

**MINUTES OF THE MEETING OF THE
BOARD OF REGENTS OF THE UNIVERSITY SYSTEM OF GEORGIA
HELD AT
270 Washington St., S.W.
Atlanta, Georgia
June 10 and 11, 2003**

CALL TO ORDER

The Board of Regents of the University System of Georgia met on Tuesday, June 10 and Wednesday, June 11, 2003, in the Board Room, room 7007, 270 Washington St., S.W., seventh floor. The Chair of the Board, Regent Joe Frank Harris, called the meeting to order at 1:00 p.m. on Tuesday, June 10. Present on Tuesday, in addition to Chair Harris, were Regents Hugh A. Carter, Jr., Connie Cater, William H. Cleveland, Michael J. Coles, Hilton H. Howell, Jr., Julie Hunt, W. Mansfield Jennings, Jr., Donald M. Leebern, Jr., Elridge W. McMillan, Patrick S. Pittard, J. Timothy Shelnut, Glenn S. White, and Joel O. Wooten, Jr.

On behalf of the Regents, Chair Harris welcomed Regents Jennings and Pittard to the Board, who had been sworn in by the Governor that morning.

ATTENDANCE REPORT

The attendance report was read on Tuesday, June 10, 2003, by Secretary Gail S. Weber, who announced that Regents Allene H. Magill, Martin W. NeSmith, and Wanda Yancey Rodwell had asked for and been given permission to be absent on that day.

APPROVAL OF MINUTES

Motion properly made and duly seconded, the minutes of the Board of Regents meeting held on May 20 and 21, 2003, were unanimously approved as distributed.

CHAIRMAN'S REMARKS REGARDING THE UNIVERSITY OF GEORGIA

Chair Harris made the following remarks:

Please allow me to take a moment of personal privilege as your Chair to comment on a current issue that has generated a great deal of attention. I'm speaking of the publicity surrounding the University of Georgia and its athletic program.

First, let me recognize the extraordinary contributions of Vince Dooley to the University of Georgia in a career spanning four decades. He has established a legacy envied by athletic programs across

the country. We are deeply appreciative of all Mr. Dooley has done and will continue to do for UGA and the State of Georgia.

In February of 2001, President Michael Adams and Mr. Dooley both agreed on the term of service of Mr. Dooley as UGA's athletic director. The President has decided to honor the agreement and the Board of Regents unanimously supports the President's commitment.

Let me just add another personal comment. Chancellor, members of the Board, I want to take this moment and personally salute President Adams for his leadership at UGA. We point with great pride to the progressive and positive positions President Adams has taken to move UGA to new academic heights. We are proud of Michael Adams and of the record he has established. He has our unanimous support.

The statement stands on its own. President Adams is here today. We just want you to know we appreciate the leadership you are providing and you have this Board's unanimous support.

ANNUAL ADMISSIONS UPDATE

Chair Harris called upon the Senior Vice Chancellor for Academics and Fiscal Affairs, Daniel S. Papp, to update the Board on admissions in the University System of Georgia.

Dr. Papp explained that as the System began to phase in its new admissions standards, the Board asked the staff to report back on an annual basis with an admissions update. He stated that the raised admission standards were part of a Board policy adopted in 1996, phased in over a four- to five-year period and fully implemented during summer 2001. At this meeting, Dr. Papp would focus on three primary areas: a comparison from 1995 to 2002, SAT breakdown by point range, and retention and graduation. He began with the comparison of admissions in 1995 and 2002. In fall 1995, the average SAT score for first-time, full-time freshmen was 998. Of all first-time, full-time freshmen, 28% required developmental studies, and only 76% had finished the college-preparatory curriculum ("CPC"), which at that point in time included 15 specified high school courses. In fall 2002, the average SAT score for first-time, full-time freshmen had increased to 1038. Only 15% of all first-time, full-time freshmen required developmental studies, and most of them were at two-year institutions consistent with the Board of Regents' strategy adopted in 1996. In fall 2002, 90% had finished the CPC. Dr. Papp remarked that the University System of Georgia has come a long way in the course of a relatively short period of time and with a larger cadre of students coming into the System.

Regent Shelnut asked Dr. Papp what percentage of high school students takes the SAT.

Dr. Papp called upon the Associate Vice Chancellor for Strategic Research and Analysis, Cathie Mayes Hudson, to respond to this question.

Dr. Hudson responded that approximately 65% of Georgia high school students take the SAT. She noted that Georgia has a high percentage of SAT takers.

Dr. Papp explained that the System has done well for a number of reasons. One reason is the heightened admissions standards. The Board raised the bar for students, and students have risen to the occasion. The HOPE Scholarship program (“HOPE”) has had an impact in helping the System retain many students. Also, as the reputation and quality of the University System of Georgia have improved, it is able to attract better students. Finally, the policy of balancing quality and access in the System is absolutely critical. As a state entity, the University System of Georgia has responsibilities to serve the very best students and all students.

Next, Dr. Papp discussed the SAT. He showed the Regents a graph depicting the numbers of 1992 and 2002 Georgia college-bound SAT takers by point range. He explained that the grand totals of Georgia students who took the SAT in 1992 and 2002 were virtually unchanged. However, the University System of Georgia has attracted increasing numbers of students who have scored on the upper end of the SAT distribution. In 1992, the System was attracting approximately 22% of all students who scored 1500 to 1600 on the SAT, about 30% of those who scored 1200 to 1290. In 2002, the System was attracting approximately 30% of students who scored 1500 to 1600 and 57% of all students in the 1200 to 1290 range. Dr. Papp said that this reflects very well on the System as well as on HOPE and heightened admissions standards. The key point is that the System is attracting an increasingly higher percentage of the students who score well on the SAT. Dr. Papp recognized Dr. Hudson and the staff of the Office of Strategic Research and Analysis, who perform detailed research to provide this data. The staff include: the Assistant Vice Chancellor for Planning, Joseph J. Szutz; the Senior Research Associate, Anoush Pisani; the Policy Research Associate, Susan Campbell; the Coordinator of Information Systems, Susan Whitman; and the Administrative Coordinator, Nicola Juricak.

Dr. Papp then turned his attention to retention and graduation rates by race and gender. He noted that of all first-time freshmen across the System in fall 2002, 85% were full-time students. Of these full-time freshman, approximately 70% were white, 21% black, 5% Asian, 2% Hispanic, and 2% multi-racial. Retention rates from the freshman to sophomore year are relatively stable across race and gender. Asians are statistically on the high end, but there is only a 6% to 7% range. However, six-year graduation rates show significant differences. So, while the System is doing better with regard to retention from the freshman to sophomore year, it is still losing a significant percentage beyond this point. This is true not only at specific institutions, but also with regard to Systemwide transfer rates. There are several potential explanations, said Dr. Papp. During the freshman year, institutions offer students quite a bit of support. Some institutions continue that support in the following years, but many, for financial reasons, do not. Economics may also provide an explanation. Students may be running out of money. A third reason may be that the six-year graduation rates depict students who entered in 1996, the first year of the implementation of the heightened admissions standards. (Dr. Papp reminded that the new admissions standards were fully implemented in fall 2001.) He said that in coming years, the Board must watch to see whether retention and graduation rates improve. In closing, he asked whether the Regents had any questions or comments.

Regent McMillan asked how many institutions routinely do exit interviews for students who are not returning the following year. He said that there are a number of reasons students do not return.

Dr. Papp responded that very few institutions actually do exit interviews with students who depart before graduating, though a significant number of institutions do exit interviews with students who graduate. He agreed that this is something that needs consideration, and he noted that Chancellor Meredith has asked the presidents to work on this.

Chancellor Meredith added that the System must do a better job of following up with graduates who are employed. It is easy to interview them as they are leaving, but they do not yet know whether they have been adequately prepared. After they have been in the workforce for a year, they have a better understanding of whether they are competitive. So, he would like to establish some type of System communication for students who have already graduated and gained employment.

Dr. Papp noted that many years ago, the University System of Georgia had a grant from the Exxon Educational Foundation to do exactly what Chancellor Meredith is suggesting. The study looked at graduates of the Georgia Institute of Technology in five-year cadres. The further back the study went, the more there was an emphasis on the need for more English, writing, and social sciences. He remarked that it was a very interesting study. Seeing that there were no further questions, Dr. Papp stepped down.

SPECIAL PRESENTATION: GEORGIA RESEARCH ALLIANCE

Chair Harris next called upon the President of the Georgia Research Alliance (“GRA”), C. Michael Cassidy, to make a presentation to the Board about this unique entity. He noted that before joining the GRA, Mr. Cassidy was Director of the Advanced Technology Development Center (“ATDC”), Georgia’s technology incubator. He earned a bachelor’s degree in Marketing from Georgia State University (“GSU”) and a master’s degree in Technology and Science Policy from the Georgia Institute of Technology (“GIT”). Chair Harris welcomed Mr. Cassidy and invited him to approach the Board.

Mr. Cassidy greeted the Regents and the Chancellor. He distributed to each of them a copy of the latest annual report. He said that the GRA plays a complementary role to that of the University System of Georgia and works closely with the System’s research universities. He said that in 1983, the State of Georgia lost the bid for the Microelectronics Computer and Technology Corporation, a large industry consortium that was looking for a place to develop the next generation of semiconductor technology. The consortium ultimately went to Austin, Texas, which is now the center of the semiconductor industry today. The leadership involved in trying to attract the consortium to Georgia recognized that it could be the spark to ignite high-tech industry in Georgia. Then Governor Joe Frank Harris recognized the opportunity. In 1984, he established the Research Consortium and named Larry Gellerstedt, Jr. its chair. In 1990, the GRA was established as a part of the Georgia Rebound Program. The GRA called for capital investment to help bring the University System’s research universities to the point where Georgia would be a competitive location for other such opportunities in the future.

Mr. Cassidy said that the GRA represents a partnership of the state's research universities, the business community, and state government. The GRA is a 501(c)(3) corporation with a strong board of trustees that provides a value-added service to the government and the Board of Regents. The goal of the GRA is that Georgia be recognized among the top-tier states in the nation with a high-tech economy by 2010. It is working toward that goal by recruiting top talent to the universities, building infrastructure around those researchers, and helping to foster cross-university research, which is particularly important when requesting federal research funding. The chair of the GRA board of trustees is Alfred W. Jones III of the Sea Island Company; the immediate past chair is F. Duane Ackerman of BellSouth Corporation. Also on the board are David M. Ratcliffe (vice chair) from the Georgia Power Company and Leo Mullin of Delta Air Lines, Inc., among others. Regent Donald M. Leebern, Jr. of Georgia Crown Distributing Company has been on the GRA board since its founding. There are also a number of university presidents and community leaders on the board. The GRA can provide a lot of objectivity. It can assess very independently how best to make focused investments across the University System of Georgia campuses in capital projects and the endowment of eminent scholars that can be leveraged for economic development results. The GRA invests only in a manageable number of programs so that it can provide continuity. All of that is leveraged with a very small operating staff and working with existing organizations.

