCTIONAL TECHNOLOGY

The Committee on Information and Instructional Technology met on Tuesday, May 7, 2002, at approximately 3:50 p.m. in room 6041, the Training Room. Committee members in attendance were Chair Martin W. NeSmith and Regents Hugh A. Carter, Jr. and Wanda Yancey Rodwell. Also in attendance was Regent Joel O. Wooten. Chair NeSmith reported to the full Board on Wednesday that the Committee

had reviewed two items, neither of which required action. Those items were as follows:

1. Information Item: Update on Information Technology and PeopleSoft at the University of Georgia

The Senior Vice Chancellor for Academics and Fiscal Affairs, Daniel S. Papp, along with the Georgia *FIRST* project coleader and Vice Chancellor for Information and Instructional Technology and Chief Information Officer, Randall A. Thursby, provided an update on the status of a possible PeopleSoft implementation at the University of Georgia (“UGA”). Dr. Papp indicated that recent meetings with UGA’s senior management were helpful and clarified the issues that were the basis for UGA’s decision not to proceed with plans to implement PeopleSoft at this time. President Michael F. Adams, along with the Senior Vice President for Finance and Administration, Henry M. Huckabee, and the Chief Information Officer and Associate Provost, Kirk D. Bertram, explained in more detail the basis for the decision. President Adams indicated that the major concern is over the substantial investment in time, at least three years, and money, estimated to be in the \$12 million to \$20 million range, without clear benefit to the institution. In terms of benefit to the System, President Adams indicated that UGA has a very good record of providing the System with data when and in the format requested. He indicated that if UGA is not able to provide what the System needs at a future date, that the implementation of PeopleSoft would need to be reconsidered. Both the University System Office staff and senior management from UGA assured the Committee members that periodic meetings on this subject will continue to ensure ongoing effective communications and cooperation.

2. Information Item: Update on the Office of Information and Instructional Technology Building Project

The problem of overcrowded conditions at the Athens location of the Office of Information and Instructional Technology remains unresolved. The Senior Vice Chancellor for Academics and Fiscal Affairs, Daniel S. Papp, and the Vice Chancellor for Information and Instructional Technology and Chief Information Officer, Randall A. Thursby, discussed the options under consideration. While the proposed construction of a new building on the University of Georgia campus was the first preference, the final cost turned out to be too high. Other alternatives under consideration include relocation to other cities around the state, other commercial “build-to-suit” possibilities in Athens, and a renovation of a vacant shopping center in Athens for possible shared use by Gainesville College. Chair NeSmith asked that the Committee be given a progress report on this issue at the August 2002 Board meeting.

CHANCELLOR’S REPORT TO THE BOARD

After the Committee meeting reports, Chancellor Meredith gave his report to the Board, which was as follows:

Thank you, Mr. Chairman. Let me cover some items with you that I think you’ll find of

interest. As Regent Hunt mentioned, \$31 million dollars in major repairs and renovation (“MRR”) funding was approved by the General Assembly. As you are aware, our total MRR needs are much greater than the dollars funded can meet. We have a documented need of over \$103 million, but we are hoping to receive additional dollars in the fiscal year 2003 amended budget. Capital projects will be presented at the June Board meeting. On May 29, there will be a dry run for those selected to be presented to the Regents. We have approximately \$100 million in capital projects to be approved and a total of \$740 million in requests. So, this is a tough process. Nevertheless, we do have about \$100 million, and we need to be thankful for that.

With regard to presidential searches, interviews were conducted last week by the Special Regents’ Committee for the Middle Georgia College Presidential Search. After today’s Board meeting, I will be meeting with the Committee – Regents Carter, Cater, and Wooten – to narrow the candidates to three and make an announcement. At East Georgia College, President Jerry Ashcroft has announced his retirement, effective July 1, 2002. The Catholic church has announced plans to establish a new university in the State of Georgia, and President Ashcroft has been asked to be its founding president. Dr. James Muyskens, Chief Executive Officer of the Gwinnett University Center (“GUC”), also has tendered his resignation. He did an outstanding job in the University System Office as Senior Vice Chancellor for Academic Affairs before going to GUC, but he has accepted the presidency of Queens College in the State University of New York system beginning August 1, 2002. At EGC and at GUC, we will be certain to put in good interim leadership with whom you will be pleased.

