

**MINUTES OF THE MEETING OF THE
BOARD OF REGENTS OF THE UNIVERSITY SYSTEM OF GEORGIA
HELD AT
Albany State University
and Darton College
Albany, Georgia
April 7 and 8, 1998**

CALL TO ORDER

The Board of Regents of the University System of Georgia met on Tuesday, April 7 and Wednesday, April 8, 1998 at Albany State University and Darton College, respectively, in Albany, Georgia. The following Committees of the Board of Regents met in succession on Tuesday, April 7: the Audit Committee; the Committee on Finance and Business Operations; the Committee on Real Estate and Facilities; and the Committee on Education, Research, and Extension. The Chair of the Board, Regent S. William Clark, Jr., called the meeting to order at 9:00 a.m. on Wednesday, April 8. Present on Wednesday, in addition to Chair Clark, were Vice Chair Edgar L. Jenkins and Regents David H. (Hal) Averitt, Kenneth W. Cannestra, J. Tom Coleman, Jr., A. W. "Bill" Dahlberg, Hilton H. Howell, Jr., George M. D. (John) Hunt III, Charles H. Jones, Donald M. Leebern, Jr., Elridge W. McMillan, Edgar L. Rhodes, and Glenn S. White.

INVOCATION

The invocation was given on Wednesday, April 8 by Ms. Cindy Kirkland, a Darton College nursing student.

ATTENDANCE REPORT

The attendance report was read on Wednesday, April 8 by Secretary Gail S. Weber, who announced that Regents Juanita P. Baranco and Shannon L. Amos had asked for and been given permission to be absent on Tuesday, April 7 and Wednesday, April 8, 1998 and Regent Thomas F. Allgood, Sr. had asked for and been given permission to be absent on Wednesday, April 8, 1998.

APPROVAL OF MINUTES

Motion being properly made and duly seconded, the minutes of the Board of Regents meeting held on March 10 and 11, 1998 were unanimously approved as distributed.

SPECIAL PRESENTATION BY PRESIDENT PORTIA SHIELDS, ALBANY STATE UNIVERSITY

On Tuesday, April 7 at 1:00 p.m., President Portia H. Shields of Albany State University (“ASU”) introduced a video presentation to the Board at Albany State University. It highlighted the university’s commitment to excellence in education as well as its mission to prepare students to become outstanding contributors to society. ASU has a 3,200 member student body and places students first in an atmosphere of security, comfort, and caring. The university has an agenda which encompasses unique goals and objectives, including providing quality education in education, health care services, community development, business and economics, international trade, and entrepreneurialship. The video accentuated ASU’s multicultural atmosphere as well as its African-American tradition.

SPECIAL PRESENTATION BY PRESIDENT PETER SIRENO, DARTON COLLEGE

On Wednesday, April 8 during the full Board meeting, President Peter J. Sireno of Darton College (“Darton”) spoke before the Board. He explained that Tuesday, April 7 at Albany State University had been his first experience attending a Board meeting and said that he enjoyed all of the dynamics of the Committee meetings.

President Sireno said that it was an honor and a privilege to welcome the Board, the Chancellor, and the Central Office staff to Darton. The faculty, staff, students, alumni, and friends had looked forward to this day with great anticipation. The Board’s visit provided an excellent opportunity for the Darton family to express its heartfelt appreciation for the leadership and the support that the Board has provided. President Sireno wanted to highlight some of the things that distinguish Darton College. When attempting to identify those distinctions, he had to think back on the reasons he chose to accept the presidency of Darton. During his career in higher education, President Sireno has had the opportunity to work in four states and to have served on several staffs of many colleges. As rich as those opportunities were, he did not experience the commitment to excellence that he has found in the faculty and staff at Darton. He acknowledged that most presidents will say the same thing of their institutions; however, the people at Darton have a deep sense of pride and ownership in Darton. This dedication goes beyond loyalty to an employer. It manifests itself in an attitude that permeates the campus and the community. Darton’s faculty and staff have a customer service orientation, and this is apparent in their treatment of students, visitors, and coworkers.

Since its inception as Albany Junior College, there has been a strong link between the college and the community. It has always been understood that the college would be community-focused and student-oriented. This became apparent very early in the college’s history when, in response to community needs, Albany Junior College created associate degree programs in nursing, dental hygiene, medical laboratory technology, and emergency medical services with no supplemental State or federal funding. This trend continues today with five associate of applied science business degree programs and a total of ten associate of science health degree programs, making Darton College the allied health career education center for Southwest Georgia. Today, of the approximately 2,600 students attending Darton, 50% are enrolled in the career degree programs.

Darton is also very committed to area workforce development. For the past two years, Darton has been working with industry to determine the feasibility of offering associate degree programs in chemical process and electrical and mechanical engineering technology. During the past year, Darton has also been working with industry in developing curriculum for information technology and network computer specialist personnel. The need for these programs was identified by community needs assessments and several business and industry focus group meetings held on campus. In the past year alone, Darton has developed and offered over 150 specialized seminars, workshops, and short courses designed specifically for business and industry. Darton has offered such programs both on and off campus. The people of Albany and Southwest Georgia have always had an affinity for Darton College. President Sireno was certain that the Board could sense this from Darton’s foundation trustees and the community leaders the Regents met the night before at the reception. Darton College is the portal to many positive connections within the community. The strength of the college rests on the foundation of support that it has developed and nurtured with its citizens. What Darton does in the future will depend on that continued commitment and support.

SPECIAL PRESENTATION BY PRESIDENT PETER SIRENO, DARTON COLLEGE

At Darton, the faculty and staff are committed to broadening perspectives and enriching the cultural experiences of students in the community. Daily, they work toward providing the total college experience for students. It is this focus on the total college experience that guides their decisions on the curriculum that Darton provides, the technology it makes available, and the extracurricular activities that are planned. They want all of their students to have the same opportunities that they would have at a larger institution. That is why Darton's comprehensive curriculum includes the performing and visual arts as well as four foreign languages and utilizes the latest technology in the classrooms and computer labs. That is also why Darton has the largest two-year college intercollegiate athletic program in the System and such an extensive student activities program. The faculty and staff understand the interrelationships and interdependence of academic skills, technical skills, and social skills. Therefore, they prepare the students intellectually, technically, and socially to successfully compete in the classroom and in the workplace. Students are also prepared to be responsible citizens in their communities.

President Sireno stated that the Regents receive all of the reports about Darton's transfer students' grade point averages and its graduates' high passing rates on licensing exams. He said the Board already knows what a good job Darton is doing in preparing its students for life after college. What he wanted the Regents to remember, however, is that is why Darton is there. That is the focus and what Darton strives for daily: excellence in the classroom, on the playing field, in everything that it does. That way, students will reach those standards of excellence in college and will be well-prepared for the rest of their lives. At their very best, two-year community colleges like Darton focus on those things that make life worthwhile. They serve as resources for community problem solving. They are places where people can come together to talk their way to common ground. America's community colleges are institutions that President Clinton described as the very best of America and where we need to go as a country with all of our institutions: community-based, flexible, and committed to quality and opportunity for everyone. Everyone at Darton works together to make the college the best that it can be. President Sireno said that he believes that Darton's presence in Albany makes Southwest Georgia a better place to live, raise children, work, and do business. He acknowledged that Darton can do better and stressed that Darton is always getting better. He expressed that he was very proud to be President of Darton College. Darton has a committed and exemplary faculty and staff, a proud past, and a bright future with limitless possibilities.

President Sireno said that he was thankful for the opportunity to share in the work that goes on at Darton and that his life is greatly enriched by the many experiences that he has had at Darton. He then introduced four Darton students to the Board. With unique stories to tell, they represent the breadth of the student body. President Sireno asserted that once the Regents met those students, they would better understand why he felt so strongly about the college and all that goes on there. Darton touches many lives in many ways. It was Christa MacAuliff, the teacher selected to fly on the space shuttle, who said, "Teachers touch the future." Instructors at Darton are very hopeful about the future. They see students from diverse backgrounds of all ages who are preparing for a bright future for themselves and their families. John Beasley is enrolled in a career degree program. He is the past president of Phi Theta Kappa and was Darton's nomination for *USA Today's* academic team. Joseph Mallard came to Darton about one year ago. During his time there, he has developed into a leader and has become a friend of many students, faculty, and staff. Jill Andrews is this year's Academic Recognition Student. She is a nontraditional student with a 4.0 grade point average. She commutes from Sycamore to attend classes at Darton. Karen Krieger is one of Darton's international students from Brazil. She is a dynamic and outgoing young woman who is considered a leader among the international students. In closing, President Sireno expressed how happy he was that the Board was present at Darton College. He wished the Board a very productive meeting.

STRATEGIC PLANNING COMMITTEE, “COMMITTEE OF THE WHOLE”

After President Sireno’s presentation to the Board on Wednesday, April 8, Chair Clark convened the meeting of the Strategic Planning Committee as a Committee of the Whole and turned the chairmanship of the meeting over to Regent Leebern.

Chair Leebern explained that at this meeting of the Strategic Planning Committee, the Board would be hearing a distinguished speaker and then would take formal action on the “Principles for the Preparation of Educators for the Schools,” which had been introduced at the March 1998 meeting of the Strategic Planning Committee and which had since been revised to reflect the input of the Regents as well as Chair of the State Board of Education Johnny Isakson and State Superintendent of Schools Linda Schrenko. Chair Leebern then introduced Senior Vice Chancellor for Academic Affairs James L. Muyskens.

Dr. Muyskens thanked Chair Leebern and remarked that the Committee was very fortunate on this day to have present at the meeting the nation’s leading expert on teacher education renewal. He added that this person had been a mentor to Assistant Vice Chancellor for Academic Affairs Jan Kettlewell, and he asked Dr. Kettlewell to introduce this special guest.

Dr. Kettlewell greeted the Regents and commented that it was a great pleasure for her to introduce Dr. John Goodlad, who is currently a professor emeritus and codirector of the Center for Educational Renewal (the “Center”) at the University of Washington in Seattle. The preceding night, Dr. Goodlad had flown in and met with the education and arts and sciences deans. After he met with the Board, he would be meeting with a group of school and university faculty from across the State. Dr. Goodlad is originally from Canada, where he went to school for his undergraduate and master’s degrees. He then came to the United States, where he earned his doctoral degree from the University of Chicago. He also holds 16 honorary doctoral degrees from different universities around the nation. Dr. Kettlewell had the opportunity to work with Dr. Goodlad when she was dean of education at Miami University before she came to Georgia. She stated that Dr. Goodlad has had a profound influence on her and has been a great teacher for her with regard to her knowledge about teacher education. So, it was very special for her to introduce him to the Board. She had sent him a copy of the principles that the Board discussed in March 1998, and he had a chance to review them. At this meeting, Dr. Goodlad would be discussing the conditions that he believes this Board needs to put into place if the System is to realize the full potential of those principles. She then introduced Dr. Goodlad.

Dr. Goodlad thanked the Board and said that it was a pleasure to be with the Board and back in Georgia. He explained that his family resided in Georgia from 1947 to 1956 and that his two children were born in Atlanta, so they have deep ties to Georgia. He stated that the students President Sireno had introduced to the Board seemed to represent second chances of one kind or another. That is a condition which has improved over the last quarter century or so, perhaps not as much as we would have liked for it to have improved, but quite markedly from the day when there was little chance to break back into education if you dropped out along the way. He explained that his own son was dissident with respect to learning in school. His son had very bad kindergarten and first grade experiences that conditioned him against school for 40 years. Suddenly, he decided to go back to college, and he has just been accepted for candidacy to obtain his doctoral degree from the University of Washington. Dr. Goodlad remarked that his son would not have made it this far if the University of Washington had not had a branch campus deliberately created for second chances. However, Dr. Goodlad asserted that the universities must be very careful with second chances, because they must be just as rigorous and focused as the first chance. One of the things that has occurred in teacher education is that there are too many second chances that are not of high quality, insisted Dr. Goodlad. People do not understand why they have to complete teacher education programs when they were **STRATEGIC PLANNING COMMITTEE, “COMMITTEE OF THE WHOLE”**

“A” students in their majors. Dr. Goodlad commented that there may be people at this meeting who think that this is acceptable. However, when one considers the demands of teaching on the elementary and secondary levels, that is not good enough. There are going to be second chances for people returning, but they must be every bit as demanding and rigorous as the programs through which the majority of students go, he stressed.

Dr. Goodlad stated that he was not going to talk about the principles but that he had read them several times. He commented that they were very good but that he had heard them before. What marks these principles is that they are comprehensive and coherent and that they cover a great deal of issues external to teacher education. Those external issues are what the Board needs to be most concerned about. Dr. Goodlad added that he would come back to the issue of accountability on the part of the Board of Regents. All of the principles deal with accountability and the type of person the System wants to graduate from its education programs. Having endorsed the principles as sound, comprehensive, and coherent, Dr. Goodlad wanted to move to the issues of implementation, conditions necessary for that implementation, and financial support. He wanted to confine his remarks to no more than 20 minutes in order to allow the Regents to raise questions.

Dr. Goodlad made one last introductory statement. A few years ago, the Center performed a study of all of the major reform reports on schooling from 1892 to 1986. Commissions, committees, and so on were examined nationwide with regard to what they were recommending for the reform of schooling. Not one of them said anything significant about teacher education. Likewise, all of the major committee and commission reports on teacher education were also studied, and those reports said nothing about schooling. This is one of the major problems that he would be addressing with the group of school and university faculty that he would be addressing after his presentation to the Board. The problem is that in order to bring about a coherent, integrated, comprehensive teacher education program, there has to be a partnership between the schools that provide the practice and ultimately employ the teachers and the colleges and universities that are providing the grounding that precedes and accompanies the practice. Until 1986, there was no serious addressing of that connection. Since then, there has been a great deal of it with the Holmes Group, the Carnegie Forum on Teaching and the Economy, and in his own work, and the importance of this connection is now being recognized. Of course, the Regents have control primarily over the colleges and universities, but they must also link with the bodies that are responsible for the elementary and secondary schools.

Implementing the principles requires much more than just holding people accountable, said Dr. Goodlad. The Center has been working with another Board of Regents for the past year in what is intended to be a major overhaul of teacher education in that state, and at this point, the language of the discussions is still mostly about accountability and very little about developing capacity. If the colleges have tough standards, like requiring that all teachers must be accredited by an accrediting agency that is approved by the Federal Department of Education, there has to be a provision for capacity building, insisted Dr. Goodlad. That is the point at which that state's Regents and Dr. Goodlad are stalemated at this time, because that board is staggered by the cost of developing capacity to meet those standards, but this problem must be addressed.

Dr. Goodlad wanted to deal with two specific aspects of the issue of teacher preparation. The first was the implications of the considerable rhetoric regarding the general education and subject matter preparation of teachers. Added to that was the professional preparation of the teachers to deal with a diverse array of students in the classroom, and added to that was the understanding of teachers as to the fundamental historic role of the nation's public system of schooling. Dr. Goodlad explained that the public system of schooling

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was created as if there exists an inalienable right to become inculturated into the social and political democracy of which we are a part. There is very little acknowledgment of this these days, because the emphasis of schooling now is placed on preparing a workforce. However, the basic function of our elementary and secondary schools, though it includes preparing for the workforce, is to “civilize the young,” stressed Dr. Goodlad. That is a role of moral stewardship of a school. However, his research has indicated that future teachers have very little grasp of this responsibility and very little ability to recognize the moral dilemmas that are inherent in schools. Dr. Goodlad asked, “So with those three things to prepare for and be accountable for, what is that going to take? And are the Regents prepared to face up to the fact that teacher education has been characterized throughout its history with there always being institutions that will do it on the cheap?” In his research, Dr. Goodlad found that to be the case in Georgia. As he studied teacher preparation in Georgia in the late 1980s, every institution studied could tell him where the weak spot was in the State. Dr. Goodlad would not reveal which institution that was, but he assumed it was probably better today. It is an extraordinary opportunity to be in a state where the Board of Regents has responsibility for the entire University System so that it is in a position to ensure that there is not one institution that allows students to complete teacher education programs in a much shorter time.

Dr. Goodlad stated that he is committed to the notion that every single teacher should be one of the best educated members of the community, and he assumed that the Regents shared this view. In the Flexner Report on medical education produced in 1910, Flexner’s first concern was that the physician be an educated person. That may be important for the medical profession, asserted Dr. Goodlad, but it is far more important for the teaching profession because teaching is the only occupation that uses the subject matter of the arts and sciences as its tools. No other profession does that. If that is the case, teachers must be thoroughly well educated people, and Dr. Goodlad expressed no tolerance for teacher education programs that do not include the requirement that you meet the full graduation requirements of the arts and sciences of the college or university. That itself is a four-year commitment. As a matter of fact, his research shows that it is more than that. He did not find a single college or university in his sample in which a student was able to graduate with only the standard 120 semester hours. The lowest he found was approximately 127 semester hours; the mode was over 130. In some institutions, teacher education was close enough to a minor to be included in those graduation hours, particularly for secondary school teachers. However, in many institutions, the only way a teacher could graduate in close to four years was by taking 18 semester hours a semester and going to summer school and then ultimately graduating in the middle of the year. Dr. Goodlad interviewed hundreds of students who told him that they did not like the lack of truth in the institution’s advertising. If they had known it would take nearly five years to finish a teacher education program, they would have planned for it. The tragedy in this situation is that higher education should be a thoughtful, reflective process. Dr. Goodlad asserted that the refinement of a person is a transition from being a student to being a teacher. That is a profoundly reflective process of self-transcendence. If it is rushed, as he has witnessed, it does not accomplish its purpose. Moreover, 80% of the teacher preparation programs he studied were of that nature.

So, if the Board wants to implement the principles, it cannot be done in four years, contended Dr. Goodlad. There are a few very bright students who can carry the 18 semester hours and summer school, but by and large, there will be students taking courses and credit hours for a long time. There was one state that implemented his recommendation that all the students meet the general education requirements of the institution and would get a bachelor of arts or science degree for completing those requirements; during those four years, they would have field experiences and seminars directed to teaching and would begin their teacher education programs. Then, there would be a fifth year of intensive internship and reflective seminars, many **STRATEGIC PLANNING COMMITTEE, “COMMITTEE OF THE WHOLE”**

of them collaborative with the college of arts and sciences, and at the end of the fifth year, students would get another bachelor's degree in teaching. Dr. Goodlad remarked that Chancellor Portch is probably familiar with such programs, as some British institutions have such postbaccalaureate bachelor's degrees. Such programs also existed in Canada at one time. The state that implemented that program found that the program did not last very long, because parents began to complain that before the students could do it in four years and now they had to go for five years. If that were the case, the students would go across the lines to the next state, where they could get the education degree more easily. Dr. Goodlad said, "Let them go." The first person to back down in that institution was the provost, and the dean of education was reprimanded for having implemented this program, which clearly was a quality program. For Dr. Goodlad, the heartbreaking part of all this was that when the college went back to the four-year program, the people who protested most were the students who went through the five-year program who declared how outstanding the program had been. When discussing accountability, the Board must ask itself whether or not it is prepared to be accountable for providing the conditions which make it possible to meet the principles.