The partners of the GRA include the University System of Georgia's research institutions – the Georgia Institute of Technology, Georgia State University, Medical College of Georgia, and the University of Georgia – as well as Clark Atlanta University and Emory University. These are the six institutions in the State of Georgia that are designated as research universities, explained Mr. Cassidy. The GRA does partner with other institutions from time to time on a case-by-case basis. The concept that was laid out for the GRA was that it would secure investment from the state to match other non-state funds, principally federal funding. All the funding would be invested in intellectual infrastructure, people, eminent scholars, facilities, and equipment. That would lead to increased and strengthened research capacity at the universities, which would in turn position the universities to work better with industry to fuel the growth of the economy going forward. That was a very novel concept in the 1980s, said Mr. Cassidy, but today, there are many reports that say that capitalizing on research universities is the key to economic growth for any state. Converting knowledge assets of the System into economic growth is what it is all about. To date, \$342 million has been invested in GRA since 1990. That funding has helped the GRA endow 45 eminent scholars across the University System of Georgia, 41 of which are currently filled. These are the scholars who leverage federal and private research funding in the amount of almost \$2 billion to date. This has a very direct impact on the state. New people are employed as part of the eminent scholars' research teams. There are more than 1,000 very high-value jobs in the System that tie directly back into this investment strategy. However, the indirect economic impact is even greater. There are at least 80 new high-tech start-up companies that were founded directly around this activity. That has created about 3,000 high-tech jobs, and Mr. Cassidy reminded that it takes time to grow critical mass in high-tech fields. It has also created about \$500 million in equity capital invested in launching the new companies. So, there is a tremendous inflow of capital into the state to leverage the state's investment and help fuel economic growth in the state.

Mr. Cassidy noted that the eminent scholars program gets a lot of attention nationally for its recruitment strategy. Eminent scholars are top researchers in their fields. He noted that the *Knoxville News Sentinel* recently published an article called “ORNL’s Loss May Be a Gain.” The story was about how the University of Georgia (“UGA”) recruited Dr. Ying Xu from the Oak Ridge National Laboratory (“ORNL”) through the GRA eminent scholars program. Dr. Xu is one of the nation’s leading researchers in bioinformatics and computational biology, and although his move is a loss for ORNL, they are very excited about the potential to collaborate with UGA because Dr. Xu will maintain an appointment at ORNL and bring the work of the two institutions together. So, bringing such researchers to Georgia has unforeseen benefits. Researchers like to be involved in the application of their research. A number of them have been involved in forming start-up companies at the universities. Research also has facilities implications, and there is a deficit of approximately 1 million square feet of research space in the University System of Georgia. The Georgia Center for Advanced Telecommunications Technology (“GCATT”) is a GRA program that supports research programs in advanced telecommunications at the GRA’s six research institutions. It houses five eminent scholars who are responsible for about \$6 million a year in research funding as well as developing start-up companies. The GRA is also involved in technology transfer programs that help move research from the university laboratories into businesses throughout the state. It is also involved in commercialization programs with the ATDC.

In summation, Mr. Cassidy said that the GRA has invested over \$13 million in 13 years, primarily in capital projects and endowments for chairs. The result is that there are now seven federally funded centers of excellence, approximately \$2 billion in federal and private research and development funding, 80 start-up companies, \$500 million equity capital, and 3,000 new high-tech jobs and thousands more to be created. He explained that the GRA’s impact throughout the State of Georgia is not limited to Atlanta, Athens, and Augusta. Moreover, this is a process that is sustainable. Mr. Cassidy said that he is very proud of the great things going on in higher education in Georgia and that the GRA is among them. In closing, he asked whether the Regents had any questions or comments.

Chancellor Meredith stated that he is very proud of the work Mr. Cassidy does with the GRA. He said that other states are trying to emulate this great asset to the state.

Regent Leebern said that the state owes a debt of gratitude to Chair Harris for initiating the GRA and to President Michael F. Adams and the other research university presidents for their recruiting of such esteemed research scholars.

Mr. Cassidy agreed that the GRA model does not work without the dedication of the six research university presidents. When the GRA board members are asked what is the most significant accomplishment of the GRA, they say that the GRA now has its six key research university presidents working together with a shared strategy.

Chair Harris thanked Mr. Cassidy for meeting with the Regents and remarked that he was proud of Mr. Cassidy’s solid leadership of the GRA. He said that the GRA is a real asset to the State of Georgia and its

future economy.

At approximately 1:40 p.m., Chair Harris adjourned the Regents into their regular Committee meetings. He invited new Regents Jennings and Pittard to attend whichever Committees they would like.

CALL TO ORDER

The Board of Regents of the University System of Georgia met again on Wednesday, June 11, 2003, in the Board Room, room 7007, 270 Washington St., S.W., seventh floor. The Chair of the Board, Regent Joe Frank Harris, called the meeting to order at 9:00 a.m. Present on Wednesday, in addition to Chair Harris, were Regents Hugh A. Carter, Jr., Connie Cater, William H. Cleveland, Michael J. Coles, Hilton H. Howell, Jr., Julie Hunt, Donald M. Leebern, Jr., Elridge W. McMillan, Wanda Yancey Rodwell, J. Timothy Shelnut, Glenn S. White, and Joel O. Wooten, Jr.

INVOCATION

The invocation was given on Wednesday, June 11, 2003, by Regent Hugh A. Carter, Jr.

ATTENDANCE REPORT

The attendance report was read on Wednesday, June 11, 2003, by Secretary Gail S. Weber, who announced that Regents Allene H. Magill and Martin W. NeSmith had asked for and been given permission to be absent on that day.

COMMITTEE ON FINANCE AND BUSINESS OPERATIONS

The Committee on Finance and Business Operations met on Tuesday, June 10, 2003, at approximately 1:50 p.m. in the Board Room. Committee members in attendance were Chair J. Timothy Shelnut, Vice Chair Glenn S. White, and Regents Connie Cater, Michael J. Coles, Julie Hunt, Donald M. Leebern, Jr., and Joel O. Wooten, Jr. Regent W. Mansfield Jennings, Jr. and Chancellor Thomas C. Meredith were also in attendance. Chair Shelnut reported to the Board on Wednesday that the Committee had reviewed four items, all of which required action. Item 3 was withdrawn, and Item 5 was a walk-on item. With motion properly made, seconded, and unanimously adopted, the Board approved and authorized the following:

1. Approval of Institutional Operating and Capital Budgets for Fiscal Year 2004

Approved: The Board approved the institutional operating and capital budgets for University System of Georgia institutions and agencies. These budgets were reviewed by University System Office fiscal affairs staff for compliance with Board of Regents policies and directives.

Background: The fiscal year 2004 educational and general operating budget for the University System is

\$3.97 billion. This represents a decrease of \$11.8 million, or 0.3%, from fiscal year 2002. The Systemwide auxiliary enterprise budget, which includes housing, food services, intercollegiate athletics, bookstores, and shops, is funded at a level of \$318.9 million for fiscal year 2003, an increase of \$20.2 million over last year. The student activity budget, which supports educational, recreational, cultural, and social activities for students, is \$67.5 million for fiscal year 2003. Finally, the recommended fiscal year 2003 capital budget, including all sources of funds (auxiliary enterprise funds, interest income, institutional, and other funds), is \$90.6 million. This is a decrease of \$84.5 million from last year's approved amount.

The fiscal year 2004 operating and capital budget recommendations are the culmination of a process begun in late January 2003. The senior leadership group in the University System Office held regional budget conferences with all System institutions attended by presidents and senior staff. From these meetings, which centered on key institutional budget priorities, enrollment trends, and tuition and fees, the staff developed allocation recommendations for state funds. The Board of Regents approved the allocations in April 2003. Also at the April meeting, the Board approved recommendations on tuition and mandatory student fees. These actions by the Board formed the basis for the institutional budgets presented at this meeting. In addition to budget requests' reflecting state appropriations and tuition revenues, each institutional budget includes auxiliary enterprise funds, student activity funds, capital funds, and all other sources or revenue.

The Regents were provided a comprehensive picture of recommended institutional budgets. Staff recommendations included a breakdown of budgets by fund source (i.e., educational and general, capital, auxiliary enterprises, and student activity) and a detailed description of educational and general budgets by revenue source and expenditure category (personal services, operating expenses, and equipment). The capital budget recommendation indicated sources of funds and type of project.

Capital projects that are supported by institutional funds are subject to appropriate review as required by policy. The staff provided to the Regents a table depicting the breakdown of the budget by functional category: instruction, research, public services, academic, student, and institutional support.

2. Acceptance of Gift for the Georgia Institute of Technology

Approved: The Board accepted on behalf of the Georgia Institute of Technology ("GIT") a cash gift from the following donor:

<u>Donor</u>	<u>Value</u>
Richard Oliver Elder Estate	\$172,590.60

Background: Richard Oliver Elder graduated from GIT in 1945. Mr. Elder provided in his last will and testament the sum of \$172,590.60 to establish the Mattie G. Elder Scholarship Fund in honor of his mother to be administered by the trustees of GIT. 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. GIT does not anticipate any material cost implications and will bear no annual administration fee with the

acceptance of this gift.

3. Acceptance of Gifts for Georgia College & State University

Withdrawn: This item was withdrawn by President Rosemary DePaolo of Georgia College & State University.

4. Approval of Amendment to the Agreement Between the Medical College of Georgia Physicians Practice Group Foundation and MCG Health, Inc.

Approved: The Board approved the following amendment to the agreement between the Medical College of Georgia Physicians Practice Group Foundation (“PPG”) and MCG Health, Inc. (the “MCGHI - PPG Agreement”).

Background: In addition to the agreements between the Board of Regents and MCG Health, Inc. (“MCGHI”) under which MCGHI operates the Medical College of Georgia (“MCG”) hospitals and clinics, the Board of Regents approved in 2000 an agreement between MCGHI and PPG. The MCGHI - PPG Agreement provides for MCGHI to purchase medical administrative and clinical services of MCG faculty physicians and oral surgeons. PPG is a cooperative organization of MCG and acts as the broker of these physician services for MCG.

The Master Affiliation Agreement between the Board of Regents and MCGHI provides that the Board of Regents must approve any amendment to the MCGHI - PPG Agreement. This year, MCGHI and PPG have negotiated an amendment to the MCGHI - PPG Agreement that clarifies the terms of payments by MCGHI to PPG for indigent care services provided by PPG member physicians at the MCG hospitals and clinics. The amendment also provides for payments for indigent care services to South Carolina residents as well as Georgia residents. The payments are made from funds received by MCGHI from the Georgia and South Carolina Medicaid agencies.

The proposed amendment is to change the current agreement (which is on file with the Office of Fiscal Affairs) by striking paragraph 2.b. in its entirety and replacing it with the following:

b. Indigent Care Services under this agreement shall be made in accordance with the following provisions.

i. Definitions:

1. “Qualified Indigent” – An uninsured patient who received medical treatment at the Medical College of Georgia Hospitals and Clinics during the prior fiscal year and was determined by the Financial Counselors of MCGHI to be qualified for indigent or charity care in accordance with the standards for indigent or charity status currently utilized in hospitals and as adopted by MCGHI. An uninsured patient who has received treatment at a PPG or other non-MCGHI facility shall not be a qualified

indigent. An uninsured patient is a patient who is without benefit of insurance or commercial, solvent third party payor source at the time of treatment and who does not at any subsequent time become eligible for insurance or third party payment for the treatment in question.