Our search for a new Vice Chancellor for Facilities continues. Margaret Taylor, Deputy to the Senior Vice Chancellors, is coordinating this search. I reviewed the list yesterday. Ms. Taylor’s group is beginning the initial interviewing and screening. We will report to you our progress on this position before too long.

There was an editorial in today’s *Atlanta Journal-Constitution* on tuition. It cautioned us about raising tuition too much, but if you look at the article that has just been prepared by our Office of Media and Publications, I think you will find that the story on tuition in Georgia is extraordinary. The line from our article that should strike you as significant is that the cost of attending the University of Georgia or the Georgia Institute of Technology, both in the top 20 institutions in this country, for four years is \$14,500. When you can attend these institutions for approximately \$3,000 a year, that’s a pretty good bargain. So, I want to compliment the Assistant Vice Chancellor for Media and Publications, Arlethia Perry-Johnson; the Director of Communications and Marketing, John Millsaps; and the Director of Publications, Diane Payne, for their hard work on this article.

I also want to mention to you that two of our staff members have written a chapter in a newly published book entitled *Technology Everywhere: A Campus Agenda for Educating and Managing Workers in the Digital Age*. The Assistant Vice Chancellor for Economic Development, Annie Hunt Burriss, and the Associate Vice Chancellor for Human Resources, William H. Wallace, Jr., wrote the chapter entitled “Economic Development: Partnerships to Close the Gap.” Annie and Bill, will you please stand up and be recognized?

As you know, we are doing the Knowledge Is Power (“KIP”) tours. We have completed three, and you have information in your notebooks about these events. The message we are sending is that we have incredible intellectual resources within our institutions and that businesses can simply call one number and go straight to the source to get help from the University System on their business needs. Some of you have participated in these first KIP events – Chair Howell (Kennesaw State University), Regent White (Gainesville College), and Regent Shelnut (Augusta State University). You have all done a great job.

We have begun our campus tours, spending about two hours at each campus. We are on a fast pace to get all 34 visits completed by October.

I am giving a couple of commencement addresses this year. I would like to have done more, but I’m just doing two, one at the State University of West Georgia and one at Georgia State University. I want to thank those of you who are attending commencements around the state. I appreciate your taking this opportunity. It is important we remember that graduation is the culmination of what we are all about. We do many things that are important. We do great research. We do public service. But the culmination of that is the young people who walk across the stages of our two-year and four-year institutions. It is important to see the fruit of the hard work of so many people on our campuses. As a former campus president, I will tell you I got teary-eyed every year at graduation watching all those individuals come across the stage. I knew the sacrifices that so many of them had made just to get to that point. It is an exciting time, so please keep that in mind as you think about commencement.

I want to thank Regents Yancey, Wooten, and Leebern for the opportunity they gave all of us to get to Columbus and see the great things happening there. The new River Center for the Performing Arts is an absolutely unbelievable performing arts and meeting center. We sat in a 2,000-seat auditorium while a student symphony as good as I’ve heard anywhere performed. The conductor talked from the stage to us, who were sitting in the balcony. The acoustics were so wonderful his voice carried naturally throughout the hall. It is a fabulous facility, and there are a number of great things going on there. The City of Columbus and Columbus State University exemplify the type of partnership between the public and the private sectors that we encourage.

Let me invite Larry Weill to come up to the podium. He is the new President of Gordon College ("GOC"). Regent Cater chaired the Special Regents' Committee for the Gordon College Presidential Search along with Regents Shelnut and Yancey. They did a great job in taking us through a search process that produced Larry Weill. We had a wonderful session when we introduced him to the campus. Interim President Sherman Day stepped aside and handed over the reigns to Larry and his wife, Jennie. Larry comes to us from Kentucky. He was Provost at Hopkinsville Community College ("HCC"). We checked him out from top to bottom, and all we got were good remarks. The President at HCC said that she knew Larry was ready, but she sure did hate to lose him. She was a hard sell, but she finally let him come to GOC early. He has degrees from Brescia College and the University of Evansville and a doctorate in higher education from the University of Kentucky. He is going to be a good president for us at GOC. He understands the faculty and what they need, and there is an excellent faculty at GOC. Larry, we are excited you're here and excited about the leadership you're going to provide. Would you like to take a minute and say something to this Board?

