



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

BOARD OF REGENTS MEETING AGENDA
Monday, November 10, 2008

<u>Approximate Times</u>	<u>Tab</u>	<u>Agenda Item</u>	<u>Presenter</u>
9:00 AM Room 7007	1	Call to Order	Chairman Richard Tucker
	2	Invocation	Regent James Jolly
	3	Safety Briefing	Sandra Neuse
	4	Attendance Report	Secretary Burns Newsome
	5	Approval of Minutes: October 14-15, 2008 October 30, 2008	Chairman Richard Tucker
	6	Recognition of Guests	Interim President Gary Schuster Chancellor Erroll Davis
	7	Committee of the Whole: Strategic Planning – Goal Three	Regent Robert Hatcher Shelley Nickel
10:30 AM Room 5158 Room 7019		<u>Track I Committee Meetings</u>	
	8	Academic Affairs	Regent James Bishop
	9	Organization & Law	Regent Kenneth Bernard
10:30 AM Room 7007 Room 7007 Room 7007		<u>Track II Committee Meetings</u>	
	10	Finance & Business Operations	Regent Willis Potts
	11	Internal Audit	Regent Felton Jenkins
	12	Real Estate & Facilities	Regent Benjamin Tarbutton
12:00 AM Room 7010	13	Board Luncheon	
1:00 PM Room 7019	14	Executive and Compensation Committee	Chairman Richard Tucker

BOARD OF REGENTS MEETING AGENDA
Monday, November 10, 2008

<u>Approximate Times</u>	<u>Tab</u>	<u>Agenda Item</u>	<u>Presenter</u>
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	16	2009 Legislative Session	Tom Daniel
	17	Committee of the Whole: Strategic Planning – Goal Four	Regent Robert Hatcher Shelley Nickel
2:15 PM Room 7007	18	Committee Reports: A. Executive & Compensation B. Academic Affairs C. Finance & Business Operations D. Internal Audit E. Organization & Law F. Real Estate & Facilities G. Strategic Planning	Chairman Richard Tucker Regent James Bishop Regent Willis Potts Regent Felton Jenkins Regent Kenneth Bernard Regent Benjamin Tarbutton Regent Robert Hatcher
	19	Chancellor's Report	Chancellor Erroll Davis
	20	Unfinished Business	Chairman Richard Tucker
	21	New Business	Chairman Richard Tucker
	22	Petitions and Communications	Secretary Burns Newsome
	23	Executive Session	Chairman Richard Tucker
	24	Adjournment	Chairman Richard Tucker

AGENDA

COMMITTEE OF THE WHOLE: STRATEGIC PLANNING

November 10, 2008

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INFORMATION ITEMS

1. Goal Three – Increase the System’s Participation in Research and Economic Development: Update on the Center for Health Workforce Planning and Analysis 1

2. Goal Four – Strengthen the System’s Partnerships with the State’s Other Education Agencies: 20,000 x 2020, a Teacher Preparation Initiative 2

AGENDA

COMMITTEE OF THE WHOLE: STRATEGIC PLANNING

November 10, 2008

1. **Goal Three – Increase the System’s Participation in Research and Economic Development: Role of the Center for Health Workforce Planning and Analysis**

Increasing the production of healthcare professionals in the State of Georgia is an important objective of the Board’s strategic goal of increasing the System’s participation in research and economic development. Benjamin R. Robinson, the Executive Director of the Center for Health Workforce Planning and Analysis (the “Center”), will discuss the new Center’s role in addressing this critical need. Mr. Robinson will discuss the direction of the Center’s future work and the structure it will use to help ensure the state has a healthcare workforce that can meet the needs of all of Georgia’s citizens.

The state’s healthcare workforce currently confronts a variety of concerns in medicine, nursing, behavioral health, as well as in other areas. The University System of Georgia has already moved to address these challenges, as is seen in the efforts of the Medical College of Georgia and the University of Georgia to expand medical education in Georgia, and the System’s increasing support for nursing education. The efforts with medical education are already under way and will produce a substantial increase in the number of medical doctors graduating from the System. For nursing, the System has already seen significant improvements in the production of new nurses for Georgia, having increased the number of nursing graduates by 18% since 2006. However, much work remains to be done to ensure ongoing progress in medicine and nursing are maintained and to ensure other healthcare professions also receive the attention they need.

The complex nature of health professions education, the role of specific outside accrediting bodies for each health profession, the high costs of running the programs to train these professions, and other unique attributes of health professions education will require the internal capacity to ensure that the University System can navigate the challenging landscape of health professions education. The Center is now in place to help ensure that the System takes a leadership position in addressing the health workforce needs of the state.

2. **Goal Four – Strengthen the System’s Partnerships with the State’s Other Education Agencies: 20,000 x 2020, a Teacher Preparation Initiative**

Teacher preparation is a one of the most important initiatives in which the University System of Georgia partners with other education agencies to achieve the common goal of creating a more educated Georgia. At this meeting, Lynne Weisenbach, the Vice Chancellor for P-16 Initiatives, and David Rock, the Dean of the College of Education at Columbus State University, will discuss the System’s commitment to meeting 80% of the state’s need for teachers by the year 2020. The System has a proven track record for producing quality teachers in increasingly greater numbers. Over the past seven years, System institutions have ramped up their efforts and have dramatically increased the number of teachers by 58%. While laudable, this increase is not keeping pace with the state’s need for teachers. To address the significant need for highly qualified and effective teachers, the System’s teacher preparation institutions have committed to meeting 80% of the state’s need for teachers by the year 2020.

To accomplish this lofty goal, the System will increase the production of teachers, retain quality teachers, and retrain teachers to meet state needs. This will be accomplished by the analysis of regional data; developing region-specific plans using this data; creation of overarching strategies, allocating and reallocating money, people, and time; and sharing responsibility and accountability.

With 22 institutions offering teacher preparation either currently or in the near future, the University System will be able to increase the number of teachers produced without losing quality. Separately and collaboratively, these institutions are using strategic planning and innovative programs to most efficiently prepare, retain, and retool quality teachers to meet vision of a “more educated Georgia.”

AGENDA

COMMITTEE ON ACADEMIC AFFAIRS

November 10, 2008

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COMMITTEE ON ACADEMIC AFFAIRS

PRIMARY POINTS / SUMMARIES

November 10, 2008

Below are summaries of reports and updates to be presented to the Committee on Academic Affairs as well recommended approvals specifically concerning new programs. Details concerning each item can be found on successive pages within this document. The Office of Academic Affairs recommends the approval of each item.

I. Consent Items

1. Addition to *The Policy Manual*, Section 401.05, Students with Disabilities

A new policy, Section 401.05, Students with Disabilities, has been developed for inclusion in *The Policy Manual*. The policy, if established, provides a general statement concerning academic and support services for students with disabilities.