2. “Bona Fide Resident” – For the purpose of this agreement, the Qualified Indigent must be a bona fide legal domiciliary and resident of Georgia for payment for Georgia Indigent Patients pursuant to paragraph 2.b.iii. For purposes of Payment for South Carolina Indigent Patients, the “bona fide residency” and “qualified indigent” analysis is not required.
3. “Annual Medicaid Recovery Rate (AMRR)” – This is the average of the PPG Medicaid allowable rate for Medicaid patients by CPT Code, compared to the average of the PPG Medicaid gross charge rate for Medicaid patients for each CPT Code.
4. “Retroactive Adjustments” – Patients previously classified as self-pay, but subsequently had third party coverage for which PPG recognized as indigent and charity care and was compensated by MCG Health, Inc., then MCG Health, Inc. will receive a credit of said amount toward future obligations. Also adjustments will be made retroactively where calculations based on prior year’s results are at variance with the actual results for the year of payment.
5. “Gross Charges” – The grand total for an entire fiscal year of all charges made for care to patients regardless of the patient’s payor status or receipt of payment of MCGHI or PPG respectively.

ii. Payment for South Carolina Indigent Patients

If MCGHI receives South Carolina Disproportionate Share Hospital (“DSH”) payments from South Carolina for indigent care delivered to residents of South Carolina, PPG will receive an indigent care allocation for South Carolina residents. The allocation is based upon the following methodology:

1. Validated PPG total gross charges for the previous year shall be divided by the combined total of gross charges of MCGHI and PPG. This establishes the “South Carolina DSH Ratio”.
2. Apply the South Carolina DSH Ratio to the quarterly DSH net payment received by MCGHI from the state of South Carolina for indigent care.

Illustrative Example for Distributing the South Carolina Indigent Payments

Total PPG Gross Charges for FYE 6/30/02	\$ 20,000,000
Total MCG Health, Inc. Gross Charges for FYE 6/30/02	<u>\$ 80,000,000</u>
Total MCG Health, Inc. and PPG Gross Charges	\$100,000,000

PPG Proportionate Allowance:

Total PPG Gross Charges for FYE 6/30/02	\$ 20,000,000	
-----		=20%
Total MCG Health, Inc. and PPG Gross Charges	\$100,000,000	

$$\begin{array}{rcl} \text{Quarter DSH Payment} \times \text{PPG Proportionate Allocation} & = & \text{Payment} \\ \$100,000 & \times & .20 & = & \$20,000 \end{array}$$

The payment as calculated above will be transferred within 15 days from MCGHI’s receipt of the South Carolina DSH Payment.

There will be a one time catch up payment made by MCGHI to PPG upon execution of this agreement that will apportion payment to PPG for FY03 indigent services provided by PPG. The one time catch up payment shall fully satisfy all indigent payment obligations of MCGHI to PPG to the date of this contract’s execution. The payment amount shall be computed as provided above based on the audited financial statements of the parties for FY02.

iii. Payment for Georgia Indigent Patients

If MCGHI receives Indigent Care Trust Fund program (“ICTF”) payments from the state of Georgia for indigent care delivered to bona fide residents of Georgia, then MCGHI will pay PPG for medical care provided by PPG to qualified indigents who are bona fide residents of Georgia in accordance with the Annual Medicaid Recovery Rate (“AMRR”) experienced by PPG for the last fiscal year for which PPG can provide an audited financial statement.

Illustrative Example for Annual Medicaid Recovery Rate

PPG Average Medicaid Allowable Rate by CPT Code for Medicaid Patients

PPG Average Medicaid Gross Charge Rate for Each CPT Code for Medicaid Patients

$$\frac{\$ 50,000,000}{\$100,000,000} = .50$$

Validation of “Bona Fide Resident” and “Qualified Indigent” status must occur at the end of each fiscal year and PPG shall provide upon request patient data satisfactory to MCGHI for the purpose of validating their indigent and charity statement.

iv. Retroactive adjustments shall be made with respect to all payments made under paragraph 2.b.ii and 2.b.iii above. Such retroactive adjustments shall be made at the earliest payment period following analysis

and reconciliation of prior year's estimates with payment year's actual results. Reconciliation shall occur at the renewal of each annual agreement so the rate is adjusted for prior year's overpayment or underpayment. An example of estimates that will require retroactive adjustments are overpayments made by MCGHI to PPG in prior years for patients who were classified and paid as if self-pay but who later received Medicaid benefits. Such overpayments shall be credited against payments made hereunder including but not limited to any one-time catch up payments.

5. Acceptance of Gifts for Kennesaw State University

Approved: The Board accepted on behalf of Kennesaw State University ("KSU") cash donations and in-kind gifts from WellStar Health Systems ("WellStar") in the total amount of \$4,350,000.

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

Background: WellStar has agreed to donate \$3,100,00 in support of KSU's School of Nursing and the College of Health and Human Services and to develop leadership programs within the RTM Center for Leadership, Ethics, and Character. The resources are to be used for a development investment fund, several distinguished scholar positions, laboratory technicians, and general support of programs within the School of Nursing. In addition to those funds, WellStar has also pledged in-kind support valued at \$1,250,000 for health and wellness programs such as ethics, women's wellness, African-American health and wellness, and gerontology over the next ten years. The parties have agreed in principle to terms of the gift acceptance. The final gift acceptance agreement is subject to review and approval of the Office of the Attorney General. Moreover, additional Board approval will be required in order to implement certain programs and conditions of the gift.

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.

COMMITTEE ON REAL ESTATE AND FACILITIES

The Committee on Real Estate and Facilities met on Tuesday, June 10, 2003, at approximately 2:05 p.m. in the Board Room. Committee members in attendance were and Regents Connie Cater, Michael J. Coles, Julie Hunt, Donald M. Leebern, Jr., J. Timothy Shelnut, Glenn S. White, and Joel O. Wooten. Regent W. Mansfield Jennings, Jr. and Chancellor Thomas C. Meredith were also in attendance. Regent Wooten chaired the Committee meeting. He reported to the Board on Wednesday that the Committee had reviewed 12 items, 11 of which required action. Items 11 and 12 were walk-on items. Regent Cleveland was not present for the approval of this Committee's agenda. With motion properly made, seconded, and unanimously adopted, the Board approved and authorized the following:

1. Naming of the "James M. Baker University Center," Clayton College & State University

Approved: The Board approved the naming of the Learning Center at Clayton College & State University (“CCSU”) the “James M. Baker University Center.”

Understandings: James M. Baker is a 1976 graduate of CCSU and is now President of Chaseland Corporation, a commercial real estate development company,

Mr. Baker was a key player in the formation of the CCSU School of Technology, serving on the advisory board from 1982 to present.

His strong commitment to the community is demonstrated by his service as a former Director of the Clayton County Chamber of Commerce and an active participant in economic development for the Southern Crescent of Atlanta. Mr. Baker is a member of the Children and Youth Coordinating Council created by the Office of the Governor. Currently, Mr. Baker is a shareholder and board member of the Community Capital Bank.

In appreciation of the education and experiences gained while attending CCSU, Mr. Baker has donated in excess of \$1 million to CCSU.

2. Naming of the “Richard B. Russell Building,” University of Georgia

Approved: The Board approved the naming of the Special Collections Libraries Building at the University of Georgia (“UGA”) the “Richard B. Russell Building.”

Understandings: The Richard B. Russell Building will house three unique special collections libraries: 1) the Richard B. Russell Library for Political Research and Studies, established by the Richard B. Russell Foundation, Inc. (the “Russell Foundation”); 2) the Hargrett Rare Book and Manuscript Library; and 3) the Walter J. Brown Media Archives and Peabody Awards Collection.

The late Senator Russell graduated from UGA’s School of Law in 1918, served in the U.S. Senate from 1933 until his death in 1971, and was one of that body’s most powerful and respected members. In 1920, he was elected to the Georgia House of Representatives and served ten years, including four years as Speaker. He was elected Governor in 1930, but stepped down two years later to run for the Senate. In his 50-year political career, he never lost an election.

Senator Russell was an advisor to six Presidents and was himself a candidate for President in 1952. He was President Pro Tem of the Senate, making him third in line of presidential succession. He served 16 years as chairman of the Senate Armed Services Committee, earning a reputation as one of the nation’s foremost experts on military and defense policy. He was also chairman of the Senate Appropriations Committee and was the ranking Democrat on the Aeronautical and Space Science Committee and the Joint Committee on Atomic Energy. Senator Russell was instrumental in locating or maintaining 15 major armed forces bases and more than 25 research facilities in Georgia, including the Centers for Disease Control in Atlanta and the

Richard B. Russell Agricultural Research Center in Athens.

Senator Russell was a leader in passage of New Deal laws that established the Farmers Home Administration and the Rural Electrification Act. He wrote the law that created the National School Lunch Program. As a member of the Senate Agriculture Appropriations Subcommittee for his entire 38-year career, he helped fund research on improving agricultural production and conservation and was instrumental in locating several research facilities at UGA.

The Russell Foundation has pledged to contribute \$3 million toward the construction of this facility and is also committed to use its best efforts to raise an additional \$3 million for this project. The Russell Foundation's cumulative support of the university to date, excluding this latest pledge, totals approximately \$2.3 million.

3. Rental Agreement, 2085 South Milledge Avenue, Athens, University of Georgia

Approved: The Board authorized the execution of a rental agreement between FMB Group, Landlord, and the Board of Regents, Tenant, for approximately 15,392 square feet of office and storage space located at 2085 South Milledge Avenue, Athens, Georgia, known as Fairfax Hall, for the period July 1, 2003, through June 30, 2004, at a monthly rent of \$14,862.83 (\$178,353.96 per year/\$11.59 per square foot per year) with options to renew on a year-to-year basis for four consecutive one-year periods with rent increasing 4% for the first option exercised and 3% per year for the remaining option periods exercised for the use of the University of Georgia ("UGA").

Authorization to execute the subrental agreement was delegated to the Vice Chancellor for Facilities.

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

Understandings: The Board, on behalf of UGA, has leased this space since 1992. The last option period under the rental agreement has been exercised, and a renewal of the agreement is needed.

The office space is approximately 13,698 square feet in an office building. The storage space is approximately 1,694 square feet in a nearby storage shed.

The College of Education's Test Scoring and Reporting Services occupies the space. Its primary function is to provide scoring and reporting services under contract with the State Department of Education to all school systems in the state. All costs of the rental agreement, including approximately \$11,500 in operating expenses, are entirely paid by the State Department of Education.

No space is available on campus, and the landlord has configured the property to meet production requirements. When space becomes available on campus, this lease will be terminated.

4. Rental Agreement, 330 Research Drive, Athens, University of Georgia

Approved: The Board authorized the execution of a rental agreement between Galis-Vandiver Development Corporation, Inc., Landlord, and the Board of Regents, Tenant, covering approximately 9,422 square feet of office space located at 330 Research Drive, Building B100, Athens, Georgia, known as Oakbrook Corporate Campus, for the period July 1, 2003, through June 30, 2004, at a monthly rent of \$10,415.54 (\$124,986.48 per year/\$13.27 per square foot per year) with options to renew on a year-to-year basis for four consecutive one-year periods with rent increasing 3% per year for the use of the University of Georgia (“UGA”).