(President Weill said that he was very pleased and honored to be at this meeting. It is a great opportunity to be at GOC. He has been there approximately one month, and already he has seen what 150 years of excellence can mean to a college and a community. GOC will be celebrating its sesquicentennial this fall during the third weekend of September. He invited the Regents to downtown Barnesville to join in the celebration. GOC is interested in going to new heights. The strategic plan in effect expires this year, so this presents a perfect opportunity to develop a new one. GOC is interested in building new avenues for success for its students. GOC and the local area are both growing very rapidly, and the demographics are changing very rapidly. So, it is important to build new avenues for success to improve student retention and graduation rates. GOC is aware of its importance to the local rural area. The potential for economic development and community building is tremendous, and GOC is already developing partnerships to that end. In closing, President Weill said that he is looking forward to working with the Regents and the Chancellor.)

I don't know how many of you have been to downtown Barnesville in recent years, but I will tell you, it's pretty impressive. The downtown area has been renovated with old-fashioned lights and brick streets, and I think you'll be impressed if you have a chance to go there.

I have one other piece of business, and then, I'll be finished with my report. Most of you know that on April 21, there was an exciting event in Boston. One of our Regents was recognized by the Association of Governing Boards of Universities and Colleges ("AGB") to receive the Distinguished Service Award in Trusteeship at its annual conference. AGB gives one award each year for the public side and one for the private side, and although

Regent McMillan was nominated from both sides, he won for the private side for all of his good work at Clark Atlanta University. He has now been dutifully recognized at the AGB annual dinner and everyone now knows who he is and where he is from. We tried to make sure that everyone also knows that he is a great long-time leader on this Board of Regents as well. One of the things they always do at the AGB recognition dinner is to show a video. The videos are typically well done, very impressive, and very moving. We thought it would be fitting for you who were not able to go to Boston to have a chance to see that video. (The video was then played.)

Mr. Chairman, that concludes my report.

* * * * *

Chair Howell remarked that the video was very moving and very well done. He said that the Board of Regents has been better by having Regent McMillan serve on it and he hopes that Regent McMillan will continue to serve for a long time to come.

STRATEGIC PLANNING COMMITTEE, “COMMITTEE OF THE WHOLE”

After the Chancellor’s report to the Board, Chair Howell convened the meeting of the Strategic Planning Committee as a Committee of the Whole. He then turned the Chairmanship of the meeting over to Regent White, the Vice Chair of the Committee.

Vice Chair White called upon the Chancellor to present a summary of the options to explore focusing on the themes that cross over each of the 11 strategic goals that the Strategic Planning Committee had been discussing during this fiscal year.

Chancellor Meredith said that for the past year, the Board has been working on its strategic plan for the University System of Georgia based on the vision, mission, and goals statements adopted at the August 2001 Board meeting. (These statements are posted on the World Wide Web at www.usg.edu/admin/regents/.) The goals and the options to explore were the result of the work of the University System Office staff with input from faculty, staff, and administrators at the institutions. The Chancellor said that there is a plethora of great ideas throughout all of the goals, but he also realized that the Board cannot do everything all at once. So, the staff have tried to focus on what some of the goals and options might mean as we try to move forward. The Chancellor has been with the University System of Georgia for four months, during which time he has been through one legislative session and three Knowledge Is Power tours, visited 13 campuses, and listened and learned a lot about the System. At this meeting, he would share his recommended priorities, which focus on seven themes. These are items that the Board should address immediately. These priorities actually cross over all of the goals, but they are not segmented by goal. If the Board does something contained in each of the seven themes, it will have touched all 11 goals. The Board will not be able to address all of the options for every goal, but this will

give the Regents a start and it will help us get underway on the first year. There is a five-year window to accomplish all of these goals and the various options under them.