2. Establishment of a Bachelor of Science in Early Childhood Education/Special Education, Middle Georgia College

Middle Georgia College seeks approval to establish a Bachelor of Science in Early Childhood Education with a certification in special education. The program was developed in an effort to provide local opportunities for persons interested in obtaining certification to teach at the early childhood education level and to address the need to increase teachers in the area due to attrition and retirements. The program will offer dual certification in early childhood education and special education with reading and mathematics endorsements.

3. Establishment of a Master of Arts in American Studies, Kennesaw State University

Kennesaw State University seeks to offer a Master of Arts in American Studies. The program is interdisciplinary and blends historical and applied instruction with an emphasis on a particular region. Students will gain exposure to a variety of issues that include international affairs, civic engagement, and cultural production.

4. Establishment of the Peter S. Knox, III Distinguished Chair of Accounting, Augusta State University

Augusta State University seeks approval to establish the Peter S. Knox, III Distinguished Chair of Accounting. Funds in the amount of \$1,500,000 are on deposit to establish the endowed position. The position honors the career of Peter S. Knox, III, a businessman and entrepreneur who directed the growth of a successful brick company and real estate investment trust company.

AGENDA

COMMITTEE ON ACADEMIC AFFAIRS

November 10, 2008

1. Addition to *The Policy Manual*, Section 401.05, Students with Disabilities

Recommended: That the Board approve a policy that establishes a statement regarding academic services and supports for students with disabilities. This statement would become a part of the Board of Regents Policy Manual Section 401.05, Students with Disabilities, effective November 10, 2008.

Background and Rationale: Currently, the *Academic Affairs Handbook* provides procedures for working with students with disabilities. The proposed statement would establish clear policy as it relates to access for and services provided to students with disabilities and would assure fairness and equity across all USG institutions. In addition, this policy would support Appendix 5 C, Building Projects Procedures Manual that states that all government facilities after July 1, 1995 must comply with Americans with Disabilities Act Accessibility Guidelines (“ADAAG”).

Understandings: The proposed policy will support institutional efforts in administering the necessary services and accommodations for students with disabilities as required by state and federal law. The proposed policy statement follows.

Proposed Policy

401.05 Students with Disabilities

The Americans with Disabilities Act (ADA) requires colleges or universities to make necessary modifications to ensure that the institution does not discriminate or have the effect of discrimination against a qualified student with a disability. The University System of Georgia is committed to providing equal educational opportunities to all students. USG offers students with disabilities a variety of services and accommodations to ensure that both facilities and programs are accessible.

The University System has established sets of common standards and procedures for evaluating and administering accommodations for students with disabilities which can be found in the Academic Affairs Handbook.

The policy is pursuant to the provisions of the American with Disabilities Act. The University System of Georgia is a “public entity” within the meaning of the ADA, 42 U.S.C. § 12131, and 28 C.F.R. § 35.104, and, therefore, subject to Title II of the ADA, and its implementing regulations, 28 C.F.R. Part 35. It is also a “recipient” of “federal financial assistance” within the

1. Addition to *The Policy Manual*, Section 401.05, Students with Disabilities
(Continued)

meaning of Section 504, 29 U.S.C. § 794, and 34 C.F.R. § 104 and is therefore subject to Section 504 and the relevant implementing regulations, 34 C.F.R. Part 104.

2. **Establishment of a Bachelor of Science in Early Childhood Education/Special Education, Middle Georgia College**

Recommended: That the Board approve the request of President W. Michael Stoy that Middle Georgia College (“MGC”) be authorized to establish a Bachelor of Science in Early Childhood Education/Special Education, effective November 10, 2008.

Abstract: Middle Georgia College seeks approval to establish a Bachelor of Science in Early Childhood Education/Special Education. The program would be the institution’s third baccalaureate program since garnering approval to become a state college. The other baccalaureate programs currently offered by the institution are a Bachelor of Applied Science in Flight Management and a Bachelor of Science in Aviation Management. The program was developed to meet the need for certified P-5 teachers in Georgia. It will contribute to the University System’s initiative to increase the number of teachers within Middle Georgia College’s geographic location. The institution seeks to design and implement a professional early childhood education program with dual certification in early childhood education and special education that meets the needs of local education agencies associated with the discipline. MGC seeks to prepare teachers who are dedicated to their students’ success through: master of the necessary content knowledge and skills; planning, delivering and facilitating learning for all students; and working collaboratively with other educational professionals.

Need: A study conducted in conjunction with the P-16 Office of the service area for the Heart of Georgia, the Regional Education Service Agency (“RESA”), in Middle Georgia indicates the following: 1) several counties are currently employing elementary teachers that are not fully certified; 2) retention of elementary teachers is an issue for several of the most rural counties in the area; and 3) the yield of special education teachers from the region is limited and not capable of meeting the needs of the area. The establishment of a Bachelor of Science in Early Childhood Education with dual certification in early childhood and special education will aid in expanding access and accelerating opportunities for teacher preparation. Student data from fall 2007 indicated that 370 of the 3,445 students (10.7%) declared Education as their major. Of the 370 students declaring Education as their major, 331 declared Early Childhood Education as their preference (89%). At least three institutions in Georgia offer dual certification in Early Childhood and Special Education: North Georgia College & State University, Georgia State University, and Mercer University.

Objectives: Graduates of the program will have the knowledge and expertise to demonstrate mastery in the content of a P-5 curriculum, appropriate technology, and effective pedagogy. In addition, graduates of the program will 1) exhibit mastery of content in the early childhood curriculum, special education, reading, mathematics, and science; 2) demonstrate success in learning for students from diverse cultural, ethnic, ability, and socioeconomic groups; 3) demonstrate the ability to organize curriculum, provide instruction, and conduct assessments appropriate for all students; 4) demonstrate knowledge of educational foundations, educational psychology, human development, human exceptionalities and parent and family dynamics; and

2. **Establishment of a Bachelor of Science in Early Childhood Education/Special Education, Middle Georgia College (Continued)**

5) the graduate will be able to meet the pre-professional components of national board certification.

Curriculum and Delivery: The Early Childhood Education program will offer dual certification in early childhood and special Education with reading and math endorsements. Students may choose to add science as a third endorsement. The program will initially be offered during afternoon hours using a cohort model with a maximum enrollment of 25 students. The program will require five semesters for completion including one summer term. Students will complete 67 semester-hours of lower-division course work. Students will enroll in 13 semester-hours during their first two semesters and 12 hours during their last three semesters for a total of 62 hours of upper-division course work. They will also spend over 900 hours in field and clinical experiences participating in P-5 public school classrooms.