Authorization to execute the subrental agreement was delegated to the Vice Chancellor for Facilities.

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

Understandings: UGA has occupied this space since 1993. The last option period under the rental agreement has been exercised, and a renewal of the agreement is needed.

The University of Georgia Press (the “Press”) utilizes this space for office space.

Operating costs, including maintenance, janitorial, and utilities, are estimated to cost \$19,760 per year.

Rent and operating expenses will be paid from the Press’s operating budget.

5. Rental Agreement and Facility Approval, Office of Information and Instructional Technology

Approved: The Board authorized the execution of a rental agreement between Daniels Bridge Technology Center, LLC, Landlord, and Board of Regents, Tenant, for approximately 5.4 acres of real property in Oconee County to contain an approximately 80,200-square-foot office building for the period commencing upon occupancy of the facility to the end of the then current fiscal year at a monthly rent not to exceed \$79,200 (\$950,370 per year/\$11.85 per square foot per year) with options to renew on a year-to-year basis for up to 20 consecutive option periods (initial term and option periods totaling 20 years) with rent increasing 1.5% per year for the use of the Office of Information and Instructional Technology (“OIIT”).

Regent Leebern opposed the approval of this item.

Authorization to execute the rental agreement was delegated to the Vice Chancellor for Facilities.

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

General.

Revised: This agenda item was substantially revised prior to the Committee meeting.

Understandings: This facility will be used by the OIIT staff. The current rented space in the Ivey Building, Athens, is no longer adequately sized to accommodate the needs of this office.

For purposes of this transaction, a subsidiary limited liability company may be formed to serve as Landlord.

Operating costs are estimated to be \$292,730 per year and will be the responsibility of the Board of Regents.

Included in the rent amount is \$40,100 (\$0.50 per square foot) for capital repairs and replacements.

At the end of the last option period, it is the intent that this property will be gifted to the Board of Regents.

Regent White thanked the Vice Chancellor for Facilities, Linda M. Daniels; the Assistant Vice Chancellor for Facilities (Real Property and Administration), Peter J. Hickey; and the University System Office facilities staff for their patience and hard work on this project.

6. Ground Lease, Rental Agreement, Naming, and Demolition for the John Cunningham Conference Center, Columbus State University

Approved: The Board declared approximately 6.71 acres of real property located on the campus of Columbus State University (“CSU”), Columbus, Georgia, no longer advantageously useful to CSU or other units of the University System of Georgia but only to the extent and for the purpose of allowing this real property to be leased to Foundation Properties Inc. (the “Foundation”) for the purpose of constructing and owning the John Cunningham Conference Center (the “Center”) for CSU.

The Board authorized the execution of a ground lease agreement between the Board of Regents, Lessor, and the Foundation, Lessee, for the above-referenced approximately 6.7 acres of real property on the campus of CSU for a period not to exceed 27 years (including up to 2 years for construction) for the purpose of constructing and owning the John Cunningham Conference Center facility of up to 67,000 square feet and parking for approximately 150 cars.

The Board also authorized the execution of a rental agreement between the Foundation, Landlord, and the Board of Regents, Tenant, for 47,000 square feet for the period commencing on the first day of the first month after the Foundation obtains a certificate of occupancy for the improvements and ending the following June 30 with options to renew on a year-to-year basis for up to 24 consecutive one-year periods. The annual rent shall be \$167,848 per year (\$4 per square foot per year), which base amount shall be increased 3% per year for each option period.

Authorization to execute the subrental agreement was delegated to the Vice Chancellor for Facilities.

The terms of these agreements are subject to review and legal approval of the Office of the Attorney General.

Modified: This item was modified to correct the name of the project. This change is reflected below.

The Board approved the naming of the Conference and Technology Center at CSU the “John Cunningham Conference and Technology Center.”

The Board also declared the residential building located at 3264 Gentian Boulevard (Building No. 0620) at CSU to be no longer advantageously useful to CSU 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 3264 Gentian Boulevard from the campus of CSU.

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

Understandings: The Center will provide space for the Georgia Law Enforcement Command College, which provides academic credit courses as a means for meeting the educational needs of law enforcement executives. In addition, the Cunningham Sales and Leadership program and other continuing education units will be housed in the facility. Additionally, space will be rented to support start-up businesses through a technology incubator program.

The house to be demolished on the site is the former president’s home, which was being used as the Alumni Conference Center. The property containing the building was acquired in 1964 and has 4,300 square feet. The demolition will be conducted by public works contract at an estimated cost of \$10,850 to be funded by the Foundation.

The Foundation has received a gift of \$4 million from the estate of Mr. John Cunningham, with the stipulation that the Center be built on the site of the former president’s home and that the Foundation complete construction by August 2004.

Mr. Cunningham was a successful businessman in Columbus, having risen from very humble beginnings to accumulate both significant wealth and a reputation as a shrewd businessman. His interest in CSU resulted in his providing financial support to the institution over a number of years, including a \$2 million gift in 2001 and an additional approximately \$2 million from his estate. Unfortunately, Mr. Cunningham did not live to see the fruition of his dream for this Center, having died rather suddenly in September 2002.

7. **Acquisition of Real Property, U.S. 301 South at Veterans Memorial Parkway, Statesboro, Georgia Southern University**

Approved: The Board authorized the purchase of 28.729 acres of real property known as the Deal Tract, Statesboro, Georgia, from the estate of Ruby S. Deal at a purchase price of \$1,350,000 for the use and benefit of Georgia Southern University (“GSOU”).

The purchase is subject to completion of a Phase I Environmental Assessment indicating no significant problems or, if environmental problems are indicated, said problems be mitigated before the property is acquired.

The legal details involved with this purchase will be handled by the Office of the Attorney General.

Understandings: This vacant tract of land is adjacent to the Recreation Activity Center. This property is identified in the Georgia Southern University Master Plan as a potential site for auxiliary administration and support services and physical plant shops and offices.

Three independent appraisals of the property are as follows:

<u>Appraiser</u>	<u>Appraised Value</u>	<u>Average</u>
William Hollingsworth, MAI, Augusta	\$1,200,000	
James Lawton, MAI, Macon	\$1,350,000	\$1,350,000
Brian Considine, MAI, Savannah	\$1,500,000	

There are no restrictions on the acquisition, and there are no known easements or restrictions on the property.

Funding for the acquisition will be from auxiliary services reserve funds.

8. **Authorization of Project “Renovation of Labs for Synapses and Cell Signaling Research, Carl T. Sanders Research and Education Building,” Medical College of Georgia**

Approved: The Board authorized Project No. BR-40-0302, “Renovation of Labs for Synapses and Cell Signaling Research, Carl T. Sanders Research and Education Building,” Medical College of Georgia (“MCG”) with a total project budget of \$2,409,000.

Understandings: The Carl T. Sanders Research and Education Building was built in 1969 and houses many of the research functions at MCG. The proposed renovation will modernize 11,800 gross square feet of laboratory space for synapses and cell signaling research. This building has been undergoing a phased improvement plan. Thus far, MCG has renovated five functional areas as well as several smaller laboratories

within the building.

This renovation will upgrade the mechanical, electrical, and telecommunication systems as well as provide laboratory space, offices, and support spaces. An electron microscope lab will be built along with two photon labs.

The project will be funded from institutional funds. The construction cost will be \$1,930,000 (\$164 per gross square foot), including the cost for the removal of asbestos flooring.

The University System Office staff and MCG will proceed with the selection of an architectural firm.

9. Executive Session, Property Acquisitions

At approximately 2:20 p.m. on Tuesday, June 10, 2003, Regent Wooten called for an Executive Session for the purpose of discussing future acquisitions of property. With motion properly made and variously seconded, the Committee members who were present voted unanimously to go into Executive Session. Those Committee members were as follows: Connie Cater, Michael J. Coles, Julie Hunt, Donald M. Leebern, Jr., J. Timothy Shelnut, Glenn S. White, and Joel O. Wooten. Also in attendance for the Executive Session were Board Chair Joe Frank Harris; Regent W. Mansfield Jennings, Jr.; Regent Patrick S. Pittard; the Secretary to the Board, Gail S. Weber; the Senior Vice Chancellor for External Activities and Facilities, Thomas E. Daniel; the Senior Vice Chancellor for Academics and Fiscal Affairs, Daniel S. Papp; the Vice Chancellor for Facilities, Linda M. Daniels; the Assistant Vice Chancellor for Facilities (Real Property and Administration), Peter J. Hickey; the Assistant Vice Chancellor for Legal Affairs (Contracts), Robyn A. Crittenden; and the Director of Administration and Compliance Policy, Mark Demyanek. The following individuals were in attendance for portions of the Executive Session: Chancellor Meredith; the Vice Chancellor for Fiscal Affairs, William R. Bowes; the Director of Planning, Alan S. Travis; President William Bloodworth, Jr. of Augusta State University (“AUSU”); A. Katherine Hamrick, Associate Professor of Mathematics, AUSU; the Executive Director for Real Estate Development at the Georgia Institute of Technology (“GIT”), Scott Levitan; the Senior Vice President for Administration and Finance at GIT, Robert K. Thompson; GIT Senior Attorney Pamela Rary; and Special Assistant Attorney General, Robert Diggs. 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., Regent Wooten reconvened the Committee meeting in its regular session and announced that no actions were taken in the Executive Session. He then called for a motion that the Committee authorize acquisitions of property by the Board of Regents. With motion properly made, variously seconded, and unanimously adopted, the Committee approved this motion.

10. Information Item: Development of Tri-Property, Armstrong Atlantic State University

The Vice Chancellor for Facilities, Linda M. Daniels, provided to the Committee an update on negotiations

regarding development of a 24.76-acre tract on the campus of Armstrong Atlantic State University commonly known as the Tri-Property.

At the May 2003 Committee meeting, staff were advised to continue discussions with the proposed developer of the Tri-Property. Negotiations with the proposed developer failed to reach a successful conclusion. President Thomas Z. Jones was fully briefed on this and is prepared to initiate a fallback plan of issuing an updated request for proposals. This will allow for the benefit of the current economy and the competitive marketplace to ensure the best deal for the institution and the University System of Georgia.

11. Naming of the “Charles H. Jones Building,” Macon State College

Approved: The Board approved the naming of the Nursing, Health and Natural Sciences Building at Macon State College (“MSC”) the “Charles H. Jones Building.”

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

Understandings: Charles H. Jones is a former at-large member of the Board of Regents and has played a significant role in the development of MSC.

MSC and the other 33 University System institutions have benefited enormously from the same business acumen and perceptiveness that Mr. Jones brings to his work as Chairman of Ocmulgee Fields, Inc., a Macon real estate development company.

Mr. Jones has supported MSC in numerous ways, including establishing the Charles H. Jones Family Scholarship Fund through Macon State College Foundation, Inc. (the “MSC Foundation”). He was the primary architect for the reorganization of the MSC Foundation, which has resulted in a ten-fold increase in the endowment over the last five years. The Charles H. Jones Family Foundation has also recently pledged \$1.5 million to the MSC Foundation.