The first area that Chancellor Meredith discussed was the Board's vision for "a more educated Georgia" to which he added "a better prepared society." This is a concept on which he has been working and on which he will elaborate more at another time. The concept covers more than a two- or four-year college education, but he did not want to get into all of it at this time. This particular theme, however, touches on the first, second, sixth, eighth, and tenth goals. It addresses issues of low participation rates, particularly low rates of African-American males and nontraditional students. He noted that the System received some funding from the legislature this year to address this issue. The Chancellor is on the Governor's Hispanic Commission, and after learning about the exploding Hispanic population in the state and the disturbing news that the participation rates for Hispanic males are even lower than those of black males, he realized that the University System has an enormous task before it, and the Chancellor will be providing the Regents with information about this issue before long. The System must market its offerings and utilize its continuing education offerings as not only a point of access, but also as continuing learning for people, offering curriculum when and where people want it, and the System also needs a funding formula that will support this goal of a more educated Georgia.

The second area the Chancellor discussed was accountability. This area touches on the first, third, fourth, and eleventh goals. The Board has a responsibility to the state not only for funding accountability, but also to ensure that students are receiving a quality education. There are areas in which students' test scores need to be even higher, such as the Regents' Test, the Praxis test for teachers, nursing exams, etc. The auditing process also needs greater accountability. Moreover, the System needs better utilization of resources to be more effective. The Chancellor noted that several of the Regents are bankers. He said that there are holding companies and banks under those holding companies and that in many ways, we should probably start to look at this System in this way. There is a System operation and then there are lots of entities under that System. Is the System utilizing its fiscal and intellectual resources in the most effective way? Sharing resources can produce great results. The Georgia Tech Regional Engineering Program ("GTREP") is one example of such results. So, maybe there are other areas in which the System can be more accountable.

The third area Chancellor Meredith addressed was needing to be more responsive and more proactive. He noted that the Senior Vice Chancellors and the Special Assistant to the Chancellor had worked very hard on this theme in particular. This area touches on the second, forth, fifth, sixth, eighth, ninth, and eleventh goals. The Board must think ahead of the curve. The System is now entering into a time of exploding enrollments, and there are going to be institutions that fall behind on residence halls, classroom facilities, faculty, and other demands. This does not even take into account Systemwide efforts to increase participation rates. There is a very small percentage of Georgians who have a bachelor's degree. The System has an enormous community to educate across the state. Once it attracts those populations, they will add to the already exploding enrollment. Once the current cohort of students matriculates, what then? What will the enrollments and facilities look like eight or ten years down the road? The Board needs a

think tank to generate ideas regarding how it can address these issues. The System also needs to be prepared for the impact this will have on the HOPE Scholarship program (“HOPE”). If it is going to overburden HOPE, then what are the System’s options? What can the Board do now to prepare for that? The Regents must find solutions to these issues and the funding needed to support those efforts. As the Regents begin the process of revising the funding formula, they need to ensure that it is forward thinking and not just taking care of the current status of the System. They should not just address quantity, but quality as well. Rewards drive behavior, and the funding formula will dictate how people operate within their institutions. In terms of responsiveness, the University System Office must facilitate the progress of the institutions and not serve as a hindrance in any way.

The fourth area the Chancellor discussed was quality. This area touches on the first, third, fifth, seventh, and tenth goals. Quality is paramount, he said, and in all that the Regents do, they must ensure quality because the goal is to become the best system in the nation. The University System is fourth now in terms of numbers, but the institutions must also have the best quality in the nation. He announced that he had recently been asked to become the head of the National Association of System Heads (“NASH”). Perhaps, he said, that will give him the opportunity to start setting up some standards nationally to evaluate systems. The System’s curricula, faculty, and staff need to be the very best. Its graduates need to be what employers are seeking. And the funding formula needs to provide incentives to improve the quality of the System. Faculty need the best resources to facilitate their teaching, and researchers need unencumbered support of their work. The Board must ensure that they encounter as little bureaucracy in their work as possible in order to do the kind of quality research that would move the state forward.