The second aspect that Dr. Goodlad wanted to discuss and stressed was exceedingly important was that youngsters will have encounters with mathematics and involvement in the reading process in their early years. He asserted that we pay a terrible price for the beginning years of schooling for which few teachers are adequately prepared. He asked the Regents, "Are you aware of how much preparation the average teacher receives in the United States?" and he replied, "One and one-half courses." He said that some children learn to read very easily and naturally, but for other children, learning to read is very difficult. What teachers learn in a course on the teaching of reading is little more than how to group the students into three groups and what kinds of materials are relevant for those three groups. Then, they have three groups of students, A, B, and C, which turn out to be a self-fulfilling prophesy, because even if the students in the C group could work into the B group, they rarely do. Likewise, the students in the B group rarely make it into the A group. The C group will move into the lower tracks in the middle and high schools. It is a self-fulfilling prophesy that costs colleges and universities millions of dollars in remedial work, which still does not work too well. So, the Board has recognized one of the most crucial issues there is, that teachers must do the job right in those early years. Dr. Goodlad stated that this will require a restructuring of the educational delivery system, because it will take a long time to prepare every teacher to diagnose reading problems. The debate over whole language teaching versus phonetics is a fallacious debate, he insisted, because those who work in education know that youngsters learn in different ways. A phonetic approach may work for some students, while the whole language approach works for others, and other approaches work for still other students. However, teachers are not prepared to teach many different approaches. Dr. Goodlad said that he could read before he went to school, but halfway through the first grade, he could not read anymore. At the end of the year, his parents learned that he was going to be retained in the first grade. It was the only time his parents ever intervened in his schooling. His father came to talk to the teacher and the principal. He did not understand why his son could read before he came to school and not be able to read by the end of first grade, and he insisted that they put his son in the second grade. The teacher said, "No good will come of it." So, Dr. Goodlad joked, he began the second grade and no good came of it.

Preparing teachers is a very important thing, Dr. Goodlad insisted. He stated that Dr. Kettlewell is providing wonderful leadership for moving education forward in Georgia and that he would next be meeting with the relevant group of educators. What must be done is to join the colleges and universities with the schools, he stressed. In one of the Center's studies, schools connected to the colleges that prepare teachers are equal partners in preparing the teachers with the professors in education and the arts and sciences and future teachers will go into those schools in clusters. He referred to them as partner schools, but he said the Holmes **STRATEGIC PLANNING COMMITTEE, "COMMITTEE OF THE WHOLE"**

Group calls them professional development schools and some people call them teaching schools. In these types of schools, master teachers are developed and cultivated who will become the people responsible for immersing new teachers in practice. What that does is bring the university faculty into the schools. That includes professors with doctor of education degrees in the teaching of mathematics and the teaching of reading. Those professors need to be involved in the delivery systems of the schools. For example, Dr. Goodlad visited Westview School in Provo, Utah, one of the school-university partnerships in the National Network for Educational Renewal. The school was not prepared for Dr. Goodlad's visit, but the principal had seen him giving an address at a conference locally and had asked him to visit the school. So, he visited the school for about 45 minutes and was stunned. In that school was the new cohort of students in the new completely redesigned teacher education program at Brigham Young University. Also in that school were teachers who had been prepared under the old program. Dr. Goodlad asked what the difference was between the students in the new program and the teachers from the old program. They responded that the students at the partner schools are able to do as juniors what the other teachers were only able to do when they began teaching. In other words, by the time the students complete their programs, they will be two or three years into the teaching experience. The other remarkable thing was that in the room was the professor of the teaching of mathematics from the university. Dr. Goodlad asked her how she changed her behavior in this very powerful school-university partnership. She responded that she used to teach her class on the campus and tell her students to pretend they were second graders, and it was very hard for the adults to pretend they were second graders. Now, she comes to the school and teaches the youngsters and then talks about it with her students. She also helps the teachers in the primary years with how they go about diagnosing severe reading disabilities.

Dr. Goodlad asserted that if such partner schools were added to every teacher education program in the United States, it would cost several billion additional dollars. However, if the adjunct faculty who supervise student teachers were removed and master teachers were placed in the schools instead, the costs would not go up at all. In fact, they would remain exactly the same. He stressed that whether this was an expensive maneuver depended greatly on how it is done and that it can be done at present cost.

The four-year program with the fifth year added, which Dr. Goodlad had previously discussed, he stressed is required to meet the principles and is indeed going to cost more money. However, Georgia's commitment of millions of dollars to preschool and the HOPE Scholarship is incredible. Dr. Goodlad said that he wished Governor Miller would come to Washington and talk about it with the legislature. He added that this is a Governor whose rhetoric is education and who was elected by putting education on the forefront. He then opened the subject for discussion.

Regent McMillan noted that some states have five-year programs where a master's degree is granted at the end of the fifth year. He asked what Dr. Goodlad felt about that.

Dr. Goodlad stated that there is language confusion that must be watched out for carefully. There is a difference between a five-year program and a fifth-year program. If there is a five-year program, there are only socialization experiences in the freshman and sophomore years in which a person is identified as a future teacher. The program would actually start in the junior year after a formal admissions process, in his recommendation. Dr. Goodlad noted that this program structure is clearly explained in a chapter of his book, *Educational Renewal: Better Teachers, Better Schools*. There are three years after the sophomore year of combining the arts and sciences with field experiences, etc. He felt that there is a problem with the master's degree because the fifth year is primarily field experiences, internships, etc. Dr. Goodlad asked, "What does **STRATEGIC PLANNING COMMITTEE, "COMMITTEE OF THE WHOLE"**

a master's degree mean after that?" He asserted that the degree process has been cheapened. He is

recommending a bachelor's degree that takes five years. This was tried in Washington, but students did not know why they should go to the University of Washington for five years to get a bachelor's degree in education when they could go to another institution and get a master's degree in the same amount of time. That is where the Board of Regents can play a powerful role, stressed Dr. Goodlad.

Dr. Goodlad further commented that the master of arts in teaching degree ("M.A.T.") was a one-year program leading to a master's degree and that he doubts its value. The only reason the M.A.T. was established was because it was introduced at Harvard University, he remarked. In 1948, the program was created at Harvard, and since then, there have been many M.A.T. programs. He recalled that when he was in high school in Vancouver, British Columbia, there were students from the University of British Columbia who were preparing to teach in the high school who had bachelor's degrees from the university. They were teaching for a year in the high school, and then, they would receive a bachelor's degree in education. This is the kind of program that he is talking about.

Regent Clark asked Dr. Kettlewell whether a master's degree in education commands a higher salary in Georgia.

Dr. Kettlewell stated that it does.

Regent Clark commented that this was clearly the reason students choose to get the master's degrees. He suggested that if the System converts to a five-year teacher education program, some method needs to be established to give five-year students a higher salary.

Dr. Goodlad said there was no reason whatsoever to look at all beginning teachers the same. It would be better if in accompanying the decision to move to a five-year program, the five-year degrees earned the same as the master's degrees. It would be a nice raise to all new teachers at the start.

Regent Coleman reiterated that a student might go out of Georgia to get an education degree in four years. He further speculated that if students from other states obtain their bachelor's degrees and Georgia's education programs slow down, the students who went to the other states might get ahead of the Georgia graduates in the job market. He asked what Dr. Goodlad's experience had been with regard to the marketplace after such a program has begun.

Dr. Goodlad said that certainly this has always been a cash cow for some institutions and that it will continue to be. However, there is an accreditation process. Dr. Goodlad was in on the very beginning discussions of the National Council for Accreditation of Teacher Education ("NCATE"). The major reason for the creation of NCATE was reciprocity. The idea was that if a set of standards could be agreed upon by an accrediting agency nationwide, then it will provide reciprocity from Georgia to California or anywhere else in the nation, but only if the colleges agree to be accrediting institutions that will meet common standards. NCATE has been under fire for a number of years, and it is very aware of this. There is a second accrediting agency establishing itself currently, so there may end up being two accrediting agencies. NCATE has tried very hard to stay on top of things, and Dr. Goodlad is currently working with NCATE to develop standards for professional development schools. So, NCATE is on the forefront. He felt that Regent Coleman's concern would fall into the realm of accreditation. Also, if the most prestigious universities in the nation would begin **STRATEGIC PLANNING COMMITTEE, "COMMITTEE OF THE WHOLE"**

five-year programs, it would make it more fashionable to have higher standards. If presidents of institutions would come together on the issue, they could have a hand in this. So, the institutions must strongly support teacher education and put it high on their priorities. Seeing that there were no more questions, Dr. Goodlad thanked the Board and stepped down.

Dr. Muyskens thanked Dr. Goodlad for his provocative and challenging remarks. He stated that his advice would certainly help the Board in its implementation of the principles, which will begin at the May 1998 meeting of the Strategic Planning Committee. Then, Dr. Muyskens turned the Regents' attention to the principles themselves. He noted that the revisions to the principles were in red ink so that they were easily distinguished from the original principles. Those revisions reflect the discussion of the Board with Mr. Isakson and Superintendent Schrenko.

Dr. Muyskens pointed out that in the first principle, Regent Clark had suggested stipulating that teachers be teaching in-field and language had been added to that item to reflect that. In the second principle, the recommendation from Mr. Isakson and Regent Baranco had been incorporated to add a strong emphasis on the subjects of reading and mathematics. Additionally, Regent Baranco had specifically requested adding the following sentence to the text of the second principle: "A strong emphasis on these two subjects in the early years will help students to develop the foundation necessary for successful progression throughout high school and into college." Dr. Muyskens agreed that this addition better reflects the discussion of the March 1998 meeting. He stated that he would like to add that sentence into the document of the principles to be approved. In the fifth principle, the importance of reading and mathematics is again reinforced. Finally, in the tenth principle, wording had been added to reflect the Board's concern that the improvements to teacher education make a real difference in practice. This wording should ensure that the research does have an impact on the actual experience of teachers in the classroom. Dr. Muyskens concluded by stating that those were the only changes to the principles, and he would entertain any discussion by the Regents.

Regent Coleman moved to approve the principles, and the motion was variously seconded. Motion made, seconded, and unanimously adopted, the Board approved the "Principles for the Preparation of Educators for the Schools." (The "Principles for the Preparation of Educators for the Schools" are on file with the Office of Academic Affairs.)

Chair Leebern thanked Dr. Muyskens and Dr. Goodlad for their excellent presentation. He then recessed the meeting of the Committee of the Whole.

With motion properly made, variously seconded, and unanimously adopted, the Board was reconvened in its regular session.

Chair Clark called for a short break at approximately 10:15 a.m.

AUDIT COMMITTEE

The Audit Committee met on Tuesday, April 7, 1998 at approximately 11:05 a.m. at Albany State University. Committee members in attendance were Chair Charles H. Jones, Vice Chair George M. D. (John) Hunt III, and Regents Kenneth W. Cannestra and J. Tom Coleman, Jr. Chair Jones reported to the Board on Wednesday that the Committee had reviewed two items, neither of which required action. Those discussion items were as follows:

1. Discussion of Fiscal Year 1999 Audit Plan

Mr. Levy G. Youmans, Assistant Vice Chancellor for Management & Audit Advisory Services, with Senior Vice Chancellor for Capital Resources Lindsay Desrochers, presented to the Committee a status report on the Fiscal Year 1999 Audit Plan. Mr. Youmans reported on two potential audit areas to be considered during the risk assessment. Preliminary analysis indicates that student financial aid programs and security and control issues relating to the Banner Student Information System should be emphasized and considered as potential outsourcing projects in the plan. The Committee also recommended adding an internal auditor at each of the following institutions: Georgia College & State University, Clayton College & State University, Columbus State University, and Georgia Southern University.

The Fiscal Year 1999 Audit Plan will be presented for approval at the June 1998 meeting of the Board of Regents.

2. Discussion of Fiscal Year 1998 Audit Plan

Chancellor Portch led a discussion on completed audits and corrective action plans as well as audit activity and reports of Floyd College, Southern Polytechnic State University, and the Regents Central Office. Three key areas of concern in the audits are the Albany flood recovery, special initiatives funding, and technology inventory. The Chancellor stressed that despite the fact that the audit staff of the University System is small in number, they are doing a great deal. They are aware of and acting on the deficiencies brought to their attention by Mr. Claude Vickers, State Auditor. The overall audit was good, and a corrective action plan has been submitted to the State Auditor on the inventory matter.

COMMITTEE ON FINANCE AND BUSINESS OPERATIONS

The Committee on Finance and Business Operations met on Tuesday, April 7, 1998 at approximately 1:20 p.m. at Albany State University. Committee members in attendance were Chair Kenneth W. Cannestra, Vice Chair Glenn S. White, and Regents Thomas F. Allgood, Sr., J. Tom Coleman, Jr., George M. D. (John) Hunt III, Edgar L. Jenkins, Charles H. Jones, and Donald M. Leebern, Jr. Chair Cannestra reported to the Board on Wednesday that the Committee had reviewed four of the following eight items (Items 2, 3, 4, and 5) as a Committee of the Whole on Tuesday, April 7 and that all of those items had been approved by the Committee of the Whole. Chair Cannestra requested that the Board reaffirm the approval of those items and that it also approve the other four items, which were discussed by the Committee in its regular Committee meeting. With motion properly made, seconded, and unanimously adopted, the Board approved and authorized the following:

1. Amendments to Fiscal Year 1998 Budget

Approved: Pursuant to new procedures for amending the University System budget, the Board approved the consolidated amendments to the fiscal year 1998 budget of the University System of Georgia, as presented below:

<u>UNIVERSITY SYSTEM OF GEORGIA</u>				
<u>FISCAL YEAR 1998 BUDGET AMENDMENT REPORT</u>				
<u>SUMMARY</u>				
<u>FOR THE MONTH OF APRIL 1998</u>				
	<u>ORIGINAL</u>	<u>APPROVED</u>	<u>REQUESTED</u>	<u>AMENDED</u>
<u>BY BUDGET</u>	<u>BUDGET</u>	<u>AMENDMENTS</u>	<u>AMENDMENTS</u>	<u>BUDGET</u>
<u>Operating</u>	<u>\$3,197,544,095</u>	<u>\$33,262,437</u>	<u>\$1,531,441</u>	<u>\$3,232,337,973</u>
<u>Capital</u>	<u>149,262,649</u>	<u>9,305,836</u>	<u>510,766</u>	<u>159,079,251</u>
<u>Auxiliary Enterprises</u>	<u>264,943,337</u>	<u>19,806,739</u>	<u>1,001,985</u>	<u>285,752,061</u>
<u>Student Activities</u>	<u>42,881,116</u>	<u>4,825,670</u>	<u>441,103</u>	<u>48,147,889</u>

Background: Each year, institutions are required to establish budgets considering all funds. It is not uncommon that over the course of the year, circumstances will warrant changes in spending plans or revenue estimates. When these occur, institutions are required to submit budget amendments for Board approval. The monthly budget amendment report highlights and discusses amendments where changes exceed 5% of the budget or add significant ongoing expenses to the institutions. The following amendments were presented for review by the Board of Regents in accordance with these guidelines:

COMMITTEE ON FINANCE AND BUSINESS OPERATIONS

Capital: Clayton College & State University requested authority to increase its budget by \$70,091 to reflect the receipt of a grant and the transfer of prior year auxiliary reserves. Georgia College & State University requested authority to increase its budget by \$43,732 for the transfer of prior year auxiliary reserves. Kennesaw State University requested authority to decrease its budget by a net \$630,875 to reflect the decision not to fund two major projects and to shift funds for the purpose of constructing the campus services building approved at the March Board meeting. Middle Georgia College requested authority to increase its budget by \$319,473 to include higher than anticipated interest income and the transfer of auxiliary surplus and prior year renewal and replacement reserves. These funds will be used for capital projects, including the replacement of an air conditioning unit.

Auxiliary: Kennesaw State University requested authority to increase its budget by \$798,958 to reflect a higher than anticipated increase in bookstore sales. Middle Georgia College requested authority to increase its budget by \$202,027 to reflect unanticipated revenue from student housing, food service, and campus store revenue.

2. Action Item: Approval of Fiscal Year 1999 Budget Allocations

Approved: The Board approved the allocation of the State appropriation for fiscal year 1999 among the various institutions and operating units of the University System of Georgia.

This item was discussed in full by the Committee on Finance and Business Operations as a Committee of the Whole. (See pages 18 through 33.)

3. Action Item: Approval of Fiscal Year 1999 Tuition and Nonresident Fees

Approved: The Board approved the tuition rates for fiscal year 1999 to become effective in the fall semester 1998 and, for the Georgia Institute of Technology, to become effective for the fall quarter 1998. The tuition rates for fiscal year 1999 are on file with the Office of Capital Resources.

This item was discussed in full by the Committee on Finance and Business Operations as a Committee of the Whole. (See pages 18 through 33.)

Background:

Undergraduate Resident Tuition: 3% Policy

Last August, a Task Group on Resident Undergraduate Tuition was convened and charged by the Chancellor with two assignments: 1) to recommend a ground rule for resident undergraduate tuition increases for the long term for the University System of Georgia and 2) to recommend a level of increase in resident undergraduate tuition for fiscal year 1999. The task group recommended that tuition rates be increased by 3% next year. This level of increase represents the minimum needed to ensure that tuition revenues for the System as a whole comprise 25% of formula-generated funding. This is the State requirement for State/student cost sharing. The longer-term issue is still under review by the task group. The resident undergraduate tuition rates that were presented for consideration and were approved by the Board were based on this recommendation.

COMMITTEE ON FINANCE AND BUSINESS OPERATIONS

3. **Action Item: Approval of Fiscal Year 1999 Tuition and Nonresident Fees** (Continued)

Semester Tuition Rate Conversion

All tuition rates proposed for fiscal year 1999, with the exception of tuition rates for the Georgia Institute of Technology, are based on the semester system. The Georgia Institute of Technology will move to the semester system beginning fall semester 1999. It was approved that tuition rates for the summer quarter 1998 be increased by 3% overall with other policy adjustments occurring in the fall semester 1998, as indicated.

Tuition “Plateau” Exceptions: Georgia State University and DeKalb College

Under the February 1996 Board policy directive, Georgia State University and DeKalb College were to adopt the tuition “plateau” model in effect at other University System institutions where resident undergraduate students taking 12 credits are considered full-time and pay no additional tuition for credits taken beyond 12. Both Georgia State University and DeKalb College currently charge on a per credit hour basis using 15 credits to define full-time status. Transition to the 12 credit plateau model in one year would result in resident undergraduate tuition rate increases in excess of 25% at each campus. It was approved instead that both Georgia State University and DeKalb College be allowed to move to the new model over two years.

Graduate Program Policy: 5% Increases Over Four Years

Proposed tuition rates for graduate programs were increased by 5% (in addition to the 3% adjustment) in accordance with the tuition policy directive adopted by the Board in February 1996. This was the third year of the policy initiative.