Mr. Jones’ strong commitment to MSC extends to the entire Middle Georgia area. His community involvement includes service on the NewTown Macon, Inc. Board of Directors, the Greater Macon Chamber of Commerce, Return of the Creek Indians Commission, Macon-Bibb County Convention & Visitors Bureau, United Way, Museum of Arts & Sciences, Macon-Bibb Hospital Authority, Bibb County Development Authority, and the City-County Industrial Authority.

12. Ground Lease Agreement for Student Housing, Kennesaw State University

Approved: The Board declared approximately 8.449 acres of land located on the campus of Kennesaw State University (“KSU”), Kennesaw, Georgia, no longer advantageously useful to KSU or other units of the University System of Georgia but only to the extent and for the purpose of allowing this land to be leased to the Kennesaw State University Foundation, Inc. (the “Foundation”) for the purpose of

constructing, owning, and operating 750 student housing beds for KSU.

The Board authorized the execution of a ground lease agreement between the Board of Regents, Lessor, and the Foundation, Lessee, for the above-referenced approximately 8.449 acres of land on the campus of KSU, Kennesaw, Georgia, for a period not to exceed 27 years (including up to 2 years for construction) for the purpose of constructing, owning, and operating 750 student housing beds for KSU.

The Board declared two tracts totaling approximately 8.023 acres of land located on the campus of KSU, Kennesaw, Georgia, no longer advantageously useful to KSU or other units of the University System of Georgia but only to the extent and for the purpose of allowing this land to be used under the terms of a non-exclusive temporary construction easement by the Foundation during the period of construction of the above-referenced student housing for KSU.

The Board authorized the execution of a nonexclusive temporary construction easement between the Board of Regents, Grantor, and the Foundation, Grantee, for the above-referenced two tracts totaling approximately 8.023 acres of land located on the campus of KSU, Kennesaw, Georgia, for a period not to exceed two years for the period of construction of the above-referenced student housing for KSU.

The terms of this ground lease agreement and temporary construction easement agreements are subject to review and legal approval of the Office of the Attorney General.

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

Understandings: In June 2001, the Board approved 658 student housing beds for KSU.

This action is consistent with the KSU plan, presented at that time, to ultimately obtain a total of 2,000 student housing beds.

At the end of the term of the ground lease, the land and all improvements will become the property of the Board of Regents.

COMMITTEE ON EDUCATION, RESEARCH, AND EXTENSION

The Committee on Education, Research, and Extension met on Tuesday, June 10, 2003, at approximately 1:50 p.m. in room 6041, the Training Room. Committee members in attendance were Chair William H. Cleveland and Regents Hugh A. Carter, Jr., Hilton H. Howell, Jr., and Elridge W. McMillan. Regent Patrick S. Pittard was also in attendance. Chair Cleveland reported to the Board that the Committee had reviewed ten items, eight of which required action. Item 7 was withdrawn. Additionally, 385 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 Major in Women’s Studies Under the Bachelor of Arts, Georgia State University

Approved: The Board approved the request of President Carl V. Patton that Georgia State University (“GSU”) be authorized to establish the major in Women’s Studies under the Bachelor of Arts degree, effective June 11, 2003.

Abstract: GSU has offered an undergraduate concentration in Women’s Studies for almost 20 years under the auspices of the Women’s Studies Institute. The concentration will be replaced by the proposed major under the Bachelor of Arts degree. Establishing a major in the Women’s Studies Institute makes its offerings parallel to those of other departments, thereby increasing its visibility on transcripts and to the wider community.

Need: State and regional studies affirm the need for professionals who can assess and assist, through both research and practice, the needs of women. In 1996, the Georgia Commission on Women reported a statewide needs analysis in a variety of areas, such as employment, income, women’s health, violence against women, and custody laws. A 1995 study by Luebke and Reilly, *Women’s Studies Graduates: The First Generation*, indicates majors chose positions ranging from aviator to union organizer with many students opting to continue graduate studies in professional fields. The focus and interdisciplinary nature of the program will link such areas as history, nursing, law, media studies, and education.

Objectives: The objectives of the program include exposing students to an interdisciplinary perspective on women and equipping students with critical skills to analyze and evaluate prevailing theories, methods, and research for the inclusiveness of women’s scholarship.

Curriculum: The 120-semester-hour curriculum will include such courses as women’s literature, feminist literary criticism, the sociology of gender, and women in cross-cultural perspectives.

Projected Enrollment: The institution anticipates enrollments of 10, 10, and 15 during the first three years of the program.

Funding: The program will build on and reconfigure existing courses that are currently offered by the institution in addition to establishing new courses.

Assessment: The Office of Academic 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 Master of Science in Paper Science and Engineering, Georgia Institute of Technology

Approved: The Board approved the request of President G. Wayne Clough that Georgia Institute of Technology (“GIT”) be authorized to establish the Master of Science in Paper Science and Engineering, effective June 11, 2003.

Abstract: The Master of Science in Paper Science and Engineering is part of a broader request that involves the integration of the Institute of Paper Science and Technology (“IPST”) with GIT. The program is one of a limited number of such engineering degree programs in the country.

Need: Information needed regarding the program is readily available under the current auspices of IPST. The current master’s of science (“M.S.”) and doctoral (“Ph.D.”) programs at the IPST have matriculated approximately 1,600 students since their establishment in 1930. Alumni collectively represent more than 1,100 M.S. and 500 Ph.D. graduates, and many graduates achieve leadership positions in the paper industry.

Objectives: The Master of Science in Paper Science and Engineering will be offered by the College of Engineering and the College of Science in conjunction with the Institute of Paper Science and Engineering at GIT. It will provide students with a multidisciplinary graduate education in science and engineering areas involved in the production of paper, tissue, and other products from natural fiber. The processing and consolidation of natural fiber into a paper web involve complex chemical and mechanical processes. Research and education in this area require a multidisciplinary approach. While the principal objective of the program is to provide multidisciplinary graduate education for students interested in working in the pulp and paper industry, other important aims are to enhance the existing climate for research collaboration between faculty and students in the participating units and to provide greater visibility for pulp and paper-related activities at GIT.

Curriculum: The 33-semester-hour curriculum will include such courses as Pulp and Paper Manufacturing and Chemical Process Safety.

Projected Enrollment: The institution anticipates enrollments of 20, 15, and 20 during the first three years of the program. GIT projects a drop in enrollment because of the IPST transition.

Funding: The program will build upon and reconfigure existing courses that are currently offered by the IPST in addition to establishing new GIT courses.

Assessment: The Office of Academic 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 Principles for the Preparation of School Counselors

Approved: The Board approved the establishment of the Principles for the Preparation of School

Counselors, effective June 11, 2003.

Abstract: In 1998, the Board of Regents approved the Principles for the Preparation of Educators for the Schools (the “Principles”). The intent of the Principles is to improve schools by setting standards for the preparation of educators who can ensure the academic success of every child. In that same year, the Board approved Section I: Principles for the Preparation of Teachers. In 2001, the Board approved Section II: Principles for the Preparation of Educational Leaders (superintendents and school principals). Recommended for approval at this meeting is Section III: Principles for the Preparation of School Counselors. All sections of the Principles feature three themes: quality assurance, collaboration, and responsiveness.

School counselors are largely responsible for the social, emotional, and career development necessary for the academic success of all children and should serve in a leadership role to create conditions that support student and teacher success. The preparation of school counselors is the shared responsibility of universities and the schools. University System institutions will guarantee the quality of graduates from their approved programs and continue to support school counselors in continued professional development.

When teachers, administrators, and school counselors complete their university preparation programs and begin working in schools, their collective success will have an impact on the extent of school improvement. Therefore, the Principles incorporate opportunities during preparation programs for teachers, administrators, and school counselors to develop an understanding of their unique and collective roles and responsibilities for implementing successful school improvement strategies. The success of school improvement strategies depends upon clear definitions and understandings of the professional roles of each educator and the implementation of a collaborative plan to fulfill them.

The Principles for the Preparation of School Counselors were developed by the University System Advisory Committee on the Preparation of School Counselors, consisting of counselor educators (nominated by the education deans), school counseling practitioners, representative deans and a vice president, and individuals from the Georgia Department of Education and the University System Office. They were approved on March 26, 2003, by the University System Educator Preparation Academic Advisory Committee, and on April 22, 2003, by the Regents’ Administrative Committee on Academic Affairs. The Principles for the Preparation of School Counselors are on file with the Office of Academic Affairs.

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 Academic Affairs.

5. Reorganization of Institutional Units, Darton College

Approved: The Board approved the request of President Peter J. Sireno that Darton College (“DC”) be authorized to reorganize institutional units, effective June 11, 2003.

Abstract: DC sought approval to revise the administrative structure of the institution. The changes will, in effect, establish vice presidential positions with merged departments versus the current practice of having a director for each area with the exception of academic and student affairs. The changes involve dividing business and financial services operations into two vice presidential positions due to growth in these areas. Due to institutional retirements in the area of administrative services, DC will also restructure the development, college relations, and administrative services operations under a new vice presidential position. It was proposed that the changes will maximize existing resources, talent, and skills. In addition, the reorganization will enable DC to coordinate several operations, strengthen business and institutional planning processes, and provide a minimal amount of additional cost to the institution. The resultant vice presidential positions will be the following: vice president for human resources and facilities management, vice president for business and finance, vice president for institutional advancement, vice president for academic affairs (currently exists), and vice president for student affairs (currently exists).

6. Establishment of Cooperative Existing Degrees, Juris Doctor at Georgia State University and the Master of City and Regional Planning at Georgia Institute of Technology

Approved: The Board approved the request of President Carl V. Patton of Georgia State University (“GSU”) and President G. Wayne Clough of Georgia Institute of Technology (“GIT”) that the existing degrees, Juris Doctor and Master of City and Regional Planning, respectively, be offered as a cooperative degree, effective June 11, 2003.

Abstract: GSU and GIT proposed the establishment of a cooperative degree consisting of existing degree programs offered at each institution. The cooperative degree, Juris Doctor and Master of City and Regional Planning, was reviewed and approved by all institutional committees at each institution. It was proposed that the cooperative program would constitute a significant enhancement of the collaboration between GSU and GIT. Currently, less than 20 such cooperative programs exist in the country. GIT’s cooperation with GSU will enhance discipline areas such as environmental law, urban development, and land use law. The cooperative program will enable students to pursue both degrees concurrently in a shortened period of time. The cooperative arrangement accomplishes this objective by allowing certain courses in the Juris Doctor and Master of City and Regional Planning programs to count toward both degrees.

Objectives: The objectives of the cooperative degree program are the following: 1) to support the interests of students who wish to pursue study in the fields of both law and urban planning, 2) to provide a focal point for exploring the connections between the two disciplines, and 3) to provide an educational opportunity that reflects the fact that land management law and city and regional planning have become increasingly integrated and interdisciplinary in nature such that training for today’s professional requires expertise in both

law and city and regional planning.

Need: The Atlanta region provides a living laboratory for the study of critical law and city and regional planning issues relating to smart growth, transportation management, housing, water, and quality of life. In addition to serving the needs of the region, the program will meet the expectations of planning and legal professionals throughout the state.