The 129-semester hour program will be the first teacher preparation program offered by Middle Georgia College. The design of the program originates in special education, which emphasizes the diagnosis of learning needs and tailors instruction toward those needs. Students who complete the program will be eligible for dual teacher certification in Early Childhood Education and in Special Education. The cooperating teachers in public P-5 classrooms selected to mentor MGC students during their field and clinical experiences will provide additional opportunities for the students to interact with and learn from a diverse array of professionals.

Projected Enrollment: The institution anticipates enrollments of 25, 50, and 75 students during the first three years of the program.

Funding: The program will be supported through the establishment of new courses. President Stoy is committed to underwriting the start-up costs of the program including the funding of two new education faculty positions and an increase to the library holdings over the next three years. The institution will redistribute existing faculty loads and employ a limited number of, but highly qualified and available, part-time instructors. President Stoy has provided reverification that funding for the program is available at the institution.

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

3. Establishment of a Master of Arts in American Studies, Kennesaw State University

Recommended: That the Board approve the request of President Daniel S. Papp that Kennesaw State University (“KSU”) be authorized to establish a Master of Arts in American Studies, effective November 10, 2008.

Abstract: The American Studies program was developed with the intent of focusing on integrating thinking across disciplines. The curriculum blends historical and location-based study with analysis of cultural products that requires students to apply their learning in various communities. American Studies, as a field, combines a focus on globalization with pragmatic work in a local, domestic context when compared to area studies and its emphasis on preparing students for work in a particular global region and international affairs with its focus on exposure to global issues from a range of perspectives. The program’s three key objectives involve global learning and intercultural skills, civic engagement, and the enhancement of cross disciplinary learning. The program will generate understanding of the United States in a global, transnational context. Graduates will be able to analyze social practices within, across and among diverse, globally oriented cultures and will have a pragmatic understanding of the relationships shaping contemporary society. The program will target four groups: 1) professionals and volunteers working in local cultural sites such as museums, humanities societies, national parks, and public history venues; 2) professionals working in non-profits and corporate settings whose programs interact with diverse audiences within the U.S. and abroad; 3) secondary school teachers who would prefer to focus on graduate work in the humanities than in pedagogy courses; and 4) international students interested in studying American cultures.

Need: According to KSU, the program addresses crucial state needs for workers with strong critical thinking skills, creative approaches to problem-solving, and the ability to succeed in changing work environments. Evidence of societal need for the program has emerged from sources such as input from local community leaders, study of the work of other similar programs around the country, and identification of trends in the field as a whole. Research on program development sponsored by the American Studies Association suggests that academic programs similar to the proposed American Studies degree are preparing graduates to find jobs with local museums, libraries, community service organizations, and other sites in arts administration and public heritage management.

Objectives: Students completing the program will be prepared for leadership in corporate and community diversity programs that have global connections. Graduates of the program will be able to 1) represent their companies, professional organizations, or non-profit groups in cross-cultural situations; 2) envision productive ways for building relationships with new Georgia residents, business and government partners, from around the world; 3) support and develop content for teaching an array of public audiences about cultural differences and connections; and 4) serve as stewards of local culture in a transnational world.

3. Establishment of a Master of Arts in American Studies, Kennesaw State University (Continued)

Curriculum: The program will be housed within the College of Humanities and Social Sciences. It consists of 36 semester-credit hours and a foreign language requirement. The language requirement may be met by a proficiency test administered by the department of foreign languages. Curricular needs that emerged through studying other programs that have been incorporated in the proposed degree are diversity and inclusion, interdisciplinarity, and civic engagement. Students will choose from clusters of courses in historical studies (e.g., U.S. Social Movements, Historical Period, Passages to America), place-based studies (e.g., American Cities, Suburbs, and Countryside, Regional Studies), and cultural production (e.g., Literature and Performance in American Culture, Identities and Social Groups, Enterprise and Labor in American Culture).

Projected Enrollment: The institution anticipates enrollments of 20, 26, and 30 students during the first three years of the program.

Funding: The institution will re-direct faculty time to support this program. Start-up costs are minimal. President Papp has provided reverification that funding for the program is available at the institution.

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

4. Establishment of the Peter S. Knox, III Distinguished Chair of Accounting, Augusta State University

Recommended: That the Board approve the request of President William A. Bloodworth, Jr. that Augusta State University (“AUSU”) be authorized to establish the Peter S. Knox, III Distinguished Chair of Accounting, effective November 10, 2008.

Abstract: Augusta State University seeks approval to establish the Peter S. Knox, III Distinguished Chair of Accounting. Funds in the amount of \$1,500,000 are on deposit with the Augusta State University Foundation to establish the distinguished chair, exceeding the minima requirement of \$500,000 for state universities. The special faculty position will reside in the Hull College of Business and the Knox School of Accountancy.

A recapitulation of funding levels for special faculty positions per institutional sector as prescribed in *The Policy Manual*, Section 803.0402 is provided below:

Research and Regional Universities		State Colleges, State Universities, and Two Year-Colleges	
Distinguished University Chairs	\$ 2,000,000		
Distinguished Chairs	\$ 1,000,000	Distinguished Chairs	\$ 500,000
Chairs	\$ 500,000	Chairs	\$ 300,000
Distinguished Professorships	\$ 400,000	Distinguished Professorships	\$ 200,000
Professorships	\$ 200,000	Professorships	\$ 100,000
Distinguished Scholar	\$ 100,000	Distinguished Scholar	\$ 50,000
Fellowships	\$ 50,000	Fellowships	\$ 30,000
Lecture or Seminar Series	\$ 50,000	Lecture or Seminar Series	\$ 30,000

The position is funded by a gift from the Knox Foundation. The endowed position will be awarded to a distinguished scholar in the accounting field. The holder of the distinguished chair will be an active member of the Knox School of Accountancy through teaching, research, and service to the community. The chair holder will advance the field of accounting through academic research at the highest level possible.

4. Establishment of the Peter S. Knox, III Distinguished Chair of Accounting, Augusta State University (Continued)

The chair holder will be a well known leader in the accounting field and provide the highest quality teaching to both graduate and undergraduate students. Finally, the chair holder will establish and nurture relationships with the professional accounting community in order to ensure that the curriculum remains on the forefront of the accounting discipline.