The fifth area the Chancellor addressed was economic development, which touches on the third, fourth, and sixth goals. He said that the partnership of higher education and economic development is critical. This can be accomplished through focused efforts in commercialization of research. Some institutions are doing a great job in this area, but all institutions must work harder to find ways to bring the research going on at the institutions to the marketplace. If the research is not marketable, then it should be the kind of research that improves the world in which we live. Otherwise, the System ought to be developing products to be commercialized. Institutions must expand their continuing education opportunities in this realm. They have to utilize the outstanding intellectual resources they have on their campuses to help attract new industries to the state as well as make our existing industries more profitable. The institutions have the kind of intellectual resources to make those kinds of things happen for the State of Georgia. For example, there was a recent meeting on the final proposals for increasing the number of healthcare professionals in our state. The legislature gave the System approximately \$1.5 million to do that through the Intellectual Capital Partnership Program (“ICAPP®”), which is a major asset for the University System.

The sixth area Chancellor Meredith discussed was promoting the positive image of the University System of Georgia, which touches on all of the goals. He quoted Mark Twain as saying, “You can be on the right track, but if you just sit there, you’ll get run over.” The System is on the right track, but it must be aggressive to keep improving, promoting itself, and growing. It must send the right message to its students,

business partners, public policy makers, and constituents.

The final area the Chancellor discussed was that the System should always act in the state's best interest. There are several issues for which the System needs to find answers and those answers must be in the state's best interest. The Regents must be good stewards of the state's asset. When the System builds new facilities, initiates new centers, and coordinates program accessibility, the Regents should have conversations with the Department of Education and the Department of Technical and Adult Education. The conflicts in some areas can be turned into solutions. In the next year, the Regents will focus a lot on how they can end the kind of unnecessary conflicts among these branches of state government and find ways to pull all of these groups together to move this state forward. All of these issues are state issues, and everyone must be mindful to put the State of Georgia ahead of their respective concerns. This addresses the first, fourth, fifth, sixth, eighth, ninth, and eleventh goals.

In closing, Chancellor Meredith acknowledged that this approach to addressing the goals may have been different than the Board anticipated. As the staff worked on the implementation plan, they realized there are overarching themes that they could pursue that incorporate all of the goals. The senior staff had scheduled a day-long retreat on May 10, 2002, to start working on what the Regents want them to pursue. He asked the Regents for their feedback on this approach and how they wanted the staff to proceed. He said that although the Board has 11 distinct strategic goals, there are overarching themes to these goals. It is critical to look at the bigger picture and how everything fits together. With that, he asked for the Regents' comments.

Board Chair Howell encouraged the Regents to give the Chancellor their suggestions, since the staff are moving ahead with the implementation plan very quickly.

Chancellor Meredith added that the staff's intent is to provide the Regents with an implementation plan in about two weeks for them to consider and make recommendations on before it is presented for Board approval in June 2002.

Regent Carter said that there are the vision, mission, and goals statements, as well as options to consider in addressing the goals and the overarching themes the Chancellor had just identified. He agreed that the Regents need to focus on what they want to do, but there is so much here that he suggested they keep it simple enough that they do not get lost in all of the different categories.

The Chancellor agreed that it is important to stay focused.

Vice Chair White said that he appreciates what the staff are trying to accomplish in trying to address all of the options. He asked whether there would be definitive goals for each of the themes the Chancellor had outlined so that the Board can measure the progress of the University System.

Chancellor Meredith said that there would. However, the Board will not be able to accomplish everything

in one year. The staff will need to determine what can be accomplished and how.

Vice Chair White agreed that this is certainly a five-year plan. He simply wanted to know that there would be an established plan for how to reach the strategic goals.

The Chancellor responded that the staff would not have all five years planned out before the next Board meeting. They would, however, have a first year implementation plan. Then, they would look to develop plans for subsequent years.

Regent Cater asked whether this meant the staff would prioritize the goals.

Chancellor Meredith responded that it did.