Nonresident Full Cost Policy

The proposed tuition fees for nonresident students were increased to amounts equal to three times the proposed resident in-state tuition rates, as mandated by Board policy directive adopted April 1995. This was the final year of implementation of the Board’s policy directive to raise nonresident student tuition to full cost.

Professional Program Policy

In accordance with Board policy, institutions are authorized to request separate tuition rate adjustments for select professional programs. The purpose is to provide additional funds for program improvement and to allow programs to remain competitive with peer programs in public colleges and universities in other states. Last year, the first effective year of the policy, tuition rate increases were approved by the Board for law, pharmacy, and veterinary medicine programs at the University of Georgia, master’s of business administration and nursing programs at Georgia State University, and a master’s in management program at the Georgia Institute of Technology. Recommendations regarding tuition rate increases for these programs and others are on file with the Office of Capital Resources.

COMMITTEE ON FINANCE AND BUSINESS OPERATIONS

4. Action Item: Approval of Fiscal Year 1999 Mandatory Student Fees

Approved: The Board approved the increase and/or adjustment in mandatory student charges for various institutions of the University System of Georgia. Fiscal year mandatory student fees are on file with the Office of Capital Resources.

This item was discussed in full by the Committee on Finance and Business Operations as a Committee of the Whole. (See pages 18 through 33.)

5. Action Item: Approval of Fiscal Year 1999 Salary Administration Policy

Approved: The Board approved the Statement of Salary and Wage Administration, which is as follows:

SALARY ADMINISTRATION POLICY **FISCAL YEAR 1999**

The Board of Regents allocated to each institution funds equivalent to a 6% salary increase for all employees. These increases must be provided on the basis of merit. With these funds, the institutions may grant merit salary increases to individual employees. It is expected that individual merit salary increases will be reasonably distributed among employees in amounts ranging from 0% to 10%. Salary increases may exceed 10% for employees exhibiting exceptionally meritorious performance. Salary increases which exceed 10% must be justified individually in writing when the budget is submitted. Salary increases for 12-month faculty and nonfaculty employees, academic and nonacademic, shall become effective September 1, 1998, as required by action of the General Assembly.

This item was discussed in full by the Committee on Finance and Business Operations as a Committee of the Whole. (See pages 18 through 33.)

6. Action Item: Approval of Nonresident Fee Waivers for Full-Time Georgia National Guard Members

Approved: The Board approved waiver of the nonresident fee for full-time members of the Georgia National Guard.

Background: The Georgia National Guard has been experiencing loss rates of 20% to 24% annually of its authorized strength according to a report of the Georgia State Senate Study Committee on Georgia National Guard Future Mission Requirements, chaired by Senator Jack Hill. The report found that educational incentives are a critical factor in recruiting individuals and retaining them for the duration of the first six-year enlistment. The study committee proposed that the Board consider the fee waiver to assist the Georgia National Guard in its future recruitment efforts.

It is expected that the number of out-of-state National Guard members who would benefit from this program would be relatively small, less than 30 per year. The number will increase annually as guard members progress through their academic programs while additional new members take advantage of the fee waiver. Based on current rates, the cost would be less than \$30,000 Systemwide in the first year. This amount can be expected to increase but still represent a marginal tuition revenue loss on a Systemwide basis. Active-duty National Guard members are already eligible for a nonresident fee waiver.

COMMITTEE ON FINANCE AND BUSINESS OPERATIONS

7. Clarification of Contracts Policy

Approved: The Board approved that its policy be revised to clarify presidents' authority to execute contracts that pertain to goods and services in their institutions' day-to-day operations. Specifically, it was approved that the following language replace existing language in Section 709.01A:

Except for the contracts which are reserved to the Board or Chancellor by this policy manual, all contracts necessary for the daily operation of the institution and all contracts for goods and services not regulated by the Division of Purchasing of the State of Georgia can be executed by the head of each institution. This limited delegation of contracting authority to the executive head of each institution is in addition to all other delegations contained in this policy manual.

Background: Presidents in the University System of Georgia are charged with the day-to-day management and operation of their institutions. In the course of this responsibility, they manage hundreds, sometimes thousands, of goods and services contracts each year. In fact, over 25,000 contracts or agreements are managed Systemwide each year. As a matter of practical necessity, these contracts are approved by presidents in order to maintain smooth and timely operations in all services.

Contracts include, but are not limited to, research, trademarks, athletic event agreements, hotel booking agreements, purchases, consulting services, day care, study abroad agreements, and so forth. Some contracts are regulated by the Department of Administrative Services, while others are not. This clarification in policy ensures that presidents are acting within their authority in authorizing and carrying out such contracts and agreements.

The change does not affect any contract area specifically reserved to the Board, such as contracts for capital outlay construction, leases agreements, construction projects, settlement agreements, and some other contracts specifically cited in Board policy.

8. Action Item: Amendment to Fiscal Year 1999 Mandatory Student Fees at Middle Georgia College

Approved: The Board approved the request of President Joe Ben Welch of Middle Georgia College ("MGC") to increase MGC's athletic fee from \$60 to \$100.50 per semester, effective fall semester 1998.

At the Chancellor's recommendation, the Committee required MGC to submit a report by January 1999 on the status of fund raising for its intercollegiate athletic programs and to work with the Central Office staff to set an appropriate percentage of the total budget which should be raised from private funds.

COMMITTEE ON FINANCE AND BUSINESS OPERATIONS, "COMMITTEE OF THE WHOLE"

Chair Kenneth W. Cannestra convened the Committee on Finance and Business Operations as a Committee of the Whole on Tuesday, April 7, 1998 at approximately 1:20 p.m. at Albany State University. In addition to Chair Cannestra, Board members in attendance at this meeting of the Committee of the Whole were Vice Chair Glenn S. White and Regents Thomas F. Allgood, Sr., David H. (Hal) Averitt, S. William Clark, Jr., J. Tom Coleman, Jr., A. W. "Bill" Dahlberg, Hilton H. Howell, Jr., George M. D. (John) Hunt III, Edgar L. Jenkins, Charles H. Jones, Donald M. Leebern, Jr., Elridge W. McMillan, and Edgar L. Rhodes.

Chair Cannestra explained that the Committee of the Whole would be reviewing the fiscal year 1999 budget allocations. He expressed gratitude to Governor Zell Miller and the General Assembly for their outstanding commitment to the improvement of education in the State of Georgia, which was demonstrated in the allocation given to University System for fiscal year 1999. Through much hard work on the part of all of the institutions, the allocation was obtained which would be presented by the Chancellor, Senior Vice Chancellor for Capital Resources Lindsay Desrochers, Associate Vice Chancellor for Fiscal Affairs William R. Bowes, and others from the Central Office. Chair Cannestra commented that allocations are hard to determine but that the process worked well and involved all institutions to ensure that they were treated fairly and had an opportunity to be heard. The items cover allocations, tuition, both resident and nonresident, as well as mandatory student fees and the salary policy. Chair Cannestra reminded the Board that this was a special initiative by the Regents on how the fees seemed to be in some respects out of line. There was a special audit conducted to try to understand fees and why they were different from institution to institution as well as what they were being used for to be certain there were no misappropriations or use of fees for things other than what the fees were intended to be used for. Chair Cannestra expressed that there was now a clear understanding of those fees and now there will be a strict accountability on fee increases. He further commented that there were a few fee decreases. Chair Cannestra reported that he worked with Dr. Desrochers' office, and he was satisfied with the quality of the allocations which would be presented at this meeting. In closing, he asked the Regents to hold their questions until the end, because there would be several presentations which would likely answer questions that might be asked. With that, Chair Cannestra introduced Chancellor Portch.

The Chancellor thanked Chair Cannestra. He explained that he would like to begin with a few budget highlights. First, he commented that only two weeks before the Board meeting, the legislature had completed action on the budget. He made that comment because he wanted to remind the Regents that they had the materials on these allocations mailed to them about 12 days after the budget was officially passed. That took an extraordinary effort on behalf of the Central Office's three-member budget staff: Dr. Desrochers, Mr. Bowes, and Ms. Shelley Clark, Budget Director. He expressed his appreciation for their efforts and added that the reason they were able to do this was that for 10 of those days, the Chancellor was out of the country and not asking for constant budget reanalysis for new data and new ways of looking at things.

Chancellor Portch said that this was a budget which has three themes. First of all, the State budget allocation is the strongest State allocation in the history of the University System. This was an extraordinary session where Governor Miller, the House, and the Senate, all working together, were enormously responsive to and supportive of the System's budget request. The Chancellor asserted that Governor Miller wanted to end his term and career as Governor on the highest note possible for the University System, and he certainly did. Secondly, there has been no lower tuition increase recommended for Georgia resident undergraduates since at least 1982. The Chancellor said that the Board wanted to keep fee and tuition levels at very reasonable levels, and they are below national averages for tuition at every sector. The staff worked hard this year, together with the presidents and a task force, to look

carefully at tuition for the short term. Now, they are **COMMITTEE ON FINANCE AND BUSINESS OPERATIONS, “COMMITTEE OF THE WHOLE”**

looking at tuition for the long term. There are policy considerations and different approaches to tuition which need to be examined in the long term. The Chancellor added that the staff may bring something before the Board in the next year on that issue. The 3% undergraduate resident increase meets the Board's expectations, and the System is now beginning to reap the full benefits of three policy changes the Board made: 1) charging nonresident students the full rate for their tuition, 2) making graduate tuition reflect the higher cost of a graduate education, and 3) making professional programs tuition likewise reflect the higher costs of those programs. Some of the income from these programs helps offset the cost of resident undergraduate tuition, and the Chancellor asserted that it is the undergraduate residents having their first opportunity to have access to higher education that the System most wanted to impact with the low tuition increase. The third theme of the budget had to do with student fees. In response to the Board's suggestion that there should be more Board involvement in the fee setting, the staff recommended turning down or reducing fee increases more often than it actually recommended approving the increases. For any approval above the 3% level, the staff insisted that the data support such an increase and that there be business plans behind all of the auxiliary fee increases. It has been a year's work culminating in the budget allocations which would be presented to the Board at this meeting.

The Chancellor expressed that he wanted to report to the Board the highlights of the State budget. The overall budget increase was 5.7%. That was an extraordinary increase, considering State agencies were limited to asking for no more than a 4.5% increase. So, the increase actually exceeds what was the maximum allowable request in part because the Governor's initiative on the salary increases was outside of the System's budget request. So, the 5.7% reflects very well on the support for this particular agency.

The Governor, in an earlier meeting with the Chancellor and several System presidents, asked what was the most important thing he could do in terms of helping the University System move forward. The Chancellor and presidents responded that competitive faculty salaries were the number one thing that could be done across the State to make an impact on the System. The quality of the faculty and staff is critical; the System is in a national and international market for those staff members, so its ability to show competitiveness is vital. At that time, the Chancellor and presidents also told the Governor that a huge increase in one year is not what potential faculty look at. They look at the pattern and whether the State has a commitment to funding faculty salaries at a reasonable level. Chancellor Portch commented that the Governor's commitment in the last four years has been remarkable, and he projected that it will bring the System to the top of the 13 Southern states. There was a delay in the effective date of the pay increase from July 1 to September 1, but at the same time, there was significant improvement in the retirement benefit for a great number of the System faculty and staff.

The third highlight the Chancellor discussed was the \$5.6 million increase in major renovation and rehabilitation (“MRR”) funding, both within the formula and with the special increase. That brings the System to 1% of overall building replacement. This represents a 53% increase in MRR over the last three years, since the Board decided to make MRR a priority. The Chancellor remarked that 1% is not a place to stop; 1% will not be sufficient. He speculated that the Regents who have businesses with many buildings likely have 2% to 3% allocated for MRR funding. So, this allocation will need to be continually built up over the long term. However, the progress the Board has made over the last three years on this item is one of the most responsible things it can do as a point of public policy. He commended the legislature for recognizing and supporting MRR as a critical need.

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The fourth highlight was the \$10 million increase in the formula budget. The Chancellor was happy that the legislature recognized that the decline in enrollment which occurred in 1996 was the anomaly of the Summer Olympics, with 92% of the loss of enrollment being in that summer at institutions which were close to the Olympics, and also recognized that those are the dollars that we will be funding the students who attend System institutions this fall and that to cut the formula budget at a time when the System is about to serve some additional students was not the right thing to do. Candidly, the Chancellor said that this would have been an easy place for the legislature to say it was not going to support the budget. Again, the Chancellor praised the legislature and Chair Cannestra for working with the staff to insist that this was something that must be included in the budget request.

A major funding request was \$6 million for instructional technology. The Chancellor commented that this is something that the System has “a healthy appetite for” but that is a tremendous investment which allows the System to be on a regular replacement cycle and to have sufficient staff to train the faculty and to maintain the technology.

The Chancellor was also very pleased that the System received full support for the Post-secondary Readiness Enrichment Program (“PREP”). Three years ago, the legislature gave the System seed money of \$300,000 for this program. The System has now raised \$6.4 million in private funds. With that result, the System went back to the legislature to get additional funding to leverage approximately \$8 million to \$10 million more by the year 2001. Chancellor Portch expressed that he was particularly proud of the PREP efforts in Albany, and in that region, the System has one of its most successful PREP programs. The mentoring program is related to the PREP program and was also helped by the increase of \$1.6 million in the overall PREP budget.

Chancellor Portch reminded the Board of the gifted academies at State University of West Georgia (“West Georgia”) and Middle Georgia College (“MGC”), which have proved enormously successful. He reported that the legislature also gave full support to them.

There was much enthusiasm about the Statewide Desktop Learning Program, which was also fully funded by the legislature. The Georgia Institute of Technology (“GIT”), along with a number of other System institutions, will pilot this program, delivering complete degrees from desktop computers only.

Another item the Chancellor highlighted was the Intellectual Capital Partnership Program (“ICAPP”). He reminded the Board that it had made a commitment to invest heavily in increasing the number of people qualified to work in information technology.

Chancellor Portch directed his attention next to the supplemental budget. He commented that this subject was for the Board’s information rather than its action at this time. The System received an additional \$2 million to start its upgrade of the Georgia Library Learning Online (“GALILEO”) software. In last year’s session, there was some money left on the table in instructional technology, which the Governor added to the supplemental budget to fill in the gaps. The System received \$5 million in the supplemental budget, which has to be expended by June 30, 1998.

COMMITTEE ON FINANCE AND BUSINESS OPERATIONS, “COMMITTEE OF THE WHOLE”

The final highlight the Chancellor noted on the State budget was that the Governor recommended that all agencies redirect 5% of their existing resources and that the Governor and the legislature would make judgements on whether that 5% stayed within an agency or got redirected to another agency. The Chancellor remarked that the University System is probably the only agency in each of the four years of the redirection program to have its entire 5% sent back to it. He credited this to the strength of the redirection plan that the Board put in place. Chancellor Portch was very proud of this. In closing, he thanked all the people who worked so hard to make the budget possible. He said he would comment further on this at the full Board meeting on Wednesday, April 10, 1998 in his Report to the Board, but that it was clear why he felt this was the strongest State budget in the history of the University System. He then introduced Dr. Desrochers, who would be discussing the allocations.

Dr. Desrochers thanked the Chancellor and explained that she would first be discussing the allocations (Item 2, p. 14). She began by stating that this process is not done in a vacuum. Rather, there are hearings each year with the 34 System institutions. The institutions are asked for their specific budget requests, their redirection plans, their recommendations on how to redirect System funds as well as what their enrollments look like for the past and future. In particular this year, a preview of their mandatory fees was requested. Each campus is unique, and there is no better way to understand them than through this process, explained Dr. Desrochers. Some of the institutions are experiencing explosive growth, while others are looking for quality improvements of a very strategic nature. Some have terrible space and operational needs, and all of them have issues with technology. They must keep up with changing technology in instruction, in research, and in administrative processes.

Dr. Desrochers stated that once the Central Office staff have met with all the institutions, it is ultimately the responsibility of the Chancellor and Senior Vice Chancellors and their staffs to develop an allocation strategy. They try to create an approach which maximizes the use of resources and which is both fair and equitable, but not all institutions will like the outcome. In developing the strategy, the Governor's guidelines are used: 5% redirection, which is split between the institutions and the System, and a 4.5% enhancement that each agency is allowed to request from the Governor. To start the assessment, the staff examined the actions that the General Assembly has taken on the Governor's budget as they pertain to the formula funds, any of the special initiatives, which the Chancellor referred to, and the strategic goals of the Board. Dr. Desrochers said, "It's a balancing act. It is a balance of factors that go into the choices that we finally bring here to you today as recommendations." The overall allocation strategy is based on several factors, the most important of which is enrollment. Then, a figure is determined for each institution that the staff feels is fair and equitable and will maximize the use of the System's resources. The staff takes into account enrollments, but they do not rely solely on enrollments to determine allocations of funds. The Board has passed a comprehensive enrollment plan, and the staff are looking at campuses each year to see whether they are going in the direction of that plan. This year in particular, but in other years also, the staff seek to reward track records of excellence and collaboration in programming. They do not just want formula-driven allocations; they want excellence in the programs. So, there is substantial redirection of funds to good programming. The staff try to identify from the campus requests good initiatives which serve the Board's goals. Also, this year in particular as well as in previous years, the staff try to keep institutions within an acceptable range of expenditures per student in each of the sectors, particularly the four-year universities and the two-year colleges. Some campuses are very high in expenditures, while others are very low. The staff do not feel expenditures should be standardized across the System. Rather, there should be a range. So, the staff attempt to determine that range, even though there are really some institutions outside on either end. Another **COMMITTEE ON FINANCE AND BUSINESS OPERATIONS, “COMMITTEE OF THE WHOLE”**

factor that goes into the balancing relates to information system changes that are necessary because of year 2000 and also because of the need for quality improvement in administrative services. The staff have designed a recommendation, which Mr. Bowes would next be discussing, that maximizes the use of resources and saves institutions a great deal of money. These are tough decisions; they are made with deliberation and analysis. The staff end up with a figure for each campus that has been carefully determined. In closing, Dr. Desrochers noted that the 6% merit salary increase is added into the allocation. This increase reflects the personal excellence of the System employees. The salary policy (Item 5, p. 16) carries forward the concept of distribution on the basis of personal excellence in the workplace.

Overall, the State budget is \$2 billion. Dr. Desrochers explained that people often hear about the \$3.5 billion of the whole budget, but that there are other resources, including auxiliary funds, federal research grants and contracts, etc., that contribute to that higher total. The \$2 billion that Dr. Desrochers was referring to was the State budget alone, and for the rest of the presentation, she and the other presenters would be focusing more specifically on the \$1.8 billion which is State appropriations for institutional budgets, the “primary horses” that carry the program. Tuition and other revenues are added to those State appropriations to form the core budget for all 34 System institutions. Dr. Desrochers said that Mr. Bowes would be summarizing this core budget, but she first wanted to thank her staff, Mr. Bowes and Ms. Clark. She commented that it was a “small but mighty” staff and that she was very proud of them. She recognized that everything cannot always be done perfectly, but her staff is doing as good a job as it possibly can. Then, Dr. Desrochers introduced Mr. Bowes.