Biosketch: The chair honors the career of Peter S. Knox, III who is remembered for directing the growth of an Augusta-based brick company into one of the largest real estate investment trusts in the country. A native of Thomson, Georgia, Mr. Knox received his bachelor's degree from the Georgia Institute of Technology and his Master of Business Administration from Harvard University. He was named president of Merry Brick Company in 1974 and led the company until it became one of the nation's largest brick manufacturers. In 1981, Australia-based Boral Ltd. acquired an 80 percent stake in the company, leaving ownership of the clay lands to Mr. Knox and other Merry Brick Company shareholders. As a result, a new venture was established, Merry Land & Investment Company, which bought and managed apartment complexes throughout the southeast. In 1992, the company began trading on the New York Stock Exchange. At the time of his death at age 61 on December 8, 1996, Merry Land & Investment Company had assets exceeding \$1 billion. The Knox Foundation, led by Peter's brother, Boone, nephew Jefferson, and widow Pat Knox Hudson, unanimously voted to honor Peter Knox with this endowed chair.

5. Chaired Professorships

The administrative and academic appointments are reviewed by the Chair of the Committee on Academic Affairs.

6. Information Item: Services for Students with Disabilities

Abstract: The Chief of Staff, Melinda Spencer, will present staff from the Office of Student Affairs, the Regents Centers for Learning Disorders (“RCLD”), and the Alternative Media Access Center (“AMAC”) who will provide information concerning services for students with disabilities.

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COMMITTEE ON ORGANIZATION AND LAW

November 10, 2008

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APPROVAL ITEMS

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2. Applications for Review 2

AGENDA

COMMITTEE ON ORGANIZATION AND LAW

November 10, 2008

1. **Mutual Aid Agreement between the Georgia Institute of Technology and the Atlanta-Fulton County Emergency Management Agency**

Recommended: That the Board approve the following mutual aid agreement between the Georgia Institute of Technology and the Atlanta-Fulton County Emergency Management Agency, effective immediately.

Background: The Georgia Institute of Technology has reached an agreement with the Atlanta-Fulton County Emergency Management Agency to provide for the rendering of extraterritorial assistance as defined in Georgia Code 36-69-2 (local emergency) and under the conditions established in Georgia Code 36-69-3 (extraterritorial cooperation and assistance to local law enforcement agencies or fire departments; commander of operations). The mutual aid agreement follows a statutory format and has been approved by the Office of Legal Affairs.

2. Applications for Review

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

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COMMITTEE ON FINANCE AND BUSINESS OPERATIONS

November 10, 2008

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COMMITTEE ON FINANCE AND BUSINESS OPERATIONS

November 10, 2008

1. Increase in Mandatory Fees at Southern Polytechnic State University

Recommended: That the Board approve an increase in the mandatory fee at Southern Polytechnic State University (“SPSU”) from \$75 to \$100 in parking facility fees, effective fall semester 2009.

Background: In October 2008, the Board authorized a parking deck project for Southern Polytechnic State University containing approximately 863 parking spaces and site amenities.

The recommended parking fee increase is the second phase in a parking facility fee in order to build a parking garage to provide adequate parking facility for its growing student population. In April 2008, the Board approved a \$50 per semester student fee increase for SPSU to support the parking deck project. Phase two of the increase to support the parking project is an additional \$25. The fee will be effective fall 2009.

2. Approval of Plan Year 2009 Optional Retirement Plan Employer Contribution Rate

Recommended: That the Board approve the employer contribution rate for the University System Optional Retirement Plan (“ORP”) for Plan Year 2009, effective January 1, 2009.

Background: On May 12, 2008, Governor Perdue signed House Bill 815 into law. This bill expanded the definition and eligibility requirements for participation in the ORP. The new law allows all new exempt employees, as defined by the Fair Labor Standards Act, hired after July 1, 2008, to participate in the ORP. In addition, the bill authorizes the Board of Regents to set the employer contribution rate.

Understandings: The Board of Regents sets the employer contribution rate after consulting with the State Auditor, the Office of Planning and Budget and the State Accounting Officer. The board is required to review the contribution rate every three years.

The ORP employee contribution remains at 5 percent. The recommended employer contribution rate is 9.24 percent. This is well above the current employer contribution rate of 8.15 percent. Given the current budget situation, the 9.24 percent rate is an important step toward the eventual target of 10 percent and will serve to increase the competitiveness of the System’s ORP in relation to national peers. In addition, the 9.24 percent rate will help to maintain the unique differences between the Teacher Retirement System (“TRS”) and ORP plans. This increase will improve the System’s competitive position and help participants achieve an adequate replacement income in retirement.

3. Approval of Plan Year 2009 Optional Retirement Plan Vendors

Recommended: That the Board approve vendors for the University System Optional Retirement Plan (“ORP”) for Plan Year 2009, effective January 1, 2009.

Background: There are no provisions in the Summary Plan Description to support a minimum or a maximum number of vendors for the ORP. The Plan, as approved by the Georgia Legislature in 1990, identified two vendors, VALIC and TIAA-CREF. Based on recommendations by the ORP Advisory Committee, the Board of Regents, in 1997, approved two additional vendors, Fidelity and American Century.

Understandings: The Board of Regents may authorize vendors for the ORP. The recommended ORP vendors are AIG/VALIC, Fidelity Investments and TIAA-CREF. American Century, whose participation has fallen to less than four percent of ORP participants, will no longer be offered. The reduced number of vendors will improve the University System’s capacity to work with vendors to stay in compliance with increasingly complex IRS regulations and record-keeping requirements for pension plans.

The staff will make a report to the Finance and Business Operations Committee on the performance of the vendors at the February meeting. The Committee will decide whether to rebid the vendor contracts for the 2010 plan year.

4. **Information Item: First Quarter Revenue and Expenditure Report for Fiscal Year 2009**

The Vice Chancellor for Fiscal Affairs, Usha Ramachandran, will provide a report on the University System of Georgia's first quarter revenue and expenditure report for fiscal year 2009.

AGENDA

INTERNAL AUDIT COMMITTEE

November 10, 2008

Agenda Item

Page No.

APPROVAL ITEM

1. Revision of *The Policy Manual*, Section 802.20: University System of Georgia
Ethics Policy

1

AGENDA

INTERNAL AUDIT COMMITTEE

November 10, 2008

1. **Revision of *The Policy Manual*, Section 802.20: University System of Georgia Ethics Policy**

Recommended: That the Board amend *The Policy Manual* by adding Policy 802.20 (“University System of Georgia Ethics Policy”).

Background: Various federal regulations and guidelines require that organizations develop a code of conduct and the associated procedures to prevent and detect criminal misconduct. For example, § 8B2.1 of the 2007 Federal Sentencing Guidelines “minimally require” that an organization “establish standards and procedures to prevent and detect criminal conduct.” Subpart 3.1002 of the Federal Acquisition Regulations requires government contractors to “have a written code of business ethics and conduct.” O.C.G.A. § 50-5-83 requires employees with purchasing cards to sign an ethical behavior agreement. Finally, adoption of and adherence to an organizational code of conduct is considered a best practice among both private and public institutions.