Projected Enrollment: Based on small group courses, the institutions anticipate enrollments averaging 41 students per year during the first three years of the program.

Funding: The program will build upon and reconfigure existing courses that are currently offered by both institutions.

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

7. **Establishment of the Thomas E. Watson Chair of Historical Studies, Georgia College & State University**

Withdrawn: This item was withdrawn at the request of President Rosemary DePaolo.

8. **Establishment of the Georgia Power Professorship in Environmental Sciences, 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 Georgia Power Professorship in Environmental Sciences, effective June 11, 2003.

Abstract: The Georgia Power Company has donated \$250,000 for the purpose of establishing the Georgia Power Professorship in Environmental Sciences. The special faculty position will be housed in the School of Liberal Arts & Sciences. The professorship will be awarded to a faculty member whose research and teaching focus on issues of water quality. The professor will take an active role in promoting student and faculty research, writing grants to help fund environmental research, and supporting programs in the environmental sciences.

9. **Establishment of the Richard B. Russell Professor of Agriculture, 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 Richard B. Russell Professor of Agriculture, effective June 11, 2003.

Note: Regent Elridge W. McMillan abstained from voting on this item.

Abstract: UGA proposed the special faculty position, the Richard B. Russell Professor of Agriculture, in order to help strengthen the College of Agricultural and Environmental Sciences' national stature in agricultural research and education.

Biographical Sketch: The late Georgia U.S. Senator Richard B. Russell was best known in military and defense matters and budgetary issues. Russell had an interest in agriculture and was an advocate in passing laws to benefit the nation's farmers. Reflecting many Southern views of the time, Russell opposed civil rights legislation. Russell, who graduated from UGA's law school in 1918, served in the Senate from 1933 until his death in 1971.

The Russell Foundation has given UGA \$250,000 to establish the professorship, which will be filled by a scholar who specializes in an area of agriculture.

10. 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:

Georgia Southern University

Chatham County Board of Health Evaluate male health issues and risk reduction in HIV Prevention Program	2/24/03 – 12/31/03	\$3,000
Georgia Department of Education Develop Local Support Team Development in regions across the state to support technical assistance for young children with disabilities	2/01/03 – 1/31/04	\$65,521
Georgia Department of Education Conduct Culinary Institute for school nutrition program managers to improve preparation and service of quality food	9/30/02 – 1/01/04	\$35,000

Floyd College

Bartow County Government Provide Word and Excel training in increasing levels of complexity	April 2003	\$5,000
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TOTAL AMOUNT – JUNE	\$ 108,521
TOTAL AMOUNT FY 2003 TO DATE	\$25,349,678
TOTAL AMOUNT FY 2002 TO JUNE	\$25,222,651
TOTAL AMOUNT FY 2002	\$25,222,651

11. Information Item: Proposed Amendment to Bylaw V.3

The Committee on Education, Research, and Extension recommended the renaming of this standing Committee to the Committee on Academic Affairs. This item was presented for information and discussion at this meeting. It will be on the table until the August 2003 meeting of the Board of Regents, when it will be up for approval through the Committee on Organization and Law. If approved, the recommended Committee name change will be reflected in The Bylaws as follows:

11. Information Item: Proposed Amendment to Bylaw V.3 (Continued)

V.3 Standing Committees

There shall be the following standing Committees:

- a. Executive and Compensation Committee
- b. Strategic Planning Committee
- c. Committee on Real Estate and Facilities
- d. Committee on ~~Education, Research, and Extension~~ Academic Affairs
- e. Committee on Finance and Business Operations
- f. Committee on Organization and Law
- g. Audit Committee
- h. Committee on Information and Instructional Technology

COMMITTEE ON ORGANIZATION AND LAW

The Committee on Organization and Law met on Tuesday, June 10, 2003, at approximately 2:15 p.m. in room 7019, the Chancellor's Conference Room. Committee members in attendance were Chair Hilton H. Howell, Jr., Vice Chair Elridge W. McMillan, and Regents Hugh A. Carter and William H. Cleveland. Chancellor Thomas C. Meredith was also in attendance. Chair Howell reported to the Board on Wednesday that the Committee had reviewed three items, two of which required action. Item 1 included seven applications for review; six were denied, and one was continued. With motion properly made, seconded, and unanimously adopted, the Board approved and authorized the following:

1. Applications for Review

- a. In the matter of Brenda F. Hogan, at Fort Valley State University, concerning wrongful discharge, the application for review has been denied.
- b. In the matter of Gerri M. McCord, at Fort Valley State University, concerning termination, the application for review has been denied.

- c. In the matter of Kent Schoolfield, at Fort Valley State University, concerning termination, the application for review has been denied.
- d. In the matter of file 1624, at the Medical College of Georgia, concerning a dismissal from the School of Medicine, the application for review has been continued.
- e. In the matter of file 1625, at the University of Georgia, concerning the denial of early readmission, the application for review has been denied.
- f. In the matter of file 1627, at Georgia State University, concerning upholding the determination of the Department of Biology, the application for review has been denied.
- g. In the matter of Ana Maria Horst, at Abraham Baldwin Agricultural College, concerning termination, the application for review has been denied.

2. Settlement of a Lawsuit Against the Board of Regents

Approved: The Board approved the settlement of a lawsuit against the Board of Regents.

This item was discussed in Executive Session. At approximately 2:30 p.m. on Tuesday, June 10, 2003, Chair Hilton H. Howell, Jr. called for an Executive Session for the purpose of discussing the settlement of a lawsuit against the Board of Regents. With motion properly made and variously seconded, the Committee members who were present voted unanimously to go into Executive Session. Those Committee members were as follows: Chair Hilton H. Howell, Jr., Vice Chair Elridge W. McMillan, and Regents Hugh A. Carter and William H. Cleveland. Also in attendance for the Executive Session were Chancellor Thomas C. Meredith; the Senior Vice Chancellor for Support Services, Corlis Cummings; the Associate Vice Chancellor for Legal Affairs, Elizabeth E. Neely; and Attorneys General Dennis R. Dunn and Laura Hyman. 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 2:45 p.m., Chair Howell reconvened the Committee meeting in its regular session and announced that in Executive Session, the Committee had voted to settle the lawsuit.

3. Information Item: Proposed Amendment to Bylaw V.3

The Committee on Organization and Law reviewed the recommendation of the Committee on Education, Research, and Extension to rename this standing Committee to the Committee on Academic Affairs. This item was presented for information and discussion at this meeting. It will be on the table until the August 2003 meeting of the Board of Regents, when it will be up for approval. If approved, the recommended Committee name change will be reflected in The Bylaws as follows:

V.3 Standing Committees

There shall be the following standing Committees:

- a. Executive and Compensation Committee
- b. Strategic Planning Committee
- c. Committee on Real Estate and Facilities
- d. Committee on ~~Education, Research, and Extension~~ Academic Affairs
- e. Committee on Finance and Business Operations
- f. Committee on Organization and Law
- i. Audit Committee
- j. Committee on Information and Instructional Technology

CHANCELLOR'S REPORT TO THE BOARD

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

I want to make you aware of some significant members of our University System Office team who are about to retire. First, we are going to have to get along without the Deputy to the Senior Vice Chancellors, Margaret Taylor, and that's not going to be easy, especially for our Senior Vice Chancellors. Margaret has been at the Board of Regents for just over three years, but she has spent a total of 29 years serving the State of Georgia. She was Chief Deputy Commissioner of the State Medicaid Agency for five years and before that spent 23 years in various positions in the Department of Human Resources Division of Mental Health Services. Margaret was hired by the Board of Regents in 1999 to serve as Deputy to just one Senior Vice Chancellor, but a year later, in 2000, her position evolved. As deputy to the senior vice chancellors, she supports all three of them — Tom Daniel, Corlis Cumming and Dan Papp. Can you imagine what that must be like? She also serves as a coordinator for the numerous projects, responsibilities and units that fall outside the three divisions. In addition, Margaret oversees our relationships with MCG Health, Inc. (she serves as chair of its finance committee), and the Georgia Cancer Coalition and assisted with the transition of the Georgia Public Library Service to the Board of Regents. To our great regret, on July 31, Margaret will trade the many hats she has worn here for a yachting cap — she and her husband race sailboats. Margaret, would you please join me up here for a photograph?

We also are about to lose our Associate Vice Chancellor for Student Services, Dr. Barry A. Fullerton, a member of the University System Office staff since 1993. Barry, who will retire on June 30 with 10 years of service to the University System, is capping a 40-year career in higher education. In addition to 14 years as Vice President for Student Affairs at the Florida Institute of

Technology, he also worked as the chief student affairs officer at colleges in Rhode Island and Massachusetts. Now, you may know him as a man of few words, but his actions on behalf of our students speak volumes. During his time here, Barry has been a tireless advocate for students' rights and responsibilities. When the University System made the transition from quarters to semesters, Barry made sure students were included in the planning process. He also provided leadership during the phasing-in of our new admissions requirements. And it was through his efforts that our Student Advisory Council has been transformed into its present form. The re-engineering of BANNER, the implementation of a transfer articulation system called CAPP, and the launching of the Georgia Application and Electronic Advisement System ("GA EASY") all benefited from Barry's leadership. Barry, we are sorry to see you go. We'd like to wish you the very best on your retirement and to express our warm regard for you. Please join me up here.

As you know, we also are saying goodbye this month to Dr. Rosemary DePaolo, President of Georgia College & State University ("GCSU"). She will be leaving GCSU for her new post as Chancellor of the University of North Carolina at Wilmington on July 1. We wish her all the best in this new phase of her stellar career in higher education.

I have much good news to share with you regarding our institutions, and because this list keeps getting longer all the time, we're going to try something a little different this month. On the screen before you, we'll list many of the noteworthy achievements that have come to our attention recently, and I'll highlight a few of them.

- The University of Georgia's Honors Program scored a scholarship "grand slam," with its students having been awarded Rhodes, Marshall, Goldwater, and Truman Scholarships this year. Only three other universities — Harvard, Yale, and Brown — can make this claim.
- The Medical College of Georgia has received accreditation to offer the nation's first neurology-based pain fellowship, a one-year program with a multidisciplinary approach to understanding and treating acute, chronic, and cancer-related pain.
- Tommy Thomas is a name that's familiar to some of you. He recently became the "winningest" baseball coach in Division II of the National Collegiate Athletic Association by recording win number 1,199 in 36 seasons at Valdosta State University.
- This month, the magazine *Black Issues in Higher Education* issued the undergraduate half of its annual report on institutions awarding the most degrees to minorities. Georgia State University ranks seventh among all institutions in the number of baccalaureate degrees it awards to African-American students and awards more of these degrees to African-Americans than any other non-historically black college or university in the nation. The Georgia Institute of Technology ("GIT") continues to be the country's number one producer of African-American engineers at the undergraduate level and ranks eighth in producing Asian-American engineers.