Mr. Bowes thanked Dr. Desrochers for her compliment and greeted the Board. He explained that he would be focusing on the \$1.8 billion of the budget directed at the System institutions, and he referred the Regents to a table in their Board books which was also presented as a PowerPoint slide. The budget base from fiscal year 1998 is \$1.64 billion, which includes tuition and other revenue. This base budget contains two very important adjustments that are taken off the top. The first is the \$36.5 million institutional redirection, and the second is the \$24.3 million System-level redirection. New funds for the salary increase of \$65.4 million, which includes fringe benefits, are added on to the base. With regard to institutional redirection, all of the institutions met or exceeded their required redirections. Mr. Bowes expressed that the staff were pleased with the work the institutions had done in that area. The System-wide redirection added to the institutional redirection totaled \$60.9 million. There were eight categories used this year to group the System-wide redirection: instructional effectiveness, economic development, technological innovation, increasing productivity, high-priority academic programs, collaboration, new facilities costs, and System service to institutions. Within each of these categories, there were a number of projects, programs, or other items of cost that represent specific allocations to the institutions which reflected their requests and which were based on the Board’s strategic priorities. There were too many for Mr. Bowes to go over all of them, but he wanted to highlight a few as examples.

In the category of collaboration, Mr. Bowes said that the staff were recommending funds for the Educational Leadership Program at Albany State University which is offered at Georgia Southwestern State University. They were also recommending funds to initiate an innovative teacher preparation enhancement program that will be conducted in collaboration with the local school systems. In the category of technological innovation, one of the items the staff were recommending was funding to support the new instructional media center at Armstrong Atlantic State University. Under high-priority academic programs, the staff were recommending

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a large amount of the \$5.7 million allotment to fund 36 new faculty positions at the University of Georgia

("UGA") as well as to fund faculty positions at other System institutions, and in particular, two new faculty positions in the health service management program at Macon State College. As a final example, under instructional effectiveness, at Kennesaw State University ("KSU"), the staff recommended funds for teacher education improvements related to National Council for Accreditation of Teacher Education ("NCATE") accreditation.

Mr. Bowes wanted to briefly mention the System service to institutions, because he felt it was a very important category this year. A few months ago, the staff gave the Board an update on the PeopleSoft implementation project, which was formally begun in January 1996. The recommendation is for an allocation of \$3.5 million, which will continue the implementation of the first phase of the PeopleSoft project and which will be used to get the human resources and payroll system installed by the start of fiscal year 2000. This is the year 2000 solution, reminded Mr. Bowes. The staff has adopted, with the encouragement of the System presidents, a centralized implementation support strategy. This means that the database development and maintenance will be the responsibility of the Central Office as will some of the key implementation decisions, at least with regard to those 30 institutions that are participating in this project. This approach has a significant financial advantage to the System because it will reduce the overall cost to the institutions for not only the implementation but also the support once the system is installed. It is projected that this will save somewhere around \$15 million to \$20 million overall for the System. So, there is a great benefit to be obtained by being a centralized system and being able to take advantage of those savings.

Next, Mr. Bowes referred back to the allocations table. He explained that there was a \$4.2 million allocation for the National Patterns of Excellence Awards. This is a continuation of funding for some projects with some funds being set aside for new projects this year. Mr. Bowes explained that Dr. Muyskens would next be explaining this program and how it will be managed in fiscal year 1999.

He further explained that there was a total of \$28.8 million in special funding initiatives, both new and continuing. He did not want to go over all of these, but he would explain how the allocation would be distributed across the categories. One of the special funding initiatives is ICAPP, which has about \$4.1 million in funding this year and which would also be further discussed by Dr. Muyskens. The next category, instructional tech funds, received \$6 million this year, as the Chancellor had previously explained. Of that, \$4 million is an appropriation to the base, while the other \$2 million is included as part of the \$28.8 million special funding initiatives allocation. The System received nearly \$10 million in formula funding. Approximately \$6.4 million was used to make enrollment adjustments. With the new formula money, the System tried to recognize enrollment growth in institutions and to make adjustments which would enable it to close the gap between and among institutions within each sector with respect to their spending for equivalent full-time students. There are also legislative adjustments included in the allocation. One significant example includes funds provided for Georgia Southern University. Consistent with the Board's efforts to encourage institutions to acquire rather than lease facilities, Georgia Southern University will receive \$2 million this year to acquire the temporary facilities that it is currently leasing. The last category in additional funding is the increase received for MRR (\$5.6 million). This will bring the total funding for MRR up to \$46.7 million next year and put the System at 1% of the overall building replacement value. Adding these items together resulted in the total fiscal year 1999 State general operating budget of \$1.82 billion.

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Mr. Bowes wanted to speak briefly on the source of funds; \$1.3 billion of the State general operating budget was from the State appropriation. The balance of that was tuition and other revenue of \$481.4

million. Those together make up the revenue source of \$1.82 billion.

Chair Cannestra introduced Regent Dahlberg, who had a question.

Regent Dahlberg noted that on the System services, there was an approximate \$3.5 million appropriation for some standardized systems and that there were 30 institutions on that system.

Mr. Bowes explained that there are a total of 33 institutions that will be implementing PeopleSoft this year. When he had said 30 institutions, he had been referring to the fact that GIT, for instance, was part of the implementation, but it is doing the implementation on its own. Actually, Georgia State University ("GSU"), for example, is working with the budget staff on the human resources and payroll element of PeopleSoft. GSU is doing the financial systems implementation on its own. Similarly, the Medical College of Georgia will be implementing both systems on its own. So, all of the institutions are on board in this implementation, but it is being handled somewhat differently at the research institutions.

Regent Dahlberg asked whether all System institutions would be on board for this initiative.

Mr. Bowes stated that all institutions would be on board except UGA.

Regent Dahlberg asked whether UGA was on its own, separate system.

Mr. Bowes replied that it was.

Regent Dahlberg asked whether UGA was incurring some year 2000 costs that were not being corrected with this system.

Mr. Bowes responded that this was true.

Regent Dahlberg commented that he understood this issue from his own line of business and asked whether there was a plan that, over time, the institutions would all be on one system.

Mr. Bowes asked Dr. Desrochers to speak to this question.

Dr. Desrochers said that UGA has an information system that it feels is working, but that the Central Office staff has opened discussions with President Michael F. Adams about the possibilities for the future. UGA has a very large operation, however, and it is confident the system is working and will be year 2000 ready. Nonetheless, Dr. Desrochers felt the door was still open to talk about how UGA may migrate to the PeopleSoft system sometime in the future.

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Chair Cannestra added that this issue was discussed early on when the Board first looked at PeopleSoft and the Board made the determination that the UGA system appeared to be working well for it and providing the information that UGA needed. So, the Board decided to implement PeopleSoft for the other 33 institutions and to revisit the issue at a later date.

Regent Dahlberg had another question. He asked whether the monies that are subtracted from the

redirections are balanced against what the respective institutions want them directed to or whether they were redirected somewhere else in the System.

Dr. Desrochers replied that there was redirection in that the monies were taken directly off the top of the budget based on the sizes of the budgets of the particular institutions. Then, each institution made requests for redirection of any of those System-level redirection monies for particular kinds of programs that they think are valuable and that are assessed in the group according to the Board's strategic parameters.

The Chancellor clarified that the redirected funds do not return to the institutions in direct proportion to how the monies were redirected from the institutions.

Regent Dahlberg restated his question. He wanted to know whether, if he were a particular institution that was giving back 5% in redirected funds, there were no test in the other 33 institutions against the value of what he gave back.

Dr. Desrochers answered, "No." She reiterated that the funds come off the top. Each institution must make that determination.

Chancellor Portch remarked that the "reality test" was probably that institutions would not include in their 5% programs that they do not want to give up. The presidents have reported that each year of redirection has gotten tougher.

Chair Cannestra next introduced Dr. Muyskens to speak before the Board.

Dr. Muyskens thanked Chair Cannestra. He added that for the last two years, Academic Affairs has been part of the budget process and he appreciated this. However, he felt that this involvement has contributed to the liveliness of the discussions as the factors are weighed into the allocations. He explained that he would be talking about two programs: the National Patterns for Academic Excellence Awards and a particular ICAPP program designed to fit workforce needs.

First, Dr. Muyskens discussed the National Patterns of Academic Excellence and Program Collaboration Awards. He reminded the Board that this was its program and that this was the end of the third year of the program. This program was established as a competitive grants process. He reminded the Board that these decisions were made three years ago at a Board meeting which took place in Brunswick, Georgia. At that point, there were two major goals of this initiative. One goal was to encourage collaborative efforts across institutions, hoping thereby to increase efficiency and effectiveness. The other goal was to enhance excellence as set by national benchmarks, hence the title of the program. Dr. Muyskens stated that this was the Board's first significant effort to allocate funds to institutions on a basis other than incremental enrollment growth. In the process, Academic Affairs received 190 collaborative grant proposals. Of these, **COMMITTEE ON FINANCE AND BUSINESS OPERATIONS, "COMMITTEE OF THE WHOLE"**

21 were funded. Also, the office received 31 national patterns of excellence proposals, and of those, 3 were funded. Each year, these programs have been reviewed to monitor their success in meeting the objectives of the Board and the proposals. During the past several months, the staff of Academic Affairs reviewed the comprehensive evaluations for all 24 of these projects, and on the basis of that, the staff were making some recommendations. Dr. Muyskens explained that the recommendation is that of the \$4.2 million in the program at this point, \$3.3 million be reinvested in the projects. Roughly \$900,000 would be held back, \$389,000 as reserves for continuing programs that are still under review and that need some modifications as well as some responses to reviewers' comments and \$500,000 for new programs. In allocating this reserve for new programs, it is the intention of the staff to give priority to proposals from institutions that did not receive funding the first time around. Dr. Muyskens expressed that the success of

this initiative reflects very favorably upon the institutions that developed them and the value added in these proposals confirms the Board's wisdom in creating this program three years ago.

Next, Dr. Muyskens turned to the information technology initiative that is part of ICAPP. He held up a brochure for everyone to see which shows the ICAPP program. He reminded the Board that Vice President Gore had been in Georgia the previous week to be involved in this particular project, and he expressed that he was very proud of it. This particular program comes out of the Office of Human and External Resources, under Senior Vice Chancellor Arthur N. Dunning. Dr. Muyskens reminded the Board of the work that Annie Hunt Burriss, Assistant Vice Chancellor for Development & Economic Services, does to spearhead such efforts. The reason Dr. Muyskens would be presenting this initiative to the Board was because it focuses on some academic programs that are important to meet an urgent need. He reminded the Regents that the Chancellor had discussed \$840,000 in new monies for the ICAPP program. However, Dr. Muyskens would be discussing a \$1.6 million item. In addition to the \$840,000 in new monies, roughly \$800,000 had been added from earlier ICAPP projects that had been successful and from which that funding now has rolled over to start some new efforts. The aim of this particular technology initiative is to meet critical shortages of technologically competent workers, not only in this State, but also across the country, which the Board discussed last year when it did its comprehensive planning. Dr. Muyskens affirmed that the project is simple. There have been many studies that prove there is a widening gap between supply and demand. So, the proposed solution is to close that gap by increasing the supply. The strategy is to marshal System and industry talent and expertise to create the very courses that industry needs. This would be accomplished by an immediate expansion of specialized computer-related courses, training programs, certificate programs, and degree programs that industry needs. Dr. Muyskens explained that the Regents had been given a five-page document spelling out in greater detail that initiative and also listing the institutions that will be pilot sites for this initiative. The six institutions were selected as pilots because they already have some strengths in the information technology arena, have experience working with industry, can gear up to respond quickly, and are highly motivated to be involved.

Dr. Muyskens then outlined the key elements of each of the pilot projects. First, the courses and programs must be dispatched to students wherever the need is identified. Therefore, the System will be making great use of distance learning technologies. Second, the curriculum must be updated continually and refined by experts not only within the academy but also from industry. Third, projects must be designed for quick results, because the need is urgent. Fourth, each program will have very specific production goals. The funding for this effort is one-time funding. This is seed money following the underlying principle of ICAPP.

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So, the pilot projects that will survive are the ones that can make it on their own after two years with the enrollment funding that they generate.

In closing, Dr. Muyskens expressed that the groundwork has been set for a very effective response to a crucial need within the State and that he was happy that the legislature had provided additional funding to do this. Through this effort, the System will be a strong partner in helping Georgia's companies remain competitive with a skilled workforce comfortable with cutting-edge technology. Dr. Muyskens said that in May 1998, the Committee on Education, Research, and Extension will be hearing more about this, because there will be proposals from pilot sites that will come up for Board approval. This concluded the allocation portion of the presentation. Dr. Muyskens then turned the floor back to Dr. Desrochers, who would be discussing tuition increases.

Dr. Desrochers began by explaining that the Chancellor had covered the tuition item (Item 3, p. 14-15); however, she wanted to make a few comments on that issue. First, the tuition increase was 3% for undergraduate resident students. Second, some of the other policy changes of the Board, including those relating to the out-of-state students and graduate students, help create more revenue that allows that undergraduate resident tuition increase to be as low as it is. In summary, she remarked that when the System is examined in relation to other states (based on a survey performed of all states around the country by the Washington Coordinating Board), it is evident that in the 1997-1998 academic year, the System's undergraduate resident student tuition rates compared favorably in all three sectors of the University System. In other words, the System's tuition rates remain below the national average in all sectors. Dr. Desrochers assured the Board that it is the System's goal to stay below the national average with respect to resident undergraduate students.

Dr. Desrochers next discussed the issue of mandatory fees (Item 4, p. 16). The Chancellor and Chair Cannestra had both briefly addressed this item, but Dr. Desrochers wanted to more fully discuss it. At the April 1997 meeting of the Board, there was a very healthy discussion about mandatory fees, including athletics, student activities, health, parking, etc. This year, through the Coopers and Lybrand study, a very good analysis was obtained that informed the staff and the Board of what causes differences in fees across the institutions. Also, in April 1997, there was a recommendation from the Budget Responsibility Committee of the General Assembly which said that the System should formalize more the way it reviews the fees to make better judgements. She expressed her agreement with that recommendation and added that this year, the staff has followed through on it. The staff has required each campus to submit complete business plans with financial information, revenues and expenditures, broken down in detail and to tie those revenues and expenditures to goals and themes. She reported that the results of this exercise were fair, considering the limitations and the number of staff doing this analysis. The staff asked for a great deal from the institutions and they got some, but it is a start. Given the extent and the completeness of data from the campuses, the staff had to create a strategy for handling all of the requests. They looked at institutions that made requests over 3%. Where institutions had not submitted complete and thorough data, the staff limited their requests to 3%, even though they may have requested 15%, because the staff simply did not have the basis to make the judgement the Board would expect them to make in bringing forward recommendations. Many institutions came within this guideline on fee programs. Of 17 institutions that asked for athletic fee increases, 6 full or partial requests were granted above the 3%. A number of others were limited to 3% because of the data issue. Of 13 institutions that asked for activity fee increases, 6 were being recommended for full or partial fee increases at this meeting. Of 7 campuses requesting health fee increases, the staff were recommending 5 **COMMITTEE ON FINANCE AND BUSINESS OPERATIONS, "COMMITTEE OF THE WHOLE"**

Of 3 campuses requesting transportation fee increases, the staff were recommending 2. GIT requested a parking rate increase that is related to its parking deck that is part of the capital budget, and the staff were recommending that. There was one extraordinary request that came from MGC. President Joe Ben Welch was present at the meeting to present this to the Board. Dr. Desrochers explained that during the March 1998 meeting of the Committee on Finance and Business Operations, there had been some discussion of this matter. President Welch had requested a significant increase in MGC's athletic fee. The staff felt that this was an extraordinary increase and that it needed to be understood by the Board, so they were not making a recommendation on it at this meeting of the Committee of the Whole. In fact, the staff were recommending that this item be held over for the Committee on Finance and Business Operations to review later in the afternoon and that President Welch give a brief presentation to the Board about that request.

In conclusion, Dr. Desrochers commented that it has been a very dynamic year. Of her three years working for the Board, this was the year that the staff had really sunk their teeth into the tuition and mandatory fees issues. She stated that the staff had followed the clear direction of the Board and that they have raised the standards for interactions with institutions on how these requests are analyzed and that the related materials should demonstrate that. Dr. Desrochers then asked the Chancellor to come forward to discuss the salaries issue with the Board.

Chancellor Portch explained that the Board had before it for action a salary policy that is consistent with what it has approved before and which recommends that the System distribute an average of 6% salary increase based on merit (Item 5, p. 16). This is something the System has traditionally done. The distribution from last year reflects a very full range between 0% and 10%, essentially a bell curve, which he explained was to be expected in a responsible exercise. He mentioned this because it is traditional also that a few months after the salary increases are made, the Regents get letters from those who received less than 6% saying that the distributions were unfair. He assured the Board that such people are fully aware that the raises are distributed based upon merit. A distribution chart for each campus is examined, and the percentages for low-paid employees versus highly paid employees are analyzed to determine the average salary by percentage increase. So, there is a great deal of analysis to ensure that the salary increase distribution is fair and equitable. The only change in the salary policy from previous years was the addition that the implementation date be September 1 rather than July 1.

In closing, the Chancellor summarized the overall budget presentation by saying that the legislature supported the Board's budget initiatives. The staff heard and followed the Board's instruction on tuition increases, and they believe it is appropriate for Georgia to be a low-tuition state, but that the Board did not want to see automatic increases every year. Finally, the Board had asked the staff to pay more attention to student fees. The Chancellor felt next year would be an easier year for fees for everyone. The institutions have not before experienced this type of review and rejection, and rejection does not come easy. So, he expected that next year, the process will go more smoothly. In conclusion, Chancellor Portch remarked that the joys of a budget in a state with an annual budget is that it is done over again. The staff have already begun their conversations for the year 2000 budget. Of course, those conversations must be held with an understanding that there will be a different political environment in a year. He assured the Board that "there will be life for the University System after Zell Miller." He added that Governor Miller has put the University System in an extraordinary position to do some remarkable things into the next century. The System will not be taking a back seat in its budget initiatives, but it may need to rethink some of its strategies. The Chancellor welcomed any of the Regents' thoughts on that issue. He further commented that the day after the legislative session ended, which **COMMITTEE ON FINANCE AND BUSINESS OPERATIONS, "COMMITTEE OF THE WHOLE"**

was a Friday, Vice Chancellor for External Affairs Thomas E. Daniel took the day off. The Chancellor jokingly remarked that he spent that day planning for next year's budget.