To this end, Chancellor Erroll B. Davis, Jr. charged the Chief Audit Officer & Associate Vice Chancellor for Internal Audit, Ronald B. Stark, with the responsibility for drafting a “University System of Georgia Ethics Policy.” Mr. Stark chaired a committee comprised of representatives from administration, faculty, and staff which included multiple institutions and the University System Office. The members of the Committee unanimously recommended adoption of the Ethics Policy.

The Ethics Policy is comprised of a “Core Values” and a “Code of Conduct.” The key elements from the Ethics Policy are reproduced below for adoption as BOR Policy. However, the entire “University System of Georgia Ethics Policy” includes the key elements below and various explanatory notes and guidance. The entire “University System of Georgia Ethics Policy” will be available as a link from within the Board of Regents Policy Manual.

It is therefore recommended that Policy 802.20 be adopted as follows:

A. *Introduction*

The University System of Georgia (USG) is committed to the highest ethical and professional standards of conduct in pursuit of its mission to create a more educated Georgia. Accomplishing this mission demands integrity, good judgment and dedication to public service from all members of the USG community. While the USG affirms each person’s accountability for individual actions, it also recognizes that the shared mission and the shared enterprise of its institutions require a shared set of core values and ethical

1. **Revision of The Policy Manual, Section 802.20: University System of Georgia Ethics Policy (Continued)**

conduct to which each member of the USG community must be held accountable. Furthermore, the USG acknowledges that an organizational culture grounded in trust is essential to supporting these core values and ethical conduct. The following Statement of Core Values and Code of Conduct are intended to build, maintain and protect that trust, recognizing that each member of the USG community is responsible for doing his/her part by upholding the highest standards of competence and character.

B. *Applicability*

The Statement of Core Values and the Code of Conduct comprise the USG Ethics Policy. The USG Ethics Policy applies to all members of the USG community. The USG community includes all members of the Board of Regents, all individuals employed by or acting on behalf of the USG or one of the USG institutions including volunteers, vendors, contractors, members of the governing boards and employees of all cooperative organizations affiliated with the USG or one of its institutions. Violations of the USG Ethics Policy may result in disciplinary action including dismissal or termination.

Members of the Board of Regents and all individuals employed by the USG or one of its institutions in any capacity shall participate in USG Ethics Policy training and shall certify compliance with the USG Ethics Policy on a periodic basis as provided in the USG Business Procedures Manual. Cooperative organizations, vendors and contractors shall certify compliance with the USG Ethics Policy by written agreement as provided in the USG Business Procedures Manual. The USG Ethics Policy governs only official conduct performed by or on behalf of the USG.

C. *Statement of Core Values*

- I. **Integrity** – We will be honest, fair, impartial and unbiased in our dealings both with and on behalf of the USG.
- II. **Excellence** – We will perform our duties to foster a culture of excellence and high quality in everything we do.
- III. **Accountability** – We firmly believe that education in the form of scholarship, research, teaching, service and developing others is a public trust. We will live up to this trust through safeguarding our resources and being good stewards of the human, intellectual, physical and fiscal resources given to our care.
- IV. **Respect** – We recognize the inherent dignity and rights of every person, and we will do our utmost to fulfill our resulting responsibility to treat each person with fairness, compassion and decency.

D. *Purpose of the Code of Conduct*

Every member of the USG community is required to adhere to the USG Statement of

1. Revision of The Policy Manual, Section 802.20: University System of Georgia Ethics Policy (Continued)

Core Values – Integrity · Excellence · Accountability · Respect – that form and guide the daily work of the organization. The USG recognizes that each member of the USG community attempts to live by his or her own values, beliefs and ethical decision-making processes. The purpose of the Code of Conduct is to guide members of the USG community in applying the underlying USG Statement of Core Values to the decisions and choices that are made in the course of everyday endeavors. Each USG institution must ensure that its institutional ethics policies are consistent with this USG Ethics policy.

E. Code of Conduct

We will:

- I. Uphold the highest standards of intellectual honesty and integrity in the conduct of teaching, research, service and grants administration.**
- II. Act as good stewards of the resources and information entrusted to our care.**
- III. Perform assigned duties and professional responsibilities in such a manner so as to further the USG mission.**
- IV. Treat fellow employees, students and the public with dignity and respect.**
- V. Refrain from discriminating against, harassing or threatening others.**
- VI. Comply with all applicable laws, rules, regulations and professional standards.**
- VII. Respect the intellectual property rights of others.**
- VIII. Avoid improper political activities as defined in law and Board of Regents Policy.**
- IX. Protect human health and safety and the environment in all USG operations and activities.**
- X. Report wrongdoing to the proper authorities; refrain from retaliating against those who do report violations; and cooperate fully with authorized investigations.**
- XI. Disclose and avoid improper conflicts of interest.**
- XII. Refrain from accepting any gift or thing of value in those instances prohibited by law or Board of Regents policy.**
- XIII. Not use our position or authority improperly to advance the interests of a friend or relative.**

F. Interpretation and Sources

The Statement of Core Values and Code of Conduct do not address every conceivable situation or ethical dilemma that may be faced by members of the USG community. Members of the USG community are expected to exercise good judgment absent specific guidance from this policy or other applicable laws, rules and regulations. Specific questions pertaining to the Statement of Core Values or Code of Conduct should be

1. **Revision of The Policy Manual, Section 802.20: University System of Georgia Ethics Policy (Continued)**

directed to a supervisor or other competent authority at the University System Office or at the institution's office of Legal Affairs, Internal Audit, Compliance, Human Resources, Academic Affairs or other appropriate office. There are also multiple sources of authority that address specific questions or situations. Examples include:

- Board of Regents Policy Manual
- Board of Regents Business Procedures Manual
- Board of Regents Human Resources Administrative Practice Manual
- Institutional policies, handbooks and procedures
- State Laws and Regulations
- Federal Laws and Regulations

Further specific explanatory notes and references may be found on the USG's WEB site at www.usg.edu/compliance/ethics/ or its successor reference. (BR Minutes, November 2008)

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COMMITTEE ON REAL ESTATE AND FACILITIES

November 10, 2008

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COMMITTEE ON REAL ESTATE AND FACILITIES

November 10, 2008

1. **Authorization of Project No. BR-71-0901, Library Renovation and Speaker Tom Murphy Office, University of West Georgia**

Recommended: That the Board authorize Project No. BR-71-0901, Library Renovation and Speaker Tom Murphy Office, University of West Georgia (“UWG”), with a total project budget of \$8,000,000 to be funded from Fiscal Year 2009 State General Obligation Bonds.