- Another list of rankings — this one pertaining to undergraduate degrees in engineering and engineering technology — was issued early this month by the American Society for Engineering Education. This report ranks GIT second in the number of engineering degrees awarded and Southern Polytechnic State University seventh in the number of degrees in engineering technology awarded.
- Since I’ve just talked about Barry Fullerton, let me segue to some of the campus folks who report to him. Two of our vice presidents for student development, Dr. Penelope H. Wills at Floyd College and Dr. Tom G. Walter at Gainesville College, recently won national awards from the professional associations they have served. Dr. Wills received an Outstanding Service Award from the National Association of Student Personnel Administrators. Dr. Walter received a Professional Service Award from the American College Personnel Association. Dr. Wills and Dr. Walter, would you please stand to be recognized? Thank you, Barry Fullerton, Penny Wills, Tom Walter, and all the professionals in the University System who put the needs and concerns of our students first. You remind us every day that students are the main reason we are here. And we need to hear that reminder over and over.

Mr. Chairman, that concludes my report.

* * * * *

Chair Harris thanked the Chancellor for his report and echoed his compliments to Ms. Taylor and Dr. Fullerton for the contributions they have made to the University System and the State of Georgia. He wished them both the best in their retirement and welcomed them to come visit any time.

STRATEGIC PLANNING COMMITTEE, “COMMITTEE OF THE WHOLE”

Chair Harris next convened the Strategic Planning Committee as a Committee of the Whole and turned the Chairmanship of the meeting over to Regent Leebern, the Chair of the Committee.

Chair Leebern said that strategic planning involves University System personnel from around the state. At this meeting, the Vice Chancellor for Academic, Faculty, and Student Affairs, Frank Butler, and President James A. Burran of Dalton State College would update the Regents on their first, second, and third strategic goals. Those goals are as follows:

1. Developing graduates who are intellectually and ethically informed individuals with defined skills and knowledge, capable of leadership, creative endeavors, and contributing citizenship in an interconnected world;

2. Expanding participation by increasing access while maintaining quality, enhancing diversity, focusing on the needs of nontraditional students, increasing distance education opportunities, advancing public library usage, and marketing the advantages of a postsecondary education to all Georgians; [and]
3. Improving continuously the quality of its curricula, research activities, and international opportunities;

Chair Leebern called upon Dr. Butler to introduce this presentation.

Dr. Butler said that he would discuss the second strategic goal and President Burran would discuss the first and third goals. He explained that the presentations would focus on integrating interdisciplinary learning, ethical studies, and diversity into the curriculum (first goal), access programs (second goal), and encouraging more collaboration between two- and four-year institutions (third goal). The University System's core curriculum is as follows:

- Area A: Essential skills courses in English composition and mathematics (9 semester hours)
- Area B: Institutional options courses that address institution-specific interests (4 to 5 semester hours)
- Area C: Humanities/fine arts courses (6 semester hours)
- Area D: Science, mathematics, and technology courses (10 to 11 semester hours)
- Area E: Social sciences courses (12 semester hours)
- Area F: Courses related to the program of study (18 semester hours)

Dr. Butler noted that the System has a Council on General Education (the "Council"), the purpose of which is to review all changes or additions to the System core curriculum in order to ensure ease of transfer among and between all System institutions and to maintain the integrity and uniformity of the core. There have been three chairs of the Council, and President Burran is serving as its current chair. Dr. Butler said that making changes in the core curriculum is a complex process requiring a number of steps and must be agreed upon by all the disciplinary committees and the Council. On each campus, there is an ombudsperson whose job it is to ensure that transfer problems are resolved. He then called upon President Burran to discuss the first and third goals.

President Burran said that the Council was very pleased to take part in developing action plans for the Board's consideration related to the first and third strategic goals. In October 2002, the Senior Vice Chancellor for Academics and Fiscal Affairs, Daniel S. Papp, charged the Council with examining these

goals and making recommendations upon them. The council is comprised of 12 individuals from across the University System of Georgia. They are faculty members and academic administrators, and they represent all five sectors of the System's institutions from the research universities to the two-year colleges. Therefore, the Council benefits from the broadest possible range of perspectives. The Council is a strong and cohesive group that takes its responsibilities very seriously. The first and third goals of the Regents' strategic plan are oriented toward general education on one hand and inter-institutional collaboration on the other. Given that the Council concerns itself with such matters anyway, it was asked to develop options related to these goals. Two recommendations with regard to the first goal were 1) to encourage academic structures that promote interdisciplinary learning and learning communities and that highlight the interconnectedness of knowledge and 2) to integrate ethical studies and diversity more fully into the core curriculum and general studies. The importance of the interconnectedness of knowledge, the understanding of ethical behavior, and the importance of diversity in the lives of the students is clear, said President Burran. The trick is to put these recommendations into operational terms. Mindful of budgetary constraints, the Council developed six action plan items based on these two recommendations. They were as follows:

1. Establish a Web site to facilitate interdisciplinary teaching and enhance teaching of ethics and diversity.
2. Identify and share best practices in interdisciplinary teaching, ethical studies, and diversity programs.
3. Encourage institutions to develop incentive and award programs in interdisciplinary teaching, ethical studies, and diversity.
4. Develop co-curricular activities focused on ethics and diversity.
5. Develop Systemwide inventories of faculty working in each of the three areas.
6. Seek external funding for summer fellowships and release time to develop expertise in all three areas.

President Burran explained that the idea of the recommended actions is simply to harness all of the existing energy already in place at many System institutions in order to make best practices available for all. Since there is a great deal of activity already underway, the Council felt the best way to promote inter-institutional sharing would be through a System Web site where faculty can showcase their best practices in interdisciplinary studies, the effective teaching of ethics, and the effective teaching of diversity so that these best practices can be replicated at other institutions. President Burran said that the other piece of these action items is to ask the various System institutions to more fully incorporate these topics into their curricula and to provide support systems on campus to facilitate this effort. Chancellor Meredith is fond of saying that rewards drive behavior. On the individual campuses, those kinds of support systems and incentives are necessary in order to make these recommendations operational at every one of the institutions. Within these actions is the implicit issue of accountability, noted President Burran. The Council suggested that the

institutions provide an annual accountability report as evidence of the progress they are making. If approved, these action items should be made operational in the upcoming academic year.

Turning to the third strategic goal, President Burran said that one recommendation for that goal was to encourage more collaboration between two- and four-year institutions in the revision of curricula and the refinement of course objectives. The Council understood this as a reaffirmation of the importance of the System's core curriculum as a vehicle for ensuring smooth transfer of credit for students. The Council observed that the transferability guaranteed within the structure of the core is not an issue, but sometimes local or individual interpretations at institutions can lead to difficulty for students. The Council concluded that this is fundamentally a communication issue. The challenge lies in developing mechanisms that get the message out to all of the institutions from individual administrators to faculty advisors to support staff members to departmental secretaries. Six action items were developed to address this concern, and they are as follows:

1. Expand authority and increase training of institutional transfer ombudsperson to include pre-transfer counseling.
2. Give transfer ombudsperson direct and regular access to registrars and chief academic officers.
3. Accelerate implementation of Curriculum Advising and Planning Program ("CAPP").
4. Reassess scope and responsibilities of the discipline academic advisory committees to close any gaps.
5. Conduct annual (or more frequent) meetings of sending and receiving institutions.
6. Assess the extent to which institutions embrace core curriculum requirements and correct inconsistencies.

President Burran stated that the position of transfer ombudsperson was created during the semester conversion process and that the primary role of this position is to facilitate the credit transfer process for students. The chief academic officers need to renew the importance of this position and strengthen the tools at the disposal of the ombudspersons. The institutions will also need to finish implementation of CAPP, the System's automated degree audit system, which will provide more timely information for faculty and students alike. Finally, the System should encourage more effective collaboration related to transfer issues and curricular revisions between both sending and receiving institutions on a regional basis where it makes sense to do so. President Burran said that he expected these actions to be operational during fiscal year 2004. Taken together, the recommendations for the first and third goals will advance the Board's strategic planning agenda by putting into motion a number of action items, all of which are student-oriented. By taking steps to further implement interdisciplinary studies, to emphasize the study of ethical behavior across the curricula, to explore the reality and the nature of diversity, and to enhance the System's emphasis on transfer

of credit among institutions, the System will become even more responsive to the needs of its students. President Burran then turned the floor over to Dr. Butler.

Dr. Butler reminded the Regents that there were two recommendations with regard to the second strategic goal. The first recommendation was to develop additional programs in which four-year universities offer four-year degree programs at two-year colleges (“4-4-2 programs”). In August 2002, the Senior Vice Chancellor for Academics and Fiscal Affairs, Daniel S. Papp, reported to the Board that the University System Office staff had selected the following proposals for funding:

<u>Offering Institution</u>	<u>Collaborating Institution</u>	<u>Degree Program</u>
Albany State University	Bainbridge College	Education
Macon State College	Abraham Baldwin Agricultural College, Gordon College, and Middle Georgia College	Information Technology
Southern Polytechnic State University	Floyd College	Information Technology
University of Georgia	Abraham Baldwin Agricultural College	Agriculture
Valdosta State University	Abraham Baldwin Agricultural College, South Georgia College, and Waycross College	Education
State University of West Georgia	Floyd College	Education

Dr. Butler said that while some of these programs are still in the development and marketing stages, others are already enrolling substantial numbers of students. There have even been two graduates of the Abraham Baldwin Agricultural College, Gordon College, and Middle Georgia College collaborative program.

The second recommendation on the second goal was to ensure that where demand exists, opportunities to access two-year and four-year degree programs are available at off-campus sites. In August 2002, Dr. Papp had also reported that the following programs were funded:

<u>Location</u>	<u>Offering Institution</u>	<u>Type of Program</u>
Watkinsville/Oconee County (formerly Athens)	Gainesville College	Two-year degrees
Dublin	Georgia Southern University	Education
Dublin	Middle Georgia College	Two-year degrees
Gwinnett University Center	Southern Polytechnic State University	Information Technology
Liberty Center (Hinesville)	Armstrong Atlantic State University, Savannah State University, Georgia Southern University, Coastal Georgia Community College, and East Georgia College	Two-year and four-year degrees

Dr. Butler reported that there are 615 students in 98 courses at the Gainesville College instructional site in Watkinsville and that all of the programs are growing. He noted that this is a three-year program that was subjected to the same budget cuts as all University System of Georgia programs. However, the staff will be performing comprehensive analyses of these programs to ensure that they are successful. Those that are not may be discontinued, while others that are successful may be expanded. In closing, Dr. Butler asked whether the Regents had any questions or comments.

Chancellor Meredith complimented the Board of Regents on its commitment to maintaining the System's strong core curriculum. As the society moves ahead in an explosion of knowledge, the question is "What do you teach?" The answer is the core. It is a base of knowledge that everyone should learn and that enables them to learn even more.

With regard to credit transfer within the University System of Georgia, Chair Leebern asked whether students are now able to transfer their grades as well as their credit hours.

President Burran responded that the general practice is for institutions to transfer the course credit but not the grade that goes with it.

Chair Leebern asked him why.

President Burran explained that the grade point average is unique to each institution in order to have an accurate reflection of the grades achieved at that institution. However, when it comes time for graduation, a student who has transferred credit hours will have those grades counted in their cumulative grade point average.

Chair Leebern said that this did not imply that the course is more valuable at one institution than at another.

President Burran agreed that it does not and that core courses readily transfer from institution to institution. Some institutions transfer the grades, while others do not. Typically, the course work transfers even if the grade does not. Transfer was made easier during the semester conversion process.