Regent Howell asked about one of the options under the first goal: “require institutions to develop academically centered freshman seminars.” He asked what exactly this meant.

The Senior Vice Chancellor for Academics and Fiscal Affairs, Daniel S. Papp, responded that the idea is to develop at each institution a set of interdisciplinary classes that concentrate on issues of the social sciences, natural sciences, humanities, etc. That way, freshmen will learn about the connections between the social sciences, the natural sciences, arts, and humanities under the guidance and leadership of the more outstanding faculty members on campus.

Regent Howell asked whether such a class would earn academic credit.

Dr. Papp responded that it likely would, although this has yet to be decided.

Regent Howell asked whether ethics would be integrated more fully into the general curriculum.

Dr. Papp responded that the faculty work group that addressed this issue had lengthy discussions about how to do that. The general consensus was that ethical studies should be integrated throughout the curriculum, as opposed to a single course offering. There are a couple of reasons for this. First of all, a single course requirement increases the number of credit hours required for graduation. Also, a single course creates the potential for students to miss the point that ethics are important to all areas of study.

Chancellor Meredith noted that there have been many ethical issues to arise across the country in the past year.

Regent Howell agreed that until there is a crisis, one does not realize how important issues like ethics are. He worries that education spends too much time focusing on preparing people for jobs, and when they have ethical dilemmas, they do not have the foundations to make good decisions and judgments.

The Chancellor said that this raises the very critical question of what we should teach. There is so much information available. It is projected that by the year 2015, all of the knowledge known to mankind will be doubling every 73 days. This creates a predicament of what to teach students in college in only four years. The institutions simply cannot teach it all. So, they must ensure that a student's education is fundamentally sound, that she is proficient in her field, and that she has the understanding and access to continue learning.

Dr. Papp said that the faculty were also concerned with whose ethics would be taught. For example, in many societies around the world, the extension of benefits for services rendered is considered an ordinary part of business, but bribery is frowned upon in the United States. So, there are some very complex issues regarding the content and packaging of these sorts of issues.

Regent Howell agreed that there are cultural differences. He said that the United States hamstrings its own businesses competitively by imposing its own cultural mores. He was delighted that this discussion is happening, because people must be educated enough to even understand that cultural difference is an issue. Study abroad programs expand cultural exposure so that students learn this.

Dr. Papp stressed that the faculty are not "ivory tower academics." They understand the real world, and their concern about ethics is proof of this.

Regent Hunt said that along with ethics, the System should find a way to instill in students a better attitude. He said that this is a big problem across all strata of the workforce.

Chancellor Meredith said that he was so distressed about students' attitudes about four years ago that he convened a meeting of 27 school superintendents to talk about the issue and what they could do to help students have better attitudes coming into college. They all said that they have the same problem with incoming students.

Regent Howell expressed that he is concerned that if citizens struggle with the establishment of even basic requirements for admission to and graduation from college, they will not be interested in the extra pieces that are necessary for an institution to develop a truly educated person.

Seeing that there were no further questions, Vice Chair White thanked Chancellor Meredith for this presentation. He said that he looks forward to receiving the first year implementation plan and asked that the Regents receive this information in plenty of time to review it for the June Board meeting. He then adjourned the meeting of the Strategic Planning Committee as a Committee of the Whole.

Chair Howell acknowledged that the Chancellor has been working very hard on economic development efforts and thanked him for this.

UNFINISHED BUSINESS

Chair Howell called upon Regent White for the report of the Nominating Committee on recommendations for the fiscal year 2003 Chair and Vice Chair.

Regent White reported that the Nominating Committee had made a recommendation to the Executive and Compensation Committee. On behalf of the Executive and Compensation Committee, he nominated Vice Chair Joe Frank Harris as Chair and Regent James D. Yancey as Vice Chair for the upcoming fiscal year, beginning July 1, 2002.

Chair Howell thanked Regent White for the nominations and congratulated the nominees. He noted that the formal vote is in June 2002. He then called upon Regent Yancey to report on the Regents' trip to Columbus on April 29 and 30, 2002, to visit Columbus State University ("CSU"), the downtown location of the Schwob School of Music at the recently opened River Center for the Performing Arts (the "River Center"), and the Total System Services ("TSYS") campus.