Understandings: The library, built in the 1960’s, had an addition in 1980, and totals 40,160 square feet.

According to most recent standards for library planning, preliminary studies indicates major deficiencies exist for seating and studying space. To serve strategic priority needs of UWG, the library renovation will include expanding seating and studying space and addition of information commons.

The project includes partial renovation of the ground floor (basement) to accommodate materials that are not part of the browsing collection, and renovation of the main floor including renovation to seating and studying space, and the reproduction of the Speaker Tom Murphy office for display of his political collections and memorabilia.

The estimated construction cost for this project is \$6,000,000.

The project is consistent with UWG’s master plan.

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

2. **Authorization of Project No. BR-70-0901, Renovation of Langdale Residence Hall, Valdosta State University**

Recommended: That the Board authorize Project No. BR-70-0901, Renovation of Langdale Residence Hall, Valdosta State University (“VSU”), with a total project budget of \$1.71 million, to be funded from VSU Auxiliary Enterprises.

Understandings: The 105,000-square-foot 5-story Langdale Residence Hall was constructed in 1967. The original plumbing system and fixtures will be renovated. High efficiency fixtures will permit considerable water savings. A new five-stop hydraulic elevator will also be installed.

The estimated construction cost for this project is \$1.5 million.

The project is consistent with VSU’s master plan.

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

3. Authorization of Project Budget Modification, Project No. BR-64-0402, Family Development Center, Fort Valley State University

Recommended: That the Board modify the budget of Project No. BR-64-0402, Family Development Center, Fort Valley State University (“FVSU”), to increase the total project budget from \$2,326,000 to \$3,100,000.

Understandings: The Family Development Center project approved by the Board in September 2003, is in design. The project site has now been identified along Carver Drive. The project has experienced construction cost escalation.

Funding of this project (including the cost increase of \$774,000) will be from the United States Department of Agriculture Cooperative State Research Education and Extension Service funds.

	<u>May 2003</u>	<u>Now</u>
Total Project Cost	\$2,326,000	\$3,100,000
Construction Cost (Stated Cost Limitation)	\$1,950,000	\$2,510,000

4. Authorization of Project Budget Modification, Project No. BR-64-0603, Stallworth Biotechnology Addition, Fort Valley State University

Recommended: That the Board modify the budget of Project No. BR-64-0603, Stallworth Biotechnology Addition, Fort Valley State University (“FVSU”), to increase the total project budget from \$3,100,000 to \$3,820,000.

Understandings: The Stallworth Biotechnology Addition, approved by the Board in May 2007, is in design. Construction cost escalation, including increases in laboratory equipment costs, necessitates this modification.

Funding of this project (including the cost increase of \$720,000) will be from the United States Department of Agriculture Cooperative State Research Education and Extension Service funds.

	<u>May 2007</u>	<u>Now</u>
Total Project Cost	\$3,100,000	\$3,820,000
Construction Cost (Stated Cost Limitation)	\$2,400,000	\$3,173,000

5. **Authorization of Project Modification, Infrastructure-Gas Fire Boiler, University of Georgia**

Recommended: That the Board authorize the Central Utility Plant - Northwest Precinct, University of Georgia, (“UGA”) with a total project budget of \$6,400,000 to be funded from State General Obligation Bonds.

Recommended further: That the Board modify the Capital Improvement Plan (“CIP”) approved at the August 2008 meeting to redirect the funding for the Infrastructure-Gas Fire Boiler project to the Central Utility Plant - Northwest Precinct project.

Understandings: UGA’s anticipated increased steam capacity has been reduced due in part to recent lower than projected actual use and campus wide energy saving measures enacted to mitigate higher energy costs in newly constructed facilities.

UGA has explored alternative energy sources, including biofuel applications, and has recently completed an independent study that concludes a central utility plant for the Northwest precinct would provide the lowest life-cycle cost for heating and cooling.

This central utility plant is UGA’s top infrastructure priority due the reduction in the need for additional steam capacity and a greater strategic need for additional infrastructure capacity in the Northwest Precinct’s approved and proposed academic and support facilities.

The requested Utility Plant will deliver greater energy savings, contribute to a reduction in required mechanical space in new buildings, reduce energy usage by utilization of higher energy efficiency systems, and reduced water consumption through elimination of cooling towers.

The estimated construction cost for this project is \$5,000,000

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

6. Authorization of Project List and Appointment of Program Management Firms, Georgia Higher Education Facilities Authority (GHEFA)

Recommended: That the Board authorize the projects listed below with a total program budget of \$92,900,000 to be funded through a pooled bond issuance by the Georgia Higher Education Facilities Authority (“GHEFA”).

- Bainbridge College – Student Wellness Center
- Columbus State University – Student Recreation Center
- Southern Polytechnic State University – Student Housing Phase III

Recommended further: That the Board appoint the first-named program management firm listed below for the referenced project and authorize the execution of contracts with the identified firms. Should it not be possible to execute contracts with the top-ranked firms, staff will then attempt to execute contracts with the other listed firms in rank order.

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

- Bainbridge College – Student Wellness Center
- Columbus State University – Student Recreation Center

Number of program management firms that applied for this commission: ____

Recommended Program Management firms in rank order:

- 1)
- 2)
- 3)

- Southern Polytechnic State University – Student Housing Phase III

Number of program management firms that applied for this commission: ____

Recommended Program Management firms in rank order:

- 1)
- 2)
- 3)

6. Authorization of Project List and Appointment of Program Management Firms, Georgia Higher Education Facilities Authority (GHEFA), (Continued)

Understandings: In October 2008, the Vice Chancellor for Facilities, Linda M. Daniels, presented this proposed list of GHEFA projects.

Campus Project Name	Description	Estimated Cost
Bainbridge College Student Wellness Center	Project - 80,000 square foot (“SF”) student center that will include lounge, fitness, gymnasium, food court, game room, locker rooms, multi-purpose, offices, and support spaces. Also a 10,000 SF student center addition to the academic facility in Blakely. Funding - Mandatory student fee.	\$25,000,000
Columbus State University Student Recreation Center	Project - 98,000 SF student recreation center that will include lounge, fitness, gymnasium, racquetball, swimming pool, climbing wall, locker rooms, game room, banquet hall, offices, and support space. Funding - Mandatory student fee.	\$29,000,000
Southern Polytechnic State University Student Housing, Phase III	Project - 600 student housing beds in suite style units. Dining facilities. On-site parking. 120 student housing beds of special interest housing. Funding - Student housing rent collections.	\$38,900,000

It is anticipated that the Board will be requested to take future action concerning these projects, including the appointment of design professionals and construction management firms.