Chair Cannestra commended the Governor and the legislature as well as the System presidents for doing a “fine job” on the budget. He added that he felt the budget allocations were the best they could have been for everyone concerned. He asked for a motion to approve the four items of the agenda that had been discussed by the Committee of the Whole. There was a motion, and then, Chair Cannestra opened the floor for discussion of the items.

Regent Clark asked whether, with regard to the faculty 6% salary increases, there was any recourse for a faculty member who feels he or she was treated unfairly in the process. He asked whether a person could get a “second opinion” from someone in the Central Office on whether he or she merited a better salary increase or whether it was left for the president to decide. He said that some people feel the presidents give better raises to their favorite employees while the people “in the trenches” get smaller raises.

Chancellor Portch replied that this was a slant that people commonly like to put on the salary increase process. He asserted that the reality is that the presidents are the final step in the process and that all they are essentially doing is ensuring that the process was fairly performed. Most salary increases are determined at the departmental level, are then recommended to the dean level, often through provosts, and then are sent to the presidents. So, there are three or four steps at most institutions before the raises are finally approved. Secondly, there are appeal processes. Every institution has an appeals process, usually before a group of peers. In fact, this is appealable up to the Board level.

Regent Clark commented that this was useful information for the Board.

Regent Jones asked whether some employees received salary increases greater than 10%.

The Chancellor explained that it was possible but that it would have to be individually justified in writing through the Central Office. There are not a large number, but in extraordinary circumstances, it is possible. Chair Cannestra added that a chart in the Board books showed how many employees get over 10%.

Regent Jones asked what the System enrollment was now.

Chancellor Portch replied that it is just under 206,000.

Regent Jones asked whether the out-of-state fees were not already too low in Georgia and whether the System was being fair to itself. He added that he agreed that a 3% increase was sufficient for in-state students, but he expressed the concern that the 3% increase plus the 5% increase for out-of-state students was not enough.

Chancellor Portch replied that the important thing was that the policy change has been completed that stipulates that out-of-state students are paying 100% of the cost of their instruction. There is no longer any

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State subsidy for the instruction of out-of-state students. In simpler terms, for every dollar that a student from the State of Georgia gives to the University System, the State of Georgia gives three. Out-of-state students must pay all of their own tuition.

Regent Jones lauded this as “well done.”

Mr. Bowes added that going into the fourth year of this policy, the increases for the out-of-state students are fairly significant. The nonresident tuition is three times the in-state tuition. Some of the increases were in the neighborhood of 16% for out-of-state students.

Regent Jenkins noted that West Georgia requested a substantial increase in activity fees that was denied. He asked Dr. Desrochers what was the story behind that particular item.

Dr. Desrochers explained that the staff had a different plan with regard to that particular case than it ended up with at this meeting. The request from President Beheruz N. Sethna was a request to begin to charge a fee under the activity category that would be set aside to help West Georgia renovate and expand its student center. Originally, the staff was going to ask President Sethna to come before the Board, because he was requesting such a large increase. However, in discussions with the staff in the weeks preceding the Board meeting, President Sethna decided that he would hold that item over until next year. So, she said, the Board should expect to see it next year.

The Chancellor added that it had not been denied, but rather it had been withdrawn until next year.

Regent Hunt commented that the taxpayers in Georgia would likely want to thank the Chancellor and his staff for keeping tuition below the going rate for out-of-state tuition.

Regent Allgood asked about the counties that border Georgia near its institutions.

Chancellor Portch reported that any of the System institutions with a border county, meaning a county in a neighboring state that borders on the county containing the institution, treats those border counties as in-state. In the case of Augusta or Columbus, for instance, the counties in South Carolina and Alabama, respectively, which border on Georgia are counted as in-state.

Regent Allgood asked whether the border states would in some way reciprocate this kindness.

The Chancellor stated that he did not want to use the word reciprocate, because it has some technical meanings. However, border states usually do have the same agreement or go beyond reciprocation. He further stated that other states that are trying to attract Georgia students sometimes extend in-state tuition to other parts of the states. To his knowledge, Chancellor Portch said that in all cases, the border counties all treat this issue equally.

Regent White asked whether the survey by the Washington Coordinating Board had a Southeastern average tuition.

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Dr. Desrochers replied that it did not, but the Southern Regional Education Board does, and she said that she could provide the Regents with that.

Chancellor Portch added that there are 15 states in the Southern region and that Georgia is about sixth or seventh, around the middle range. The most important figure with regard to tuition, he commented, is the relationship of tuition to average family income in the State. That data is rarely examined, but the capacity of the taxpayers to pay tuition is important. In the last survey regarding such data, Georgia ranked thirty-seventh in the nation in the relationship between family income and the cost of tuition. So, it is certainly a low-cost state.

Regent White expressed that he would like to see more of that type of data. He also had a few questions regarding the budget allocations. He noted that the KSU allocation increased significantly, and he asked why that was.

The Chancellor responded that one of the categories that Dr. Desrochers had explained had to do with expenditure ranges. KSU has had explosive growth; in that sector of the System institutions (the four-year universities), it is by far the lowest with regard to cost per student. So, this increase was to accelerate the narrowing of that gap. He commented that Wisconsin used 20% plus or minus the average of the sector, whereas in this case, the System had tried to use approximately 15%. KSU had grown so quickly that its budget had not kept up with that, but the System needed to make an effort to bring that in closer relationship. KSU still will have the lowest expenditures per student in that sector.

Regent White also noted that under activity fees, there were two institutions that had high increases as well, GSU and Georgia Southern University, and he asked why.

Dr. Desrochers replied that in each of those cases, the staff examined the full set of data that was submitted and made a determination that the purposes for which those institutions were requesting the additional funds were reasonable purposes. She could not remember the particular purposes for those two institutions, but she stressed that an important point to keep in mind with regard to the activity fees is that when activity fee increase requests come to the staff, they usually are coming from the students. Then, those requests must be screened by the presidents and the Central Office staff. So, activity fee increases generally reflect additional programs that the students are requesting. Even so, the staff examines such requests to ensure that they fall into an appropriate expenditure level.

Chancellor Portch announced that President Carl V. Patton of GSU was present at the meeting and could address his institution's request.

President Patton stated that Dr. Desrochers had explained the process perfectly and that the request had come from the students. A committee of students screens the request and then passes it on to an advisory committee, which sends it to him for his recommendation.

Regent White asked if the significant increases in athletic fees reflected new programs being undertaken at the particular institutions.

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Dr. Desrochers responded that, in the case of athletic fees, frequently the issue is gender equity, having to meet the requirements of Title 9. However, the staff only allow those requests where they were persuaded that those female-added sports were needed and the expenditure levels were appropriate. There were a number of other campuses that wished to have similar adjustments but that did not provide the staff with adequate data.

Regent Averitt asked whether the Board would see an analysis of the allocation of redirected funds by institutions.

Dr. Desrochers stated that she could provide a fairly large list that explains, institution by institution, the redirection dollars for exact purposes. She had it with her at the meeting and could provide a copy for the Regents. The list would provide information regarding how much was taken away proportionally from each campus and how much was redirected for programmatic requests.

Regent McMillan asked whether some of the athletic fee requests were to make up for deficits in the athletic funds.

Chancellor Portch replied that there were a couple of instances of that.

Dr. Desrochers added that the Board would be hearing about an instance of that during the meeting of the Committee of Finance and Business Operations and that President Welch of MGC would be explaining that request.

Chair Cannestra asked the Board if there were any further questions or comments.

Regent Hunt asked why it costs \$300 million to send 30,000 students to UGA, while it costs \$42 million to send 10,000 students to Valdosta State University. He noted the difference in the costs of education at those two institutions.

The Chancellor remarked that this was an excellent question. He explained that the different missions at the institutions account for that. For example, at a research institution, the highest level of its mission requirement is to teach doctoral students. Doctoral student instruction is the most expensive, because it is almost a one-on-one type of instruction, often at a scientific level requiring very expensive equipment. So, the percentage of students who are graduate or professional students raise the overall costs of education at those institutions. Secondly, the expectation of the faculty to be earning research grants also has an expense, which plays into the cost of education. So, it really is a function of the mission differential, which is one of the reasons that the staff have been very stringent in trying to restrict the missions of the institutions to a reasonable level. If the System had ten more research institutions, the expense would be enormous. He felt that the System has a good balance right now. He further commented that to teach 30 students freshman composition, an institution can hire an adjunct instructor to teach at a reasonable cost. Chancellor Portch asked Assistant Secretary to the Board Jennifer E. Fairchild what she was paid to teach freshman composition as a part-time instructor at GSU.

Ms. Fairchild replied that teaching freshman composition part-time paid approximately \$2,000 a quarter per class.

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The Chancellor speculated that it may cost \$2,000 to teach one doctoral engineering student for one semester, depending on that student's course work.

Regent Dahlberg noted that if it was a research institution, it would have another source of revenue, the research grants. On this budget, only the State allocations were highlighted. He asked whether, if all sources of revenue were represented, there would be such a differential.

Chancellor Portch stated that there would, though not to the same extent.

Regent Dahlberg said that it probably would be helpful to see a budget with all revenue sources on one sheet.

The Chancellor responded that each year is begun with that type of budget. In a couple of months, Mr. Bowes will be back before the Board, walking it through the full budget. At this time, the Board was only looking at the funds to be allocated.

Regent Hunt stated that he would like to see how the costs of education compared undergraduate to undergraduate, excluding the graduate and professional components.

Chancellor Portch explained that it would be very hard to do, but he felt the undergraduate costs at a research institution would, in some cases, be lower at the freshman and sophomore levels than at other institutions, which is primarily a function of the larger class sizes at those levels at most research institutions. So, it would likely be bimodal: lower at the freshman and sophomore levels and higher at the junior and senior levels. He asked President G. Wayne Clough of GIT whether he wanted to comment further on that issue.

President Clough commented that this was likely to be the case. He added that at a research institution, for \$140 million in State funds, there are \$260 million in extramural research funds, which are earned from other sources than the State of Georgia. So, GIT is leveraging State dollars. Even though the cost of education may be more expensive, GIT tries to bring in other dollars to support many of its programs.

The Chancellor added that if the outside revenues were deducted and then the average costs were compared with other institutions, the costs would seem much lower.

Chair Cannestra asked whether there were any more questions or comments. Seeing that there were none, he asked for a motion for the vote.

Regent Jones made the motion, which was variously seconded. With motion properly made, seconded, and unanimously adopted, the Board approved the Items 2, 3, 4, and 5 of the agenda of the Committee on Finance and Business Operations.

With motion properly made, variously seconded, and unanimously adopted, the meeting of the Committee on Finance and Business Operations as a Committee of the Whole was adjourned, and the Regents returned to their regular Committee meetings.

COMMITTEE ON REAL ESTATE AND FACILITIES

The Committee on Real Estate and Facilities met on Tuesday, April 7, 1998 at approximately 3:45 p.m. at Albany State University. Committee members in attendance were Chair J. Tom Coleman, Jr., Vice Chair Charles H. Jones, and Regents Kenneth W. Cannestra, George M. D. (John) Hunt III, Edgar L. Jenkins, Donald M. Leebern, Jr., and Glenn S. White. Chair Coleman reported to the Board on Wednesday that the Committee had reviewed ten items, eight of which required action. With motion properly made, seconded, and unanimously adopted, the Board approved and authorized the following:

1. Naming of Facility, Georgia Institute of Technology

Approved: The Board approved President G. Wayne Clough's request to name the Georgia Institute of Technology Administration Building the "Lettie Pate Whitehead Evans Administration Building" to honor Lettie Pate Whitehead Evans.

Examples of outstanding service rendered by Mrs. Evans are as follows:

- Upon the death of her husband, Joseph B. Whitehead, founder of Dixie Coca-Cola Bottling Co., in 1906, Lettie Pate Whitehead assumed control of the family's business interests.
- In 1934, Lettie Pate Whitehead Evans was the first woman to serve as a director of a major American corporation when she was appointed to the Board of Directors of The Coca-Cola Company, a position she held for nearly 20 years.
- Lettie Pate Whitehead Evans contributed to more than 130 charities during her lifetime and was a trustee of Emory University, Agnes Scott College, the American Hospital in Paris, and the Museum of Fine Arts in Richmond.
- Upon her death in 1953, Lettie Pate Whitehead Evans left the bulk of her estate to the Lettie Pate Evans Foundation with specifications that 15% of the interest income go to the Georgia Institute of Technology annually. The Georgia Institute of Technology has received more than \$30 million to date and will continue to receive this income in perpetuity. The current value of the Georgia Institute of Technology's share of her estate is \$327 million, making her contribution the largest in the history of the university.
- The Georgia Institute of Technology has benefitted over the last 44 years with funding from Lettie Pate Evans Foundation that has helped sponsor the Center for Rehabilitation Technology's Satellite Literacy Projects and major additions and renovations to various campus buildings, including numerous residence halls, labs, classrooms, the president's home, the library fountain, and the Whitehead Recreation Area.

9. Naming of Facility, Valdosta State University

Approved: The Board approved President Hugh C. Bailey's request to name the nursing building at Valdosta State University the "S. Walter Martin Nursing Building" to honor Mr. S. Walter Martin.

COMMITTEE ON REAL ESTATE AND FACILITIES

2. Naming of Facility, Valdosta State University (Continued)

Examples of outstanding contributions of Mr. S. Walter Martin are as follows:

- For 25 years, served in a number of positions at the University of Georgia, including Assistant Dean of Faculties and Dean of Arts and Sciences.
- Served as President of Emory University (1957-62).
- Served as Vice Chancellor (1962-66) and Acting Chancellor (1964-65) for the University System of Georgia.
- Served as President of Valdosta State College for 12 years (1966-78), during which time student enrollment and the number of faculty nearly tripled, and the number of degrees offered grew from 3 to 14.
- Published three books and about a dozen articles in historical journals.
- Is active in countless professional, community, and church organizations.

3. Naming of Facility, State University of West Georgia

Approved: The Board President Beheruz N. Sethna's request to name the social science building at State University of West Georgia the "Ward B. Pafford Building" to honor Dr. Ward B. Pafford.

Examples of outstanding contributions of Dr. Ward B. Pafford are as follows:

- Served as President of West Georgia College (1971-75), during which time the school structure of the institution was established, off-campus courses were expanded, and special effort was given to the recruitment of minority students.
- Within the University System of Georgia, also served as Dean of the College, Professor, and Vice President and Dean of Faculties at Valdosta State College, where he was named President Emeritus in 1978.
- Has held teaching positions at Clemson University, Emory Junior College, and Emory University, where he served as the managing editor and chairman of the editorial board of the *Emory University Quarterly*.

4. Rental Agreement, 2903 North Ashley Street, Valdosta State University

Approved: The Board authorized the execution of a rental agreement between Valdosta State University Foundation, Inc., Landlord, and the Board of Regents, Tenant, covering 38,009 square feet of space located at 2903 North Ashley Street, Valdosta, Georgia for the period from May 1, 1998 through June 30, 1998 at a monthly rental of \$4,083.33 (\$49,000 per year/\$1.29 per square foot per year), with the option to renew on a year-to-year basis for nine consecutive one-year periods at the same rate for the use of Valdosta State University.

COMMITTEE ON REAL ESTATE AND FACILITIES

4. Rental Agreement, 2903 North Ashley Street, Valdosta State University (Continued)

The Board also authorized the execution of a rental agreement between Valdosta State University Foundation, Inc., Landlord, and the Board of Regents, Tenant, covering 9,862 square feet of space located at 2903 North Ashley Street, Valdosta, Georgia for the period from May 1, 1998 through June 30, 1998 at a monthly rental of \$2,000 (\$24,000 per year/\$2.43 per square foot per year), with the option to renew on a year-to-year basis for nine consecutive one-year periods at the same rate for the use of Valdosta State University.

The Board further authorized the execution of a rental agreement between Valdosta State University Foundation, Inc., Landlord, and the Board of Regents, Tenant, covering 114,002 square feet of space located at 2903 North Ashley Street, Valdosta, Georgia for the period from May 1, 1998 through June 30, 1998 at a monthly rental of \$1,400 (\$16,800 per year/\$.15 per square foot per year), with the option to renew on a year-to-year basis for nine consecutive one-year periods at the same rate for the use of Valdosta State University.

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

The 38,009 sf. space is part of an old supermarket near north campus and will be utilized for the consolidation of plant operations. The space that plant operations currently occupies will be utilized for academic programs.

The 9,862 sf. space is part of an old supermarket and will be utilized for food service storage.

The 114,002 sf. is the parking lot and will be utilized for additional parking.

Anticipated operating costs are \$86,387 (\$1.80/sf.).

There is no other available space on the campus or in University System of Georgia facilities that is suitable to meet the needs of the functions, and it is reasonable for these functions to be located away from the main campus.

This building is currently owned by Valdosta State University Foundation, Inc. and is financed through local development bonds with the intent of gifting the property to Valdosta State University at the point when the bonds are retired.

5. Information Item: Facilities Condition Study

Vice Chancellor for Facilities William K. Chatham presented this item to the Committee. Currently, all campuses address their own major renovation and rehabilitation (“MRR”) needs independently. It is likely that a greater “value added to dollar expended” ratio could be achieved and that it may be possible to accomplish more comprehensive rehabilitation needs if the campuses had the benefit of a facilities assessment upon which to base annual MRR funding requests. The purpose of this pilot study will be to assess campus facility needs and develop a template by which institutions may have a uniformly applied system of requesting, justifying, and accounting for the funds needed to maintain all facilities at an accepted level or standard. This pilot study will incorporate three campuses that are typical representatives of University System institutions in both size and location.

COMMITTEE ON REAL ESTATE AND FACILITIES

6. MRR Allocation Two-Year Review

Approved: The Board approved amending the current allocations target formula for major renovation and rehabilitation (“MRR”), but it also requested that the staff follow up on the impacts of this formula in two years.

Senior Vice Chancellor for Capital Resources Lindsay Desrochers presented this item to the Committee. The amended formula will provide MRR funds to the campuses with a base of the fiscal year 1998 target funds, plus new fiscal year 1999 funds based on square footage and replacement value of buildings. The 3% cap on growth of MRR funds to the four research universities is removed. The elimination of the 50-year funding cap stays in place, and all campuses will have at least \$180,000 in their target allocations.

In August 1995, the Board approved a target allocations formula for MRR for a two-year period to be reviewed at the end of the two-year period. That formula, based on the square footage of space on campuses and replacement value of buildings, added a base amount of \$100,000 per campus, eliminating the 50-year age cap on buildings and limiting growth of dollars to four research universities to 3% annually.

Since fiscal year 1996, the MRR funding from the State has increased from \$30,500,000 to \$46,730,826. Each campus now has a base of at least \$180,000; the 1995 revision sought to assure at least \$100,000 to each campus.

Since fiscal year 1996, \$12,778,188 in additional project dollars has been allocated to 30 institutions other than the four research universities.

Additionally, given that the age cap of 50 years has been eliminated, no campus with a higher percentage of older buildings has been penalized.