Dr. Butler added that Board policy ensures that core courses are transferable. In some cases, a particular course may not be quite aligned with a transfer credit. It is not a question of quality, but rather, it is a question of content. Largely, that issue has also been resolved. Board policy states that if a student completes a core course in the University System of Georgia, it must be accepted as transfer credit by the receiving System institution.

Regent McMillan said that transferability has always been Board policy, but in the past, some institutions exercised their own institutional discretion in whether they accepted those courses. So, that used to happen to students.

President Burran stated that students do not experience that much anymore. If a course is in the Systemwide core curriculum, it transfers. Occasionally, an individual faculty advisor at an institution may be new to the System and is not conversant with this policy. The institutions need to do a better job of ensuring that faculty are trained properly in this regard. Usually, the transfer ombudsperson, chief academic officer, or registrar will resolve this problem.

Dr. Butler clarified that the alignment matter he had mentioned is not really an issue. If a student enrolls as an art major but then changes her major to physics, her science credit may transfer, but she may have to take a higher level course than what she has already taken. He said that the University System Office staff almost never gets calls from students about transferability, and when they do, the matter is resolved very quickly.

Chair Leebern thanked Dr. Butler and President Burran for their presentation and adjourned the meeting of the Strategic Planning Committee as a Committee of the Whole.

ELECTION OF CHAIR AND VICE CHAIR FOR FISCAL YEAR 2003

Chair Harris called upon Regent Howell, Chair of the Nominating Committee, to conduct the fiscal year 2004 election of the Board Chair and Vice Chair.

Regent Howell stated that consistent with Board tradition, Chair Harris had designated a Nominating Committee of former Board Chairs: Regents Leebern, McMillan, and White. He noted that at the May 2003 Board meeting, Vice Chair James D. Yancey had stepped down from the Board because due to redistricting, Chair Harris and Vice Chair Yancey now reside in the same district. In light of this, the Nominating Committee recommended to the Board that Chair Joe Frank Harris be reelected Chair and Regent Joel O. Wooten, Jr. be elected Vice Chair for the upcoming fiscal year, beginning July 1, 2003. He asked whether there were any other nominations at this time. Seeing that there were none, he made a motion on behalf of the Nominating Committee that Chair Harris be reelected for a second term. He called for a vote on the office of Chair. With motion properly made and seconded, the Board unanimously reelected Regent Joe Frank Harris as Chair of the Board of Regents for fiscal year 2004. Regent Howell next made a motion that Regent Wooten be elected Vice Chair. With motion properly made and seconded, the Board unanimously elected Regent Wooten as Vice Chair of the Board of Regents for fiscal year 2004.

Chair Harris thanked Regent Howell for facilitating the election, and he thanked all of the Regents for their confidence in him. He said he was honored to accept the invitation to serve as Chair of the Board of Regents for another term. He remarked that he was very grateful to Regent Yancey for his service as Vice Chair during fiscal year 2003 and that he looked forward to serving alongside Regent Wooten in fiscal year 2004. He also thanked the Secretary to the Board, Gail S. Weber, and the staff of the University System Office for their support and hard work. Finally, he thanked the Chancellor for his leadership of the University System of Georgia.

CHAIRMAN'S REPORT ON HIGHLIGHTS OF THE PAST YEAR

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

Thank you. Last year when I accepted the call of this Board to serve as Chair, I noted this would represent one of the most important roles I had undertaken. But I was honored then and am equally

honored today to accept your invitation to serve as your Chair for another term. However, I accept this time with a more realistic understanding of the commitment!

But let me return to my initial thought of last year. Serving on this Board and as its Chair truly is as important a role as anyone can play. We have faced together a number of tough issues and decisions. We have led our University System through some very tough economic and budget times. This has not been easy, and I deeply appreciate the hard work, the dedication, and the leadership that each of you has shown. The hard truth is that these tough budget times are not over. We will face new decisions and new challenges as we work to preserve the quality that has been created by the state's investment in public higher education.

We lost a dear friend and a valued colleague in John Hunt. And we gained the strength and wisdom of John's wife, Julie, as she answered the call to service on this Board. We have also gained the service of two new Regents, W. Mansfield Jennings, Jr. of Hawkinsville and Patrick S. Pittard of Lakemont. I welcome these two new Regents to the Board. I know they will provide wise counsel and excellent service.

Over the past year, we have seen some rewarding moments that serve to keep us focused on who it is that we serve: our students. Record student enrollments in the fall and spring tell us that the demand for public higher education has never been greater. Record retention rates for sophomores and SAT scores for entering freshmen tell us that our quality continues to rise. And there are national indicators of how high the University System's quality has risen. *U.S. News & World Report's* ranking of the nation's top 20 public doctoral universities puts the Georgia Institute of Technology at number 9 and the University of Georgia at number 18.

Now, more than ever, the roles we play on this Board call for a combination of patience, perseverance, commitment, responsibility, wisdom, and decisiveness. There is the great example of General Eisenhower, with the responsibility on his shoulders for launching the invasion of Europe. The weather reports gave him no clear answers whether to give the go ahead or call for a delay. The only clear thing was that he would have to make the decision and bear the responsibility. None of us faces that severe a test today, but we do bear the responsibility to keep the University System of Georgia on course, regardless of the weather. We do have the responsibility to maintain the quality that Georgians deserve as well as the access to that quality. We do have the responsibility to meet our worthy goal: creating a more educated Georgia. And, working together as a Board and with our many partners in the Governor's Office, the General Assembly, and other state agencies and public and private organizations throughout the state, I have no doubt we will meet the high responsibilities we have and the demanding roles we fill.

Last year, I pledged that I would work hard. And I asked you to commit to coming prepared and ready to discuss and act on policy. I asked that we focus on three areas: the first year action plan of

our strategic plan; the importance of operating with an eye on the future; and our educational partnerships. Let's review our record over the past year in these three areas.

Our first year action plan for the strategic plan set an ambitious timetable on all eleven strategic goals. There were 46 recommendations and at this stage, we have made significant progress on almost all of them. Over the course of the past year, almost every Board meeting has featured reports on activities and progress toward these goals. For example, you will hear later this morning reports from President James A. Burran of Dalton State College and the Vice Chancellor for Academic, Faculty, and Student Affairs, Frank A. Butler, relating to Goals 1, 2 and 3. And at the August meeting, you will hear a detailed report on all 46 recommendations from the Senior Vice Chancellor for Academics and Fiscal Affairs, Daniel S. Papp, if you can last that long!

But while we have made significant process, we do not act in vacuum. The budget situation has had an impact on our timetable and we have had to delay or postpone action on some of these recommendations. But, on balance, we have made extremely good progress – thanks to your oversight and the hard work of our Chancellor and the staff here in the University System Office and our presidents, faculty, and staff on our 34 campuses. I'm proud of the focus on our first year action plan. And I'm equally proud of the focus that has been placed on the two other areas I singled out: keeping an eye on the future and our educational partnerships. It's no accident that progress on these two areas is closely tied to our accomplishments in implementing the first year action plan. So, let me highlight some of these interrelated areas.

One of the ways we look to the future is by maintaining the quality of our academic programs and curriculum. And through our work over the past year on implementing comprehensive program review, we have taken major steps toward this goal.

In the future, public higher education will be held more and more accountable for programs and expenditures. Last fall, we debuted our new Web site, "USG by the Numbers" (<http://info.usg.edu/>), which is an important step in providing up-to-date information on the System to the public and our funding partners.

If we are going to be successful in creating a more educated Georgia, we have to involve more nontraditional students in higher education. Georgia's economic future depends on this.

So, we were looking to the future when we approved the policy changes in continuing education and created the Georgia Lifelong Education and Economic Development Services ("Georgia LEADS") concept with its focus on lifelong learning.

A more educated Georgia also depends upon broad access to public higher education. And last month, we approved recommendations from the African-American Male Initiative. These recommendations will have a long-term impact on this group, which is currently underrepresented in

our colleges and universities.

Over the past year, we heard presentations on research activities in our research universities. In addition, our research contracts and grants are close to the \$800 million mark – a record. Our focus on the System’s research activities is a critical eye on the future of the System and the state.

Another long-term focus is on funding. We must be more creative and innovative in identifying and securing alternative sources of funding for key System needs. Over the course of the year and at this meeting, we continued to review and approve programs for privatized housing on our campuses. This model approach helps us meet the housing needs of the record number of students we are seeing.

We must be more efficient in our use of existing dollars. Dollars saved through efficiency today means more dollars for instruction tomorrow. Toward this end, we have made good strides in terms of monitoring and reporting on institutional best practices. We have conducted a regionalization study that will lead to long-term efficiencies in our operations. And we have reorganized our audit reporting processes with the goal of helping our Chancellor and our presidents keep a focused eye on the future.

Our final area of focus was on partnerships. Last year, I noted, “Our success in creating a more educated Georgia will depend on our success in forging stronger partnerships.” I said at the time that I believed this would prove to be the key to our efforts. Nothing that has happened in the past 12 months has caused me to change my opinion. Partnerships are still the critical element in our planning and actions. And I’m pleased to report today that we have enjoyed some positive successes in our partnership efforts. This Board has met with the boards of the Department of Technical and Adult Education and the Department of Education. Our University System Office staff and the staff on our campuses continue to strengthen existing relationships on many levels with the technical colleges, the K-12 schools, and the Department of Education. One of the most exciting partnerships has been the development of a math and science initiative with the Department of Education. This initiative will help us better prepare Georgia students for success in postsecondary education. And our partnership effort on this initiative has put us in the running for a \$35 million National Science Foundation grant.

On balance, our report card for the past year has been good. Despite budgetary challenges, we have been able to move forward in these three key areas. The success we enjoy is due to the good work of our greatest asset: our people. As your Chair, it has been an honor and a privilege to lead the finest system of public higher education in this country. Thank you for your support over the past year. Thank you for your confidence in me for yet another year. I will do my best to continue to live up to your expectations. And again, let me close by asking God to guide our work and our decisions.

UNFINISHED BUSINESS

Regent Joel O. Wooten, Jr. thanked the Vice Chancellor for Facilities, Linda M. Daniels; the Assistant Vice Chancellor for Facilities (Real Property and Administration), Peter J. Hickey; and the Office of Facilities staff for their very hard work on a number of challenging projects in the past year. He remarked that they are an exceptionally professional staff and that he appreciated all that they do.

Chair Harris announced that there would be no July 2003 meeting of the Board of Regents. He then asked for a motion to authorize Chancellor Meredith to take any actions necessary on behalf of the Board between this meeting and the August 2003 Board meeting with such actions to be ratified by the Board at the August meeting. With motion properly made, variously seconded, and unanimously adopted, the Board approved this authorization.

NEW BUSINESS

There was no new business at this meeting. Chair Harris noted that Regent William H. Cleveland and his wife, Verna, are anticipating the arrival of their first child in the month of July.

PETITIONS AND COMMUNICATIONS

Secretary Gail S. Weber reiterated that there would be no Board meeting in July. The next Board meeting would take place on Tuesday, August 5 and Wednesday, August 6, 2003, in the Board Room in Atlanta, Georgia.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at approximately 10:05 a.m. on June 11, 2003.

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

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