7. **Rental Agreement, Tower Place 200, 3348 Peachtree Road, Atlanta, Georgia State University**

Recommended: That the Board authorize the execution of a rental agreement between Aslan Realty Partners III, LLC, Landlord, and the Board of Regents, Tenant, for approximately 23,054 square feet of classroom and associated administrative support space located on the fifth floor of the Tower Place 200, 3348 Peachtree Road, Atlanta, for the period January 1, 2009, through June 30, 2009, at a monthly rent of \$55,713.83 (\$668,566 per year annualized/\$29.00 per square foot per year) with options to renew on a year-to-year basis for five consecutive one-year periods with rent increasing 3% per year, for the use of Georgia State University (“GSU”) J. Mack Robinson College of Business Executive Masters of Business Administration (“MBA”) and the executive education program.

Recommended further: That the terms of this rental agreement be subject to review and legal approval of the Office of the Attorney General.

Understandings: In April 2006, the Board approved the establishment of an external Executive MBA program in Buckhead for GSU. In June 2006 and January 2007, the Board authorized execution of rental agreements for approximately 12,000 and 2,731 square feet respectively on the fourth floor of Tower Place 200 for the GSU Executive MBA program, the executive education program and the Center for Global Leadership.

This fifth floor space will also be used by the GSU Executive MBA program and executive education program.

If this agreement is terminated prior to the fifth renewal term, an additional premature termination payment will be due to the Landlord in the amount of \$578,630.00 during the initial term, decreasing each year to \$86,530.00 at the end of the fourth renewal term.

All operating expenses are included in the rent rate.

8. Ground Lease Amendments and Rental Agreements, Fraternity Housing, University of Georgia

Recommended: That the Board approve the sub-lease by UGAREF Fraternity Row, LLC (the "LLC"), Lessee, to UGAREF Fraternity Row House 1, LLC, (the "House 1, LLC") of an approximately 0.37 acre tract of real property located on River Road, Athens.

Recommended further: That the Board approve the sub-lease by the LLC, Lessee, to UGAREF Fraternity Row House 2, LLC, (the "House 2, LLC") of an approximately 0.32 acre tract of real property located on River Road, Athens.

Recommended further: That the Board approve the sub-lease by the LLC, Lessee, to UGAREF Fraternity Row House 7, LLC, (the "House 7, LLC") of an approximately 0.2 acre tract of real property located on River Road, Athens.

Recommended further: That the Board authorize the execution of a rental agreement between House 1, LLC, Landlord, and Board of Regents, Tenant for 20 beds of student housing for fraternal organizations on the above-referenced approximately 0.37 acres of real property for the period commencing on the first day of the first month after House 1, LLC obtains a certificate of occupancy for all 20 beds of student housing for fraternal organizations, but not earlier than July 1, 2009, and ending the following June 30 at a rent not to exceed \$300,000 per year annualized with options to renew on a year to year basis for up to 29 consecutive one-year periods (the total not to exceed 30 years from the date House 1, LLC receives the certificate of occupancy for all 20 beds of student housing for fraternal organizations), at the same rent rate.

Recommended further: That the Board authorize the execution of a rental agreement between House 2, LLC, Landlord, and Board of Regents, Tenant, for 20 beds of student housing for fraternal organizations on the above-referenced approximately 0.32 acres of real property for the period commencing on the first day of the first month after House 2, LLC obtains a certificate of occupancy for all 20 beds of student housing for fraternal organizations, but not earlier than July 1, 2009, and ending the following June 30 at a rent not to exceed \$275,000 per year annualized with options to renew on a year to year basis for up to 29 consecutive one-year periods (the total not to exceed 30 years from the date the House 2, LLC receives the certificate of occupancy for all 20 beds of student housing for fraternal organizations), at the same rent rate.

Recommended further: That the Board authorize the execution of a rental agreement between House 7, LLC, Landlord, and Board of Regents, Tenant, for 15 beds of student housing for fraternal organizations on the above-referenced approximately 0.2 acres of real property for the period commencing on the first day of the first month after the House 7, LLC obtains a certificate of occupancy for 15 beds of student housing for fraternal organizations, but not earlier than July 1, 2009, and ending the following June 30 at a rent not to exceed \$275,000 per year annualized with options to renew on a year to year basis for up to 29 consecutive one-year

8. Ground Lease Amendments and Rental Agreements, Fraternity Housing, University of Georgia (Continued)

periods (the total not to exceed 30 years from the date the House 7, LLC receives the certificate of occupancy for all 15 beds of student housing for fraternal organizations, at the same rent rate.

Recommended further: That the terms of these agreements be subject to review and legal approval of the Office of the Attorney General.

Understandings: In October 2008, the Board authorized the execution of a ground lease to the LLC, of 5.28 acres of real property on River Road, Athens, on the campus of the University of Georgia (“UGA”) for the purpose of providing student housing for fraternal organizations recognized by UGA.

The Board was informed that further action would be required to effectuate the transaction.

These assignments of portions of the ground leased premises and rental agreements will allow development of student housing facilities for three fraternal organizations recognized by UGA. Further action by the Board may be required to effectuate transactions to allow development of additional student housing facilities for fraternal organizations recognized by UGA on the remainder of the ground leased premises.

9. Acquisition of Real Property, 90 Martin Luther King Jr. Boulevard, Warner Robins, Macon State College

Recommended: That the Board authorize the purchase of approximately 3.05 acres of improved real property located at 90 Martin Luther King Jr. Boulevard, Warner Robins, from the Macon State Foundation (the “Foundation”) for \$300,522 for the use and benefit of Macon State College (“MSC”).

Recommended further: That the above-referenced real property be subject to a reversion to the United States Department of the Air Force (the “Air Force”) in the event that the real property is sold, without consent of the Air Force, or ceases to be used by MSC to expand their off-campus site in Warner Robins.

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

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

Recommended further: That the legal details involved with this purchase of real property be handled by the Office of the Attorney General.

Understandings: Acquisition of this real property is consistent with the MSC master plan for Warner Robins. This real property is improved with a 2,996-square-foot one-story frame and stucco building built in 1979, a paved parking area, a fenced playground area, and a lighted basketball and tennis court.

If acquired, the building will be used by MSC for student activities and storage.

This real property was acquired by the Foundation in August 2008 for \$300,522.

Three independent appraisals of the real property are as follows:

<u>Appraiser</u>	<u>Appraised Value</u>	<u>Average</u>
Dennis W. Benson, Macon	\$318,000	
David I. Simmons, MAI, Fort Valley	\$300,000	\$306,000
S. Gary Garrard, Warner Robins	\$300,000	

There are no known adverse easements on the real property.

Funding for the purchase is from MSC funds.