The four research universities currently constitute 60.1% of the total square footage in the University System. The regional universities constitute 8.1% of the total square footage. The four-year schools constitute 21.2% and the two-year schools constitute 10.6% of the total square footage in the University System.

7. Exchange of Property, Georgia College & State University

Approved: The Board declared approximately 42.39 acres of land on the northeast side of U.S. 441 Bypass in Milledgeville, Georgia to be no longer advantageously useful to Georgia College & State University or other units of the University System of Georgia and authorized the exchange of this property for approximately 1.14 acres of land at 201 West Hancock Street, Milledgeville, Georgia, owned by Baldwin County, for the use and benefit of Georgia College & State University.

Vice Chancellor for Facilities William K. Chatham presented this item to the Committee. The legal details involved with the exchange of land will be handled by the Office of the Attorney General.

The 42.39 acres is part of a 617-acre tract acquired in 1967 but is separated from the remainder of the tract, which is used as Georgia College & State University recreational facilities, by U.S. 441 Bypass. Approximately 29 acres of this tract is in the flood plain.

COMMITTEE ON REAL ESTATE AND FACILITIES

7. Exchange of Property, Georgia College & State University (Continued)

The 1.14 acres contain the Old Baldwin County Courthouse, which was built in the 1880s and is on the National Register of Historic Places as a part of a group of 19 Georgia courthouses. It is bounded by Board of Regents property used by Georgia College & State University. This property would initially be used for storage at an estimated cost of \$400 per month using operating budget funds and for parking for approximately 50 vehicles. If additional parking were constructed on the campus, it would cost an estimated \$30,000 for these 50 spaces.

A future minor capital project request will be submitted for the adaptive reuse of the property. An environmental report indicates the existence of lead-based paint and asbestos that will require remediation.

The exchange of property has been approved by the Baldwin County Board of Commissioners. The president has negotiated with the county that a future use of the land might involve demolition of the building with the exception of the historic front facade, which would be retained and blended into a new building.

The appraised land values are as follows:

	<u>Appraised Value</u>	<u>Average</u>
<u>42.39 Acres</u>		
Wilson & Associates, MAI, Macon	\$152,000	
Watson-Easom Associates, MAI, Macon	\$221,300	
\$209,767		
Ashby Krouse, MAI, Augusta	\$256,000	
<u>Old Baldwin County Courthouse</u>		
Gerhardt & Contemporaries, MAI, Macon	\$142,000	
Watson-Easom Associates, MAI, Macon	\$200,000	
\$205,667		
Ashby Krouse, MAI, Augusta	\$275,000	

The building has been appraised to have no value.

8. Appointment of Architect , University System of Georgia

Approved: The Board appointed the first-named architectural firm listed on the following page for the identified major capital outlay project and authorized the execution of an architectural contract with the identified firm at the stated cost limitation shown for the project. Should it not be possible to execute a contract with the top-ranked firm, the University System would then attempt to execute a contract with the other listed firms in rank order.

COMMITTEE ON REAL ESTATE AND FACILITIES

8. Appointment of Architect , University System of Georgia (Continued)

Following current practice for the selection of architects, the following recommendation was made:

Project No. I-13, “Student Learning Center (Classroom)”

The University of Georgia

Project Description: 227,000 gross square foot classroom and library facility that will include 9 standard classrooms, 20 distance learning classrooms, 3 lecture halls, 3 general computer laboratories, electronic library/study area, Office of Instructional Development, and student lounge, together with ancillary support services.

Total Project Cost	\$42,792,000
Construction Cost (Stated Cost Limitation)	\$32,000,000
A/E (fixed) Fee	\$2,220,000

Number of A/E firms that applied for this commission: 34

Recommended A/E design firms in rank order:

1. Cooper Carry & Associates, Inc. of Atlanta
2. Tippett Clepper Associates of Atlanta, in association
With Ayers/Saint/Gross Architects & Planners of Baltimore
3. Thompson Ventulett, Stainback & Associates, Inc. of Atlanta
4. Pieper O'Brien Herr Architects of Atlanta

9. Rental Agreement, The Chastain Center, Kennesaw State University

Approved: The Board authorized the execution of a rental agreement between CSL Chastain Associates, Landlord, and the Board of Regents, University System of Georgia, Tenant, covering 50,110 sf. of space for use by the Continuing Education Center located at 200 Chastain Center Boulevard, Kennesaw, Georgia for the period from July 1, 1998 through June 30, 1999 at a monthly rental of \$43,846.25 (\$526,155 per year/\$10.50/sf. per year), with option to renew on a year-to-year basis for four consecutive one-year periods for the use of Kennesaw State University at the same rental rate for the entire five years. Operations costs, some of which are payable to the landlord, are estimated to be \$17,392 per month, or \$208,700 per year (\$4.16/sf. per year). The rental also includes the use of approximately 200 daytime parking spaces and 400+ additional spaces for nighttime parking.

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

This space is currently used by the Continuing Education Center, the College of Nursing, PeachNet, Small Business Development Center, and ROTC. The facility, built in 1988, is a 50,110 sf. single-story building which has been occupied by Kennesaw State University since 1993. Kennesaw State University's utilization rate is extremely high at 52%; therefore, space off campus is necessary.

COMMITTEE ON REAL ESTATE AND FACILITIES

9. Rental Agreement, The Chastain Center, Kennesaw State University (Continued)

When the College of Nursing moves to the newly renovated Science Building (August 1998), the Burruss Institute and Alumni Affairs will relocate into this space.

The rent of \$43,346.25 per month represents an 11% increase in rent. This is the first rent increase since lease inception in 1993. Operating costs, including maintenance, utilities, and janitorial services, are estimated to be \$208,700 per year.

Comparable rents in this area are in the range of \$14-\$21 per square foot.

10. Information Item: Disposition of 28.301 Acres, Bartow County, Georgia

Vice Chancellor for Facilities William K. Chatham presented this item to the Board. He reminded the Board that in October 1996, it authorized the conveyance of approximately 1.84 acres to Bartow County to permit the relocation of Cline-Smith Road.

As a result of rapid growth in the Cartersville area, Bartow County has requested conveyance of property along State Road 20 to permit widening this road to a four-lane divided highway.

In discussions with Bartow County, the staff have obtained consent from the county to consider revising its request. The revision would realign a portion of State Road 20 to provide more road frontage to the Board of Regents. Additionally, the county will consider realigning Cline-Smith Road to provide better road frontage to the Board of Regents.

The conveyance of property with these realignments will enhance the value of the remaining portions of Board of Regents property, with the potential net result being an overall enhancement of value to the Board of Regents.

The Committee instructed the staff to proceed with conversations but not to commit to anything.

COMMITTEE ON EDUCATION, RESEARCH, AND EXTENSION

The Committee on Education, Research, and Extension met on Tuesday, April 7, 1998 at approximately 2:45 p.m. at Albany State University. Committee members in attendance were Chair Edgar L. Rhodes, Vice Chair David H. (Hal) Averitt, and Regents A. W. "Bill" Dahlberg, Hilton H. Howell, Jr., and Elridge W. McMillan. Chair Rhodes reported to the Board on Wednesday that the Committee had reviewed 13 items, 11 of which required action. Additionally, 99 appointments were reviewed and recommended for approval. With motion properly made, seconded, and unanimously adopted, the Board approved and authorized the following:

1. Reorganization of the Ivan Allen College of Management, Policy, and International Affairs and the Establishment of the DuPree College of Management, Georgia Institute of Technology

Approved: The Board approved the request of President G. Wayne Clough of the Georgia Institute of Technology ("GIT") to reorganize the Ivan Allen College of Management, Policy, and International Affairs and to establish the DuPree College of Management, effective April 8, 1998.

GIT is proposing that the DuPree School of Management, currently located in the Ivan Allen College of Management, be renamed the DuPree College of Management and become one of six colleges at GIT. The name of the Ivan Allen College of Management would simply change to the Ivan Allen College upon placement of a permanent dean. A search for new deans for the current DuPree School of Management and the Ivan Allen College has created an opportunity for the faculty, alumni, and administration to analyze the current structure and provide a rationale for the proposed change. The proposed change would allow the DuPree College of Management to become more competitive with other business schools; the management program would be administered by one dean; the streamlined structure would increase development efforts; and recruiting efforts for world-class persons in leadership positions would have fewer complications. The reorganization will enhance avenues for collaboration within the Ivan Allen College and other colleges and schools at the institute.

Current Structure: The current structure of the Ivan Allen College of Management, Policy, and International Affairs includes the following schools: Economics; History, Technology and Society; Public Policy; Literature, Communication, and Culture; the Dupree School of Management; the Sam Nunn School of International Affairs; the Department of Modern Languages; and the Army, Navy, and Air Force ROTC programs. The listed school, departments, and programs report to the dean of the Ivan Allen College, who in turn, reports to the provost and vice president for academic affairs.

Proposed Structure: The proposed changes will place the Dupree College of Management as a direct reporting unit to the provost and vice president for academic affairs similar to the other five colleges: Architecture, Computing, Ivan Allen, Engineering, and Sciences. The reporting structure of the other schools and departments in the Ivan Allen College will remain intact. The restructuring does not result in a separate administrative unit for the Dupree College of Management.

Reporting Lines: The School of Management has been headed by a dean since the restructuring in the late 1980s. This dean will now report directly to the provost instead of reporting directly to the dean of the Ivan Allen College. Thus, only the direct reporting responsibilities will be affected.

COMMITTEE ON EDUCATION, RESEARCH, AND EXTENSION

2. Administrative Reorganization, Medical College of Georgia

Approved: The Board approved the request of President Francis J. Tedesco of the Medical College of Georgia to approve the administrative reorganization of the Medical College of Georgia, effective April 8, 1998. However, the Board stipulated that its approval is contingent on the approval of the medical accrediting board.

3. Merging of the Departments of Oral Biology and Oral Pathology to the Department of Oral Biology and Maxillofacial Pathology, Medical College of Georgia

Approved: The Board approved the request of President Francis J. Tedesco of the Medical College of Georgia to merge the Departments of Oral Biology and Oral Pathology to the Department of Oral Biology and Maxillofacial Pathology.

The Medical College of Georgia requests that the two departments be consolidated in an effort to improve the integration and coordination of teaching and research efforts. Currently, there are two faculty members in the Department of Oral Pathology. Two faculty members are insufficient to meet the teaching, research, and service requirements of the Department of Oral Pathology and resources are not available to recruit an additional person to serve as chairperson of the department. There are overlapping functions between the Departments of Oral Biology and Oral Pathology. The consolidation will allow for a more effective use of resources and personnel. The merged department will be the Department of Oral Biology and Maxillofacial Pathology.

4. Establishment of the Eminent Scholar Chair in Molecular Genetics, Georgia State University

Approved: The Board approved the request of President Carl V. Patton of Georgia State University to establish the Eminent Scholar Chair in Molecular Genetics, effective February 11, 1998.

The Eminent Scholar Chair in Molecular Genetics will be housed in the Center for Biotechnology and Drug Design located in the Department of Biology. Funding in the amount of \$750,000 has been received from the Georgia Research Alliance's (the "Alliance") Eminent Scholar Recruitment Program, and \$750,000 has also been received from the Georgia State University Research Foundation.

The chair will be a catalyst for fostering research in conjunction with Georgia industrial organizations. The chair is one of the three complementary positions funded through the Alliance in support of a cooperative biotechnology effort. The other two chairs are at the University of Georgia and Emory University. The board of trustees of the Georgia Research Alliance has identified three areas of strategic importance for Georgia during this decade: biotechnology, telecommunications, and the environment. Georgia State University will work in cooperation with other institutions in the Alliance to develop the molecular genetics component.

The Center for Biotechnology and Drug Design provides for the continued development of strong faculty research programs, the training of competitive graduates, the attraction of businesses to Georgia, and coordination of academic and industrial cooperation. Under the auspices of the Georgia Research Alliance, Georgia State University faculties have joined with colleagues from other institutions to enhance economic

COMMITTEE ON EDUCATION, RESEARCH, AND EXTENSION

4. Establishment of the Eminent Scholar Chair in Molecular Genetics, Georgia State University (Continued)

and scientific development. Through the center's ties with the Georgia Research Alliance, close relationships with biotech industries in Georgia have been fostered. Some of the research initiatives of the center include protein engineering, vaccines and diagnostics, and drug design and synthesis. The National Institutes of Health and the Georgia Research Alliance are the major funding sources for the center.

5. Establishment of the Eugene C. Gwaltney Chair in Manufacturing, Georgia Institute of Technology

Approved: The Board approved the request of President G. Wayne Clough of the Georgia Institute of Technology to establish the Eugene C. Gwaltney Chair in Manufacturing, Georgia Institute of Technology.

Georgia Tech Foundation, Inc. has established an endowment fund with a principal balance of \$1.5 million for the support of the Eugene C. Gwaltney Chair in Manufacturing. This endowment was made possible by growth in the endowment fund for the Eugene C. Gwaltney Chair in Manufacturing Systems. The fund was established in 1988 through contributions from the Russell Corporation and friends and colleagues of Mr. Gwaltney. The chair is assigned to the dean's office of the College of Engineering in order to attract stellar candidates for positions in mechanical engineering, electrical engineering, information systems, or textiles. Each time the chair becomes vacant, it reverts to the dean's office for subsequent assignment.

Mr. Gwaltney, a 1940 mechanical engineering alumnus of Georgia Tech, is the retired Chairperson and Chief Executive Officer of Russell Corporation which is based in Alexander City, Alabama. Mr. Gwaltney joined Russell Corporation in 1952 as Director of Research and Quality Control. He was promoted to General Superintendent in 1957, Vice President in 1960, President and COO in 1968, President and CEO in 1972, and Chairman and CEO in 1982. He has also served on the board of directors since 1960. Upon his retirement in April 1993, the company dedicated its 1992 annual report to Mr. Gwaltney. Under his leadership, the company was transformed from a regional textile corporation into a *Fortune* 400 company with sales increasing from \$51 million in 1968 to \$899 million.

Mr. Gwaltney is trustee emeritus of the Georgia Tech Foundation, Inc. and a former member of the Georgia Tech Advisory Board. His civic activities include service as President of the Alabama Textile Education Foundation, Director of the Alabama Textile Manufacturers Association, Trustee of the Tuskegee Institute, and Director of the Federal Reserve Bank of Atlanta. Mr. Gwaltney's honors include the MIT Corporate Leadership Award (1976), Man of the Year of Alexander City, Alabama (1978), and the Georgia Tech Engineering Hall of Fame Award (1994).

COMMITTEE ON EDUCATION, RESEARCH, AND EXTENSION

6. Establishment of the Lawrence L. Gellerstedt, Jr. Chair in Bioengineering, Georgia Institute of Technology

Approved: The Board approved the request of President G. Wayne Clough of the Georgia Institute of Technology ("GIT") to establish the Lawrence L. Gellerstedt, Jr. Chair in Bioengineering, effective April 8, 1998.

The Board of Trustees of the Georgia Tech Foundation, Inc. established an endowment fund with a principal value of \$1.5 million for the support of the Lawrence L. Gellerstedt, Jr. Chair in Bioengineering. The chair will be housed in the School of Biomedical Engineering.

This chair is established in honor of Lawrence L. Gellerstedt, Jr., a 1945 chemical engineering graduate of GIT and chairperson of the Executive Committee of Beers, Inc. As a student at GIT, Mr. Gellerstedt was a member of ODK and ANAK honorary societies, and president of Sigma Chi, the senior class, and the student council. As an alumnus, Mr. Gellerstedt continued his service as trustee and president of the Georgia Tech Alumni Association, and vice chairperson of both the Centennial Campaign and the current Campaign for GIT. Mr. Gellerstedt has also served as trustee, president, and trustee emeritus of Georgia Tech Foundation, Inc.

Mr. Gellerstedt joined Beers, Inc. in 1946, was named president of the company in 1960, and then purchased the company in 1968. Beers, Inc. is a commercial contractor with annual revenues of \$992 million. It is ranked as the top commercial contractor in the city by *The Atlanta Business Chronicle*. The company's buildings include the High Museum, Georgia Dome, Atlanta office towers for The Coca-Cola Company, Southern Bell, NationsBank, United Postal Service, many local hospitals, and the Olympic Stadium.

In June 1994, Beers, Inc. was sold to Skanska (USA) for an undisclosed amount. Skanska (USA), based in Greenwich, Connecticut, is the North American subsidiary of Skanska AB, Sweden's largest construction company (with revenues of \$800 million for 1993) and is one of their largest public companies. Under the agreement, Beers, Inc. retained its Atlanta headquarters, name, and management. Mr. Larry Gellerstedt, III became Chairman & CEO while Lawrence Gellerstedt, Jr. retired but still holds the position of Chairman of the Executive Committee.

7. Termination of the Majors in Human Resource Management and Organization Management Under the Bachelor of Business Administration Degree, the University of Georgia

Approved: The Board approved the request of President Michael F. Adams of the University of Georgia to terminate the majors in human resource management and organization management under the bachelor of business administration degree, effective April 8, 1998.

The University of Georgia seeks approval to terminate the majors in human resource management and organization management under the bachelor of business administration degree because students elect to major in management. After careful analysis and restructuring of programs under the semester system, courses involving organization management and human resource management can be taken under the management major. As of fall quarter 1997, 34 students enrolled in human resource management and organization management had enrolled only 6 students. By contrast, the management major (of which human resource management and organization management courses are subsets) had over 350 majors.

COMMITTEE ON EDUCATION, RESEARCH, AND EXTENSION

7. Termination of the Majors in Human Resource Management and Organization Management

Under the Bachelor of Business Administration Degree, the University of Georgia (Continued)

There will be no adverse impact on faculty involved in the didactic instruction of this program. In fact, most of the courses will continue to be taught, except now they will be part of the management major. There are no plans to reinstate the majors in organization management or human resource management.

8. Termination of the Major in Secondary Education Under the Master of Education, Specialist in Education, and Doctor of Education Degrees, the University of Georgia

Approved: The Board approved the request of President Michael F. Adams of the University of Georgia to terminate the major in secondary education under the master of education, specialist in education, and doctor of education degrees, effective April 8, 1998.

The University of Georgia seeks approval to terminate the major in secondary education under the master of education, specialist in education, and doctor of education degrees. Teachers interested in secondary education today accomplish their graduate education goals through one of the subject matter-specific departments (e.g., math education, language education, etc.) in which students pursue graduate studies within their specialized discipline. Termination of the secondary education major within these graduate degree programs is in recognition of the need for more specialized preparation of teachers.

9. Termination of the Major in Speech Education Under the Master of Education and Specialist in Education Degrees, University of Georgia

Approved: The Board approved the request of President Michael F. Adams of the University of Georgia to terminate the major in speech education under the master of education (M.Ed.) and specialist in education (Ed.S.) degrees, effective April 8, 1998.