Regent Yancey noted that the purpose of the trip was not just to show off the River Center or the CSU campus. Rather, it was intended to show the Regents the results of its decision to let the School of Music move downtown. The River Center is a \$70 million performing arts center that is magnificent, but the School of Music in the facility is magnificent as well. In retrospect, this may look like a good decision, but at the time, it was not an easy decision to let an entire school move off campus. He said that it turned out to be a great decision for both CSU and the community. The visit was also intended to show the Regents the success of the partnership between the University System and TSYS. He noted that in 1996, TSYS was looking to move out of the Columbus area because it could not fill its workforce needs. The Intellectual Capital Partnership Program ("ICAPP®") is the reason TSYS decided to stay. This, too, was a hard decision at the time. TSYS now has an approximately 600,000-square-foot building in Columbus that houses 2,300 employees, 800 of whom were trained through ICAPP®. The whole campus could have been moved somewhere else had it not been for ICAPP®. The entire employment base of TSYS in Columbus as a result has gone from 2,500 to 5,200. He just wanted to let the Regents know that they make a lot of great decisions, and these were two decisions for which he, Regent Leebern, and Regent Wooten were particularly grateful.

Chair Howell stated that those decisions turned out to be good for everyone, including the State of Georgia.

NEW BUSINESS

Chair Howell called upon Secretary Gail S. Weber to present to the Board some honorary degree recommendations.

Secretary Weber announced that the presidents of the following institutions had recommended the respective candidates to receive honorary degrees:

Gaurdie E. Banister, Jr., Fort Valley State University
Fred E. Stillwell, Kennesaw State University
Alice Huffard Richards, State University of West Georgia

On behalf of Presidents Kofi Lomotey, Betty L. Siegel, and Beheruz N. Sethna, Secretary Weber submitted these nominations for the Board's approval. With motion properly made, seconded, and unanimously adopted, the Board approved the honorary degrees.

PETITIONS AND COMMUNICATIONS

Secretary Gail S. Weber announced that the next Board meeting would take place on Tuesday, June 11 and Wednesday, June 12, 2002, in the Board Room in Atlanta, Georgia.

Secretary Weber also announced that on Tuesday, June 11, there would be an inaugural reception hosted by Chair and Mrs. Howell. On Wednesday, June 12, there would be a luncheon for Regents, followed by the Chancellor's inauguration at 2:00 p.m. in the House Chambers, followed by a reception in the rotunda of the Capitol.

Chair Howell remarked that ceremonies like this are exceptionally important and that the Regents are looking forward to the inauguration of the Board's tenth Chancellor.

Chair Howell also noted that there would be capital project presentations at the June Board meeting. If there were Regents who would be unable to attend the June meeting, they could attend the staff's dry run so that they could make a more informed vote on the projects.

EXECUTIVE SESSION

At approximately 11:15 a.m. on Wednesday, May 8, 2002, Chair Howell called for an Executive Session for the purpose of discussing a personnel issue. 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 Howell, Vice Chair Joe Frank Harris, and Regents Hugh A. Carter, Jr., Connie Cater, William H. Cleveland, George M. D. (John) Hunt III, Elridge W. McMillan, Martin W. NeSmith, Wanda Yancey Rodwell, J. Timothy Shelnut, Glenn S. White, Joel O. Wooten, Jr., and James D. Yancey. The Secretary to the Board, Gail S. Weber, was also in attendance. 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 Howell reconvened the Board meeting in its regular session and announced that during Executive Session, the Regents had discussed the reappointment of the Chancellor. Chair Howell called for a motion to reappoint Chancellor Thomas C. Meredith for fiscal year 2003 in accordance with Bylaw IV.7. Vice Chair Harris made the motion, which was seconded by Regent

NeSmith. With motion properly made, variously seconded, and unanimously adopted, the Board approved this motion.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at approximately 11:25 a.m. on May 8, 2002.

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

s/_____
Hilton H. Howell, Jr.
Chair, Board of Regents
University System of Georgia