10. Ground Lease and Rental Agreement, Student Housing, Georgia Southwestern State University

Recommended: That the Board declare an approximately 1.735 acre tract of unimproved real property on the campus of Georgia Southwestern State University (“GSWU”), no longer advantageously useful to GSWU or other units of the University System of Georgia but only to the extent and for the purpose of allowing this real property to be ground leased to the GSW Housing Foundation II, LLC (the “LLC”), for the purpose of providing student housing facilities containing approximately 300 student housing beds, 293 parking spaces, and site amenities.

Recommended further: That the Board authorize the execution of a ground lease, including necessary access, use, and construction easements and encroachments, between the Board of Regents, Lessor, and the LLC, Lessee, for the above-referenced approximately 1.735 acres of real property on the campus of GSWU for a period not to exceed 32 years (not to exceed 30 years from the date the LLC obtains a certificate of occupancy for 300 student housing beds and 293 parking spaces and providing a construction period of not more than two years), with an option to renew for up to an additional five years should there be debt outstanding at the end of the original ground lease term, for the purpose of providing student housing facilities containing approximately 300 student housing beds, 293 parking spaces, and site amenities.

Recommended further: That the Board authorize the execution of a rental agreement between the LLC, Landlord, and the Board of Regents, Tenant, for the above-referenced student housing facilities, parking, and site amenities for the period commencing on the first day of the first month after the LLC obtains a certificate of occupancy for 300 student housing beds and 293 parking spaces but not earlier than August 1, 2009, and ending the following June 30 at a rent not to exceed \$500,000, with an option to renew for one year at a rent not to exceed \$900,000, with further options to renew on a year-to-year basis for up to 28 consecutive one-year periods (the total not to exceed 30 years from the date the LLC obtains a certificate of occupancy for 300 student housing beds and 293 parking spaces), with rent increasing no more than 3% for each further option period exercised.

Recommended further: That the terms of these agreements be subject to review and legal approval of the Office of the Attorney General.

Recommended further: That the Board authorize the execution of a site license between the LLC, Licensee, and the Board of Regents, to allow early site access to mobilize and install erosion control, commence site work including clearing and grading, and relocating utilities.

Understandings: In October 1997, the Board passed a student housing policy that requires the preparation of a comprehensive plan for student housing together with a financial plan to support housing program objectives. GSWU has developed a comprehensive housing plan that is consistent with the policy. The housing market study contained in the comprehensive housing plan indicates demand to support this housing.

10. Ground Lease and Rental Agreement, Student Housing, Georgia Southwestern State University (Continued)

In August 2008, the Board authorized the demolition of Complex III on the campus of GSWU. In October 2008, the Vice Chancellor for Facilities, Linda M. Daniels, presented an information item to the Board on a proposed new student housing project to be built on the site of Complex III.

The anticipated schedule is for the LLC to have a bond closing by the end of December 2008, and commence construction immediately thereafter. Construction of 300 student housing beds and 293 parking spaces is expected to be complete in July 2009 to allow occupancy by GSWU at the beginning of Fall Semester 2009.

At the end of the term of the ground lease, the real property, all improvements, and any accumulated capital reserves will become the property of the Board of Regents.

11. Demolition of Ajax Building, 881 Hemphill Avenue, Georgia Institute of Technology

Recommended: That the Board declare the building at 881 Hemphill Avenue on the campus of the Georgia Institute of Technology (“GIT”), to be no longer advantageously useful to GIT or other units of the University System of Georgia and authorize demolition and removal of this building.

Recommended further: That the Board request the Governor to issue an Executive Order authorizing the demolition and removal of this building from the campus of GIT.

Understandings: This building was constructed by Lester Maddox in 1947 as an ice cream parlor and grill. It later became known as the Pickrick Restaurant. The restaurant was targeted with sit-ins during the civil rights movement. Mr. Maddox sold the building to the Board of Regents for the use of GIT in October 1965. GIT has used the building as a job placement center and for GIT Campus Police Annex.

GIT is adhering to the requirements of the Georgia Environmental Policy Act (“GEPA”) and the appropriate State Stewardship Review.

A hazardous materials survey and assessment has been conducted and has identified recommendations for the proper management and disposal of asbestos-containing materials, lead based paint, and other hazardous materials during demolition to ensure compliance with environmental regulations.

While the building is eligible for listing on the National Register of Historic Places, the demolition of the building is in accordance with the GIT master plan as part of expansion of the GIT Eco-Commons, a master plan objective to manage storm water runoff and increase the amount of open green and recreational space opportunities.

12. **Resolution 2008C and 2008D General Obligation Bond Issue, Georgia State Financing and Investment Commission, University System of Georgia**

Recommended: That the Board adopt the Resolution prepared by the Revenue Division of the Department of Law covering the issuance of 2008C and 2008 D General Obligation Bonds (“G. O. Bonds”) by the State of Georgia through the Georgia State Financing and Investment Commission for use in funding projects for the University System of Georgia.

The Revenue Division of the Office of the Attorney General has prepared on behalf of the Board of Regents a Resolution (Appendix I) to cover the sale of 2008C G. O. Bonds for the following projects:

Project list to be provided.

The Revenue Division of the Office of the Attorney General has prepared on behalf of the Board of Regents a Resolution (Appendix I) to cover the sale of 2008D G. O. Bonds for the following projects:

Project list to be provided.

13. Executive Session

The committee will meet in executive session on November 10, 2008, to discuss possible real property acquisitions. Materials will be handed out in Executive Session.

14. Information Item: Update of Authorization of the Chair of the Real Estate and Facilities Committee to Approve Amended Rent Amounts

The Vice Chancellor for Facilities, Linda M. Daniels, will update the committee on the authorization granted by the Board at the October 2008 meeting for the Chair of the Real Estate and Facilities Committee to approve amended rent amounts.

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EXECUTIVE AND COMPENSATION COMMITTEE

November 10, 2008

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AGENDA

EXECUTIVE AND COMPENSATION COMMITTEE

October 14, 2008

1. Proposed Schedule for the 2009 Two-Year and State College Campus Visits

The proposed schedule for 2009 Two-Year and State College Campus Visits will be presented to the Executive and Compensation Committee for review and approval.

2. **Information Item: Paper Reduction Strategies**

Senior Staff will update the Committee on paper reduction strategies proposed and/or implemented at the University System Office.

3. Information Item: Presidential Search Update

The Chief Academic Officer & Executive Vice Chancellor, Susan Herbst, will brief the Committee on presidential searches currently in progress.

4. Executive Session: Personnel Matters and Possible Real Property Acquisitions

The Committee will meet in Executive Session on Tuesday, November 10, 2008 to discuss personnel matters and possible real property acquisitions. Materials will be distributed in Executive Session.