The University of Georgia seeks approval to terminate the major in speech education under the master of education and specialist in education degrees. Speech education as a separate entity is seldom a part of today's secondary education programs. Instead, speech education has become a component of secondary English classes, which offer a more integrated/basic skills approach to English/language arts, than separate English elective courses offered in the past. Current interests and needs in speech education are met under the M.Ed. and Ed.S. programs in English education, in which students elect speech/drama/telecommunications courses within their major. No students or faculty members will be adversely affected by this termination.

10. Termination of the Major in General Business Under the Bachelor of Business Administration Degree, Georgia Southern University

Approved: The Board approved the request of President Nicholas Henry of Georgia Southern University to terminate the major in general business under the bachelor of business administration (B.B.A.) degree, effective August 1, 1998.

COMMITTEE ON EDUCATION, RESEARCH, AND EXTENSION

10. Termination of the Major in General Business Under the Bachelor of Business Administration Degree, Georgia Southern University (Continued)

Georgia Southern University requests that the major in general business under the bachelor of business administration degree be terminated due to low enrollment and redirection. The institution has analyzed its programs in preparation for semester conversion and found that 507 currently enrolled students will be transferred to the B.B.A. with a major in management under the new system. No faculty members will be adversely impacted.

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

The following administrative and academic appointments were reviewed by Education Committee Chair Edgar L. Rhodes and were approved by the Board. All regular appointments are on file with the Office of Academic Affairs.

CONFERRING OF EMERITUS STATUS: AT THE REQUEST OF THE PRESIDENTS OF VARIOUS INSTITUTIONS IN THE UNIVERSITY SYSTEM, THE BOARD CONFERRED THE TITLE OF EMERITUS UPON THE FOLLOWING FACULTY MEMBERS, EFFECTIVE ON THE DATES INDICATED:

(A) GEORGIA INSTITUTE OF TECHNOLOGY

CASSANOVA, ROBERT A.: PRINCIPAL RESEARCH ENGINEER EMERITUS, AEROSPACE SCIENCE LABORATORY, GEORGIA TECH RESEARCH INSTITUTE, EFFECTIVE APR 1, 1998.

UENG, CHARLES E.: PROFESSOR EMERITUS, SCHOOL OF CIVIL ENGINEERING, COLLEGE OF ENGINEERING, EFFECTIVE APR 8, 1998.

(B) GEORGIA STATE UNIVERSITY

ARMSTRONG, BRIAN G.: PROFESSOR EMERITUS OF HISTORY, DEPARTMENT OF HISTORY, COLLEGE OF ARTS & SCIENCES, EFFECTIVE SEP 1, 1998.

FINK, GARY M.: PROFESSOR EMERITUS OF HISTORY, DEPARTMENT OF HISTORY, COLLEGE OF ARTS & SCIENCES, EFFECTIVE JUL 1, 1998.

FOWLKES, DIANE L.: PROFESSOR EMERITA OF POLITICAL SCIENCE, WOMEN'S STUDIES INSTITUTE, COLLEGE OF ARTS & SCIENCES, EFFECTIVE JUL 1, 1998.

HERMANSON, ROGER H.: REGENTS' PROFESSOR EMERITUS OF ACCOUNTANCY, SCHOOL OF ACCOUNTANCY, COLLEGE OF BUSINESS ADMINISTRATION, EFFECTIVE JUN 18, 1998.

HOLLAHAN, EUGENE: PROFESSOR EMERITUS OF ENGLISH, DEPARTMENT OF ENGLISH, COLLEGE OF ARTS & SCIENCES, EFFECTIVE SEP 1, 1998.

HOLLAND, CLARENCE L.: ASSOCIATE PROFESSOR EMERITUS OF PSYCHOLOGY, DEPARTMENT OF PSYCHOLOGY, COLLEGE OF ARTS & SCIENCES, EFFECTIVE JUL 1, 1998.

KEENAN, HUGH T.: PROFESSOR EMERITUS OF ENGLISH, DEPARTMENT OF ENGLISH, COLLEGE OF ARTS & SCIENCES, EFFECTIVE SEP 1, 1998.

PURCELL, JAMES E.: ASSOCIATE PROFESSOR EMERITUS OF PHYSICS AND ASTRONOMY, DEPARTMENT OF PHYSICS & ASTRONOMY, COLLEGE OF ARTS & SCIENCES, EFFECTIVE SEP 1, 1998.

THOMAS, LARRY B.: ASSOCIATE PROFESSOR EMERITUS OF ART & DESIGN, DEPARTMENT OF ART, COLLEGE OF ARTS & SCIENCES, EFFECTIVE JUL 1, 1998.

COMMITTEE ON EDUCATION, RESEARCH, AND EXTENSION

11. Administrative and Academic Appointments and Personnel Actions, Various System Institutions (Continued)

CONFERRING OF EMERITUS STATUS (CONTINUED):

(C) MEDICAL COLLEGE OF GEORGIA

BURRELL, LENETTE O.: PROFESSOR EMERITA OF ADULT NURSING, DEPARTMENT OF ADULT NURSING, SCHOOL OF NURSING, EFFECTIVE JUN 6, 1998.

TOLLISON, JOSEPH W.: CHAIRPERSON EMERITUS & PROFESSOR EMERITUS OF FAMILY MEDICINE, DEPARTMENT OF FAMILY MEDICINE, SCHOOL OF MEDICINE, EFFECTIVE APR 9, 1998.

(D) UNIVERSITY OF GEORGIA

CROWELL, WAYNE ALLEN: PROFESSOR EMERITUS VETERINARY PATHOLOGY, DEPARTMENT OF PATHOLOGY, COLLEGE OF VETERINARY MEDICINE, EFFECTIVE APR 8, 1998.

GAY, JOHNNY DAN: PROFESSOR EMERITUS OF PLANT PATHOLOGY, DEPARTMENT OF PLANT PATHOLOGY, COLLEGE OF AGRICULTURAL AND ENVIRONMENTAL SCIENCES, EFFECTIVE JUL 1, 1998.

MICHAELS, GENE EARL: ASSOC PROFESSOR EMERITUS OF MICROBIOLOGY AND DIRECTOR EMERITUS OF SPECIAL ACADEMIC PROGRAMS, DEPARTMENT OF MICROBIOLOGY, FRANKLIN COLLEGE OF ARTS AND SCIENCES, EFFECTIVE MAY 1, 1998.

SHUTT, BRUCE TRAVIS: REGISTRAR EMERITUS, VICE PRESIDENT FOR STUDENT AFFAIRS, EFFECTIVE JUL 1, 1998.

(E) GEORGIA COLLEGE & STATE UNIVERSITY

BEGEMANN, ROSEMARY EDITH: PROFESSOR EMERITA OF HISTORY, DEPARTMENT OF HISTORY & GEOGRAPHY, COLLEGE OF ARTS & SCIENCES, EFFECTIVE SEP 9, 1998.

CARPENTER, JAMES B.: PROFESSOR EMERITUS AND CHAIR EMERITUS OF THE DEPARTMENT OF MANAGEMENT, DEPARTMENT OF MANAGEMENT, J. WHITNEY BUNTING SCHOOL OF BUSINESS, EFFECTIVE APR 8, 1998.

LAMB, WILLIAM H., JR.: PROFESSOR EMERITUS OF PHYSICS, DEPARTMENT OF CHEMISTRY & PHYSICS, COLLEGE OF ARTS & SCIENCES, EFFECTIVE JUL 8, 1998.

(F) REGENTS' STAFF

CLEERE, WILLIAM RAY: VICE CHANCELLOR FOR ACADEMIC AFFAIRS EMERITUS, EFFECTIVE APR 8, 1998.

APPROVAL OF LEAVES OF ABSENCE: THE BOARD APPROVED THE LEAVES OF ABSENCE AND THE SALARIES FOR THE PERIODS RECOMMENDED AT THE FOLLOWING INSTITUTIONS:

(A) GEORGIA INSTITUTE OF TECHNOLOGY

STANCELL, ARNOLD F.: PROFESSOR, SCHOOL OF CHEMICAL ENGINEERING, COLLEGE OF ENGINEERING, LEAVE FROM MAR 30, 1998 TO DEC 12, 1998, WITHOUT PAY.

(B) GEORGIA STATE UNIVERSITY

KALE, JAYANT R.: PROFESSOR, DEPARTMENT OF FINANCE, COLLEGE OF BUSINESS ADMINISTRATION, LEAVE FROM AUG 17, 1998 TO MAY 15, 1999, WITH PAY.

COMMITTEE ON EDUCATION, RESEARCH, AND EXTENSION

11. Administrative and Academic Appointments and Personnel Actions, Various System Institutions (Continued)

APPROVAL OF LEAVES OF ABSENCE (CONTINUED):

(C) UNIVERSITY OF GEORGIA

ADRIANO, DOMY C.: SR RESEARCH SCI AND PROFESSOR OF AGRONOMY, COLLEGE OF AGRICULTURAL AND ENVIRONMENTAL SCIENCES, LEAVE FROM APR 15, 1998 TO MAR 30, 1999, WITH PAY.

CHAUDHRY, LUBNA NAZIR: ASSISTANT PROFESSOR, SCH OF TEACHER EDUC - DEPT OF SOCIAL SCIENCE EDUC, COLLEGE OF EDUCATION, LEAVE FROM AUG 17, 1998 TO MAY 10, 1999, WITHOUT PAY.

KEYES, DONALD D.: CURATOR, VICE PRESIDENT FOR ACADEMIC AFFAIRS, LEAVE FROM MAR 13, 1998, TO JUL 31, 1998, WITH PAY.

(D) GEORGIA SOUTHERN UNIVERSITY

WELFORD, THERESA M.: ASSISTANT PROFESSOR, DEPARTMENT OF WRITING AND LINGUISTICS,

COLLEGE OF LIBERAL ARTS & SOCIAL SCIENCES, LEAVE FROM AUG 1, 1998 TO MAY 31, 1999, WITH PAY.

(E) ARMSTRONG ATLANTIC STATE UNIVERSITY

TAGGART, HELEN M.: ASSISTANT PROFESSOR, (NTT) DEPARTMENT OF NURSING, SCHOOL OF HEALTH PROFESSIONS, LEAVE FROM AUG 1, 1998 TO JAN 1, 1999, WITH PAY.

(F) DEKALB COLLEGE

ERRICO, MARYANN S.: ASSISTANT PROFESSOR, DIVISION OF DEVELOPMENTAL STUDIES (CENTRAL), LEAVE FROM MAR 30, 1998 TO JUN 12, 1998, WITH PAY.

(G) MACON STATE COLLEGE

VANN, DIANE S.: ASSISTANT PROFESSOR, DEPARTMENT OF NURSING, LEAVE FROM SEP 1, 1998 TO JUN 15, 1999, WITHOUT PAY.

APPROVAL OF FACULTY FOR TENURE STATUS CHANGE: THE BOARD APPROVED TENURE STATUS CHANGES FOR THE FOLLOWING FACULTY MEMBERS, EFFECTIVE ON THE DATES INDICATED:

(A) GEORGIA INSTITUTE OF TECHNOLOGY

DEE, THOMAS S.: ASSISTANT PROFESSOR, SCHOOL OF ECONOMICS, IVAN ALLEN COL OF MGT, INT'L AFFAIRS & POLICY, FROM NONTENURE TRACK TO TENURE TRACK, EFFECTIVE SEP 22, 1997.

(B) GEORGIA STATE UNIVERSITY

BRUSS, KATHERINE V.: COUNSELING PSYCHOLOGIST AND ASST PROF, COUNSELING CENTER, FROM TENURE TRACK TO NONTENURE TRACK, EFFECTIVE JUL 1, 1997.

(C) VALDOSTA STATE UNIVERSITY

HYATT, JAMES A.: ASSISTANT PROFESSOR, DEPARTMENT OF PHYSICS, ASTRONOMY AND GOESCIENCES, COLLEGE OF ARTS & SCIENCES, TWO YEARS PROBATIONARY CREDIT TOWARDS TENURE, EFFECTIVE APR 8, 1998.

COMMITTEE ON EDUCATION, RESEARCH, AND EXTENSION

11. Administrative and Academic Appointments and Personnel Actions, Various System Institutions (Continued)

APPROVAL OF FACULTY FOR TENURE STATUS CHANGE (CONTINUED):

(D) COLUMBUS STATE UNIVERSITY

WRIGHT, BURLEY W.: ASSISTANT PROFESSOR, DEPARTMENT OF COMPUTER SCIENCE, SCHOOL OF SCIENCE, FROM TENURE TRACK TO NONTENURE TRACK, EFFECTIVE AUG 1, 1998.

APPOINTMENT OF FACULTY MEMBERS PREVIOUSLY RETIRED FROM THE UNIVERSITY SYSTEM: THE BOARD APPROVED THE FOLLOWING PART-TIME APPOINTMENTS OF FACULTY MEMBERS PREVIOUSLY RETIRED FROM THE UNIVERSITY SYSTEM:

(A) GEORGIA INSTITUTE OF TECHNOLOGY

CASSANOVA, ROBERT A.: PRIN RESCH ENG EMERITUS, AEROSPACE SCIENCE LABORATORY, GEORGIA TECH RESEARCH INSTITUTE, AS NEEDED FOR PERIOD BEGINNING APR 1, 1998 AND ENDING JUN 30, 1998, AT LESS THAN HALF TIME.

(B) GEORGIA STATE UNIVERSITY

BIRD, SARA G.: ADMINISTRATIVE ASSISTANT, VICE PRESIDENT FOR ACADEMIC AFFAIRS, AS NEEDED FOR PERIOD BEGINNING FEB 18, 1998 AND ENDING MAY 8, 1998, AT LESS THAN HALF TIME.

FOSTER, CAROL R.: ASSOCIATE PROFESSOR, DEPARTMENT OF EARLY CHILDHOOD EDU., COLLEGE OF EDUCATION, AS NEEDED FOR PERIOD BEGINNING APR 1, 1998 AND ENDING JUN 30, 1998, AT LESS THAN HALF TIME.

HARRIS, JOE FRANK: PROFESSOR, DEPARTMENT OF PUBLIC ADMINISTRATION & URBAN STUDIES, SCHOOL OF POLICY STUDIES, AS NEEDED FOR PERIOD BEGINNING DEC 2, 1995 AND ENDING JUN 30, 1999, AT LESS THAN HALF TIME.

NURSS, JOANNE R.: PROFESSOR EMERITA, DEPARTMENT OF EDUCATIONAL PSYCHOLOGY AND SPECIAL EDUCATION, COLLEGE OF EDUCATION, AS NEEDED FOR PERIOD BEGINNING APR 1, 1998 AND ENDING JUN 30, 1998, AT LESS THAN HALF TIME.

SMITS, STANLEY J.: PROFESSOR & CHAIR EMERITUS, DEPARTMENT OF MANAGEMENT, COLLEGE OF BUSINESS ADMINISTRATION, AS NEEDED FOR PERIOD BEGINNING APR 16, 1998 AND ENDING MAR 15, 1999, AT LESS THAN HALF TIME.

(C) UNIVERSITY OF GEORGIA

FERREE, MAURICE EDGAR: PROFESSOR, DEPARTMENT OF HORTICULTURE, COLLEGE OF AGRICULTURAL AND ENVIRONMENTAL SCIENCES, AS NEEDED FOR PERIOD BEGINNING APR 16, 1998 AND ENDING APR 15, 1999, AT LESS THAN HALF TIME.

FREE, WILLIAM JOSEPH: ASSOCIATE PROFESSOR, DEPARTMENT OF ENGLISH, FRANKLIN COLLEGE OF ARTS AND SCIENCES, AS NEEDED FOR PERIOD BEGINNING JAN 6, 1998 AND ENDING JUN 11, 1998, AT LESS THAN HALF TIME.

HACKNEY, PATRICIA D.: PUBLIC SERVICE ASSOCIATE, VICE PRESIDENT FOR SERVICE, AS NEEDED FOR PERIOD BEGINNING MAY 1, 1998 AND ENDING APR 30, 1999, AT LESS THAN HALF TIME.

PARKER, GWEN D.: ALUMNI DEVELOPMENT SPC II, AS NEEDED FOR PERIOD BEGINNING MAR 9, 1998 AND ENDING JUN 30, 1998, AT LESS THAN HALF TIME.

COMMITTEE ON EDUCATION, RESEARCH, AND EXTENSION

11. Administrative and Academic Appointments and Personnel Actions, Various System Institutions (Continued)

APPOINTMENT OF FACULTY MEMBERS PREVIOUSLY RETIRED FROM THE UNIVERSITY SYSTEM (CONTINUED):

(C) UNIVERSITY OF GEORGIA (CONTINUED)

SAPPE, JOHN HOYT: PROGRAM SPECIALIST, SCH OF LEADERSHIP & LIFELONG LEARNING, COLLEGE OF EDUCATION, AS NEEDED FOR PERIOD BEGINNING MAR 1, 1998 AND ENDING JUN 30, 1998, AT LESS THAN HALF TIME.

WISE, ALFRED PAUL: ASOP EMERITUS, DEPARTMENT OF TELECOMMUNICATIONS, COLLEGE OF JOURNALISM & MASS COMMUNICATIONS, AS NEEDED FOR PERIOD BEGINNING FEB 3, 1998 AND ENDING MAY 12, 1998, AT LESS THAN HALF TIME.

(D) GEORGIA SOUTHERN UNIVERSITY

COLEMAN, MARTHA A.: PROFESSOR EMERITUS, SCHOOL OF NURSING, COLLEGE OF HEALTH & PROFESSIONAL STUDIES, AS NEEDED FOR PERIOD BEGINNING APR 1, 1998 AND ENDING JUN 30, 1998, AT LESS THAN HALF TIME.

CRAWFORD, GENE: ANNUAL FUND COORDINATOR, AS NEEDED FOR PERIOD BEGINNING JUL 1, 1997 AND ENDING JUN 30, 1998, AT LESS THAN HALF TIME.

GOLDEN, WILLIE I.: DIRECTOR ADMINISTRATIVE DEV & UNIV RELATIONS, AS NEEDED FOR PERIOD BEGINNING JUL 1, 1998 AND ENDING JUN 30, 1999, AT LESS THAN HALF TIME.

SELVIDGE, LEWIS R., JR.: PROFESSOR EMERITUS, SCHOOL OF TECHNOLOGY, THE ALLEN E. PAULSON COLLEGE OF SCIENCE & TECHNOLOGY, AS NEEDED FOR PERIOD BEGINNING SEP 1, 1997 AND ENDING JUN 30, 1998, AT LESS THAN HALF TIME.

STEWART, CHARLENE K.: ASTP EMERITA, DEPARTMENT OF MIDDLE GRADES AND SECONDARY EDUCATION, COLLEGE OF EDUCATION, AS NEEDED FOR PERIOD BEGINNING APR 1, 1998 AND ENDING JUN 30, 1998, AT LESS THAN HALF TIME.

(E) ARMSTRONG ATLANTIC STATE UNIVERSITY

LEVETT, NETTIE M.: PART-TIME ASST PROFESSOR, DEPARTMENT OF NURSING, SCHOOL OF HEALTH PROFESSIONS, AS NEEDED FOR PERIOD BEGINNING MAR 25, 1998 AND ENDING JUN 11, 1998, AT LESS THAN HALF TIME.

(F) SOUTHERN POLYTECHNIC STATE UNIVERSITY

TROEMEL, HANS ALFRED: ASSISTANT PROFESSOR, DEPARTMENT OF CIVIL ENGINEERING TECHNOLOGY, COLLEGE OF TECHNOLOGY, AS NEEDED FOR PERIOD BEGINNING MAR 12, 1998, AND ENDING JUN 30, 1998, AT LESS THAN HALF TIME.

(G) ABRAHAM BALDWIN AGRICULTURAL COLLEGE

STONE, JAMES CECIL: PLUMBER I, (NTT) AS NEEDED FOR PERIOD BEGINNING FEB 24, 1998, AND ENDING JUN 31, 1998, AT LESS THAN HALF TIME.

(H) FLOYD COLLEGE

MOSS, JUDSON: PART-TIME ASST PROFESSOR, DIVISION OF SOCIAL AND CULTURAL STUDIES, AS NEEDED FOR PERIOD BEGINNING MAR 27, 1998 AND ENDING JUN 15, 1998, AT LESS THAN HALF TIME.

COMMITTEE ON EDUCATION, RESEARCH, AND EXTENSION

11. Administrative and Academic Appointments and Personnel Actions, Various System Institutions (Continued)

APPOINTMENT OF FACULTY MEMBERS PREVIOUSLY RETIRED FROM THE UNIVERSITY SYSTEM (CONTINUED):

(I) GORDON COLLEGE

LEONARD, JOHN F.: PART-TIME INSTRUCTOR, DIVISION OF BUSINESS AND SOCIAL SCIENCE, AS NEEDED FOR PERIOD BEGINNING MAR 30, 1998 AND ENDING JUN 10, 1998, AT LESS THAN HALF TIME.

APPOINTMENT OF FACULTY MEMBERS PREVIOUSLY RETIRED FROM THE UNIVERSITY SYSTEM: THE BOARD APPROVED THE FOLLOWING PART-TIME APPOINTMENTS OF FACULTY MEMBERS OVER THE AGE OF 70 PREVIOUSLY RETIRED FROM THE UNIVERSITY SYSTEM:

(A) ALBANY STATE UNIVERSITY

JONES, BENJAMIN: PAINTER II, AS NEEDED FOR PERIOD BEGINNING JUN 15, 1998 AND ENDING JUN 14, 1999, AT LESS THAN HALF TIME.

(B) SOUTH GEORGIA COLLEGE

BELGER, ELIZABETH B.: PART-TIME INSTRUCTOR, AS NEEDED FOR PERIOD BEGINNING MAR 4, 1998, AND ENDING JUN 11, 1998, AT LESS THAN HALF TIME.

APPOINTMENT OF FACULTY: THE BOARD APPROVED THE APPOINTMENT OF FACULTY MEMBERS AT THE SALARIES AND FOR THE PERIODS RECOMMENDED AT THE FOLLOWING INSTITUTIONS:

GEORGIA INSTITUTE OF TECHNOLOGY	16
GEORGIA STATE UNIVERSITY	9
MEDICAL COLLEGE OF GEORGIA	4
UNIVERSITY OF GEORGIA	13
GEORGIA SOUTHERN UNIVERSITY	3
VALDOSTA STATE UNIVERSITY	5
ALBANY STATE UNIVERSITY	2
ARMSTRONG ATLANTIC STATE UNIVERSITY	3
AUGUSTA STATE UNIVERSITY	1
COLUMBUS STATE UNIVERSITY	3
GEORGIA COLLEGE & STATE UNIVERSITY	4
GEORGIA SOUTHWESTERN STATE UNIVERSITY	1
KENNESAW STATE UNIVERSITY	7
NORTH GEORGIA COLLEGE & STATE UNIVERSITY	1
STATE UNIVERSITY OF WEST GEORGIA	1
DEKALB COLLEGE	2
FLOYD COLLEGE	1
GORDON COLLEGE	1
MACON STATE COLLEGE	1

COMMITTEE ON EDUCATION, RESEARCH, AND EXTENSION

11. Administrative and Academic Appointments and Personnel Actions, Various System Institutions (Continued)

PROMOTION OF FACULTY: THE BOARD APPROVED THE PROMOTION OF FACULTY MEMBERS
AT THE FOLLOWING INSTITUTIONS:

GEORGIA INSTITUTE OF TECHNOLOGY	73
GEORGIA STATE UNIVERSITY	32
MEDICAL COLLEGE OF GEORGIA	60
UNIVERSITY OF GEORGIA	112
GEORGIA SOUTHERN UNIVERSITY	37
VALDOSTA STATE UNIVERSITY	29
ALBANY STATE UNIVERSITY	6
ARMSTRONG ATLANTIC STATE UNIVERSITY	11
AUGUSTA STATE UNIVERSITY	12
CLAYTON COLLEGE & STATE UNIVERSITY	6
COLUMBUS STATE UNIVERSITY	11
FORT VALLEY STATE UNIVERSITY	6
GEORGIA COLLEGE & STATE UNIVERSITY	16
GEORGIA SOUTHWESTERN STATE UNIVERSITY	2
KENNESAW STATE UNIVERSITY	32
NORTH GEORGIA COLLEGE & STATE UNIVERSITY	7
SAVANNAH STATE UNIVERSITY	6
SOUTHERN POLYTECHNIC STATE UNIVERSITY	18
STATE UNIVERSITY OF WEST GEORGIA	14
ABRAHAM BALDWIN AGRICULTURAL COLLEGE	13
ATLANTA METROPOLITAN COLLEGE	4
BAINBRIDGE COLLEGE	1
COASTAL GEORGIA COMMUNITY COLLEGE	4
DALTON COLLEGE	16
DARTON COLLEGE	9
DEKALB COLLEGE	25
EAST GEORGIA COLLEGE	2
FLOYD COLLEGE	6
GAINESVILLE COLLEGE	9
GORDON COLLEGE	4
MACON STATE COLLEGE	10
MIDDLE GEORGIA COLLEGE	9
SOUTH GEORGIA COLLEGE	1

COMMITTEE ON EDUCATION, RESEARCH, AND EXTENSION

12. Information Item: Applied Learning Experiences/Clinical Training

Pursuant to authority granted by the Board at its meeting on February 7 and 8, 1984, the presidents of the listed institutions have executed the indicated number of memoranda of understanding respecting affiliation of students for applied learning experiences/clinical training in the programs indicated:

Georgia State University		Human Development	6, 1R
Allied Health	2	Nursing	1, 2R
Educational Psychology	1	Recreation & Sports Mgmt.	2, 1R
Kinesiology	1	Sociology & Anthropology	1
Nursing	2		
Medical College of Georgia			
Allied Health	1,	Armstrong Atlantic State University	
2R		Physical Therapy	1
Dentistry	1,	Augusta State University	
2R		Psychology	2
Health Info. Management	1R	Georgia College & State University	
Medical Technology	1	Allied Health	2
Medicine	1	Georgia Southwestern State Univ.	
Neurology		Nursing	4R
13R		Kennesaw State University	
Nursing	4, 3R	Nursing	8
Occupational Therapy	1R	North Georgia College & State Univ.	
Pathology	1,	Nursing	1R
1R		Physical Therapy	5R
Pediatrics	1R	State University of West Georgia	
Physical Therapy	3,	Nursing	3, 2R
1R		Physical Education/Recr.	1
Physician Assistant	13	Dartmouth College	
Radiology	1R	Physical Therapy Asst.	1R
Respiratory Therapy	1R	DeKalb College	
Urology	1	Nursing	6, 1R
University of Georgia		Floyd College	
Child & Family Dvlpmt.	3	Physical Therapy	1R
Communication Sciences	1,	TOTAL	135
1R			
Counseling	2		
Pharmacy	4		
Recreation & Leisure	3		
Social Work	4,		
1R			
Georgia Southern University			
Health & Kinesiology	4		
Leadership, Technology &			

R = Renewal

13. 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:

Purpose	Agency	Duration	Amount
Georgia State University			
Assist with quality assurance prevention	Georgia Dept. of Human Resources	12/22/97 - 11/30/98	\$500,000
Analyze HMO encounter claims	“ ” “	6/30/97 - 6/30/98	\$1,000
Conduct reading recovery program	Georgia Dept. of Education	7/1/97 - 6/30/98	\$237,500
University of Georgia			
Evaluate corn hybrids to manage nematodes	Georgia Commodity Comm. for Corn	7/1/97 - 6/30/98	\$ 11,500
Determine influence of cultural practices on infestation of maize weevil	“ ” “	7/1/97 - 6/30/98	\$3,500
Study control of soil insect in field corn	“ ” “	7/1/97 - 6/30/98	\$3,000
Study tomato spotted wilt risk index & produce publication	Georgia Commodity Comm. for Peanuts	7/1/97 - 6/30/98	\$2,000
Develop nature trails & outdoor classroom in DeKalb County	Georgia Forestry Commission	7/15/97 - 6/30/98	\$10,000
Provide management training site for state agencies	Georgia Office of Planning & Budget	1/15/98 - 6/30/98	\$75,000
Assist older adults as teachers and learners	NE Georgia Regional Dev. Cntr.	1/22/98 - 6/30/98	\$1,010
Assist with Dalton business & economic development office	North Georgia Regional Dev. Cntr.	10-1-97 - 9/30/98	\$10,450
Georgia College & State University			
Provide camp experiences	area schools	one day	\$622

TOTAL AMOUNT THIS MONTH	\$ 855,582
TOTAL AMOUNT FY 98 TO DATE	84,578,648
TOTAL AMOUNT FY 97 (TO APRIL)	19,428,616
TOTAL AMOUNT FY 97	20,173,291

CHANCELLOR'S REPORT TO THE BOARD

At 10:35 a.m., Chair Clark called upon Chancellor Portch to present his report to the Board, which was as follows:

Thank you, Mr. Chairman. It is indeed a special privilege to be in Albany, the completely unsinkable city with the totally unpronounceable name.

I first visited this city on July 13, 1994, a mere seven working days after starting this job. Regent Leebern and I flew into Tifton and drove in to see a sight you can never forget--the silent yet swirling Flint, the looks of quiet desperation on faces, the sheer utter power of nature.

I returned a few weeks later to witness a transformation. We brought a crew from the System Central Office to help on clean-up under the boiling sun--they still proudly point to the wall I washed, probably in part to illustrate my limitations! I watched then President Black, General Ray, Linda Daniels, and the good folks from Rosser clean up and install a complete temporary campus. I watched as President Sireno and Darton College illustrated collaboration before the word was fashionable. Darton didn't just let Albany State use left-over space, they gave the visiting students priority, realizing they'd suffered enough trauma.

I returned again to wield a sledgehammer, this time as the bittersweet demolition began.

I then returned to introduce Julius Scott as Albany's interim president and again to introduce Portia Shields as the seventh president. I have visited Darton and watched it transform itself, responding positively to the changes in the System and embracing technology and high-demand academic fields.

And this week, we have returned to see a new campus on one side of the river and a transformed one on the other side. Rivers do indeed run deep, but so do the powers of human fortitude.

Talking of fortitude, my fortitude, of course, was tested a time or two in the recently completed legislative session . . . but nowhere near as often as usual! It was an outstanding session for the University System. I will not repeat the budget summary that I gave yesterday. But I do want to comment on a few items:

- We need to be sure we all say a "thank you." At times, the life of a legislator is not an easy one. There are tough and competing decisions to be made. I was always treated with civility and provided ready access. I am deeply appreciative of the response to what the Board is accomplishing and ask you to take whatever opportunity you can to thank legislators.

- We need to recognize the triumph of speaking with one voice. Tom Daniel was working those halls night and day, ably assisted by institutional colleagues. The presidents were there on a regular basis; I especially want to thank President Adams for his special efforts in his rookie season. Regents were there; I especially want to thank Regent Coleman, who came to Atlanta on short notice to dust off his legislative skills to improve Senate Bill 446. Other Regents I know did

CHANCELLOR'S REPORT TO THE BOARD

considerable work behind the scenes. Our students were there. Our faculty were there. While all may have had individual interests, all advocated for the System as a whole.

- We need not retreat. Nor must we rest. Some might say, the glory days will dim with Governor Miller's departure. He can never be replaced, but our mission is critical to the State's future. We must continue to move forward. Governor Miller took us from the middle of the pack to the upper echelons of the South; the next Governor has to move us to the upper echelons of the nation. It is within our reach if we stay focused, if we all have a shared vision, and if we continue to underpromise and overperform.

Among many reasons to be optimistic is the strong partnership we are building with the private sector. By being engaged in economic development, we have sent a message that we intend to be a key player in the prosperity of this State. In return, corporations and foundations have been outstanding in their support, not just fiscally, but also as opinion leaders. Recently, for example, I was invited to Coca-Cola's headquarters to meet with the eight foundations that are related to Coca-Cola. Coca-Cola's CEO, Doug Ivester, a proud alum of the University of Georgia, joined us. We talked education issues, and I left that day so encouraged that his sort of leadership exists in Georgia. I am convinced that this partnership with the private sector needs to be taken to the next level over the next four years.

And, if we continue to perform, it can be. Talking of performing, let me share with you a few recent success stories:

- The National Council of Instructional Administrators ("NCIA") has notified Darton College that its submission, "Multi-Modal Distance Education, an Improved Pedagogy" has won in the category of Exemplary Initiatives in the Use of Technology. The award marks the fourth year in a row that the NCIA has recognized Darton College in one of its award areas.

- Albany State University, along with Darton College and Albany Technical Institute, continues to provide a very valuable resource in Southwest Georgia--nurses. ASU graduates between 35 and 50 students each year. These students, who reside in the University's 24-county area, generally return to their hometowns to work.

- The United States Association of Small Business and Entrepreneurship (USASBE) has chosen Kennesaw State's entrepreneurship program as the premier model for teaching undergraduate students the principles of business ownership and enterprise.

- Kennesaw State's University Relations Office won the 1998 Grand Award in the Public Affairs Programs category from the Council for the Advancement and Support of Education, District III ("CASE") for its "Year of the Arts" celebration.

CHANCELLOR'S REPORT TO THE BOARD

- Two out of the three Georgia schools chosen for the book, *America's 100 Best College Buys*, are the University of Georgia and North Georgia College & State University. This especially pleased Speaker Murphy, who is an alum of both institutions and is one who cares about affordability.

- The Medical College of Georgia School of Dentistry was ranked 11 out of 53 dental schools on Part II of the National Board Dental Examination. It also was one of only six dental schools whose students had no failures.

- Armstrong Atlantic State University ("AASU") is proud to announce awards for two graduates of its College of Education. Winthrop Hiers has been named the Science Teacher of the Year by Channel One, the national education channel. Mr. Hiers not only shares the wonders of science with his students at Richmond Hill Middle School, but also teaches teachers in the education program at AASU.

I want to end my report with mention of three people:

- It was with much sadness that our University System family lost one of its own this month with the passing of Jacqueline Polson Prater. Jackie was a gifted musician, a caring teacher, and a giving First Lady at Fort Valley State University. We extend our deepest sympathies to the family.
- It was with much pride that I recently read an item in the Clayton College & State University newsletter about the integrity of our staff. Harvey Bond, a groundsman, found an \$8,000 check made out to "cash." He promptly turned it in, and the institution contacted the bank. The lucky loser wrote: "I can't thank you enough for your honesty and kindness for returning the check. It is so refreshing to know that there are people with honesty and integrity still living among us! You must be a man of great character! Thank you, and God bless you!"
- And, finally, it is a real pleasure for me to introduce someone special from Albany. Wendy Martin is the past President of the School Boards Association, she is employed at Albany Tech as Special Assistant to the President, and she has been one of the strongest and most faithful proponents of P-16 and what the University System is doing in education. K-12, DTAE (Department of Technical and Adult Education), University System--that says it all about partnerships.

[Ms. Martin said that in her years of service at the local, State, and federal levels, she has been involved in many discussions of school reform in the K-12 arena. There are always varying philosophies and suggestions, and therefore, systemic change is always slow. One constant acknowledgement is that significant change can only be implemented by the individual teacher in the individual classroom when the door is closed. Yet, little attention has been given to the area of teacher preparation. Ms. Martin commented that, in choosing to focus on improving teacher preparation, especially through the P-16 collaborative effort, the Chancellor and the Board have gotten to the very heart of the challenge in improving and preserving public education. She asserted that the "Principles for the Preparation of Educators for the

CHANCELLOR'S REPORT TO THE BOARD

Schools” hold the potential for profound improvement in the K-12 system, which of course will result in better prepared students for the University System. She lauded the Chancellor for his vision, tenacity, and wisdom; the staff for their work on the P-16 initiative; and the Board for its commitment. She thanked them for allowing her to be a part of this effort.]

Let me end, Mr. Chairman, by thanking the good people of Albany, Albany State University, and Darton College for making us so very welcome.

UNFINISHED BUSINESS

Chancellor Portch reported to the Board that by virtue of the authority delegated to him at the March 1998 meeting, the following occurred: 31 presidents were reappointed, 1 president resigned, and 2 remaining presidential positions are being searched at this time (Bainbridge College and Southern Polytechnic State University). He expressed that he hoped to bring candidates for those vacant positions to the Board in the next few months. The president who resigned was President Nicholas L. Henry of Georgia Southern University. The reappointed presidents were as follows: Michael F. Adams, Jeremiah J. Ashcroft, Hugh C. Bailey, Jacquelyn M. Belcher, David A. Bell, William Bloodworth, Jr., Carlton E. Brown, Frank D. Brown, Robert A. Burnett, James A. Burran, G. Wayne Clough, H. Lynn Cundiff, Sherman R. Day, Rosemary DePaolo, Michael L. Hanes, Edward D. Jackson, Jr., Dorothy L. Lord, Barbara P. Losty, Harold J. Loyd, Martha T. Nesbitt, Carl V. Patton, Oscar L. Prater, Beheruz N. Sethna, Portia H. Shields, Betty L. Siegel, Peter J. Sireno, Richard A. Skinner, Francis J. Tedesco, Harold E. Wade, Joe Ben Welch, and Jerry M. Williamson.

NEW BUSINESS

Regent Leebern reported to the Board that the University System of Georgia Foundation (the "Foundation") met on Monday, March 23, 1998. Seven members, Secretary and Treasurer Ben Harris, Assistant Secretary and Treasurer Annie Hunt Burriss, and Chancellor Portch were present. Regent Jones, Mr. Bill Jones III, and Mr. Dave Garrett attended their first meeting. Other new trustees include Regent Amos; Mr. Jack Stahl, President of The Coca-Cola Company; and Mr. Roy Richards, Jr., Chief Executive Officer of Southwire.

Regent Leebern assured the Board that the Foundation is in solid shape financially, having raised over \$6 million in just two and a half years. He was particularly proud that 98% of the budget is spent on programs. The members expressed support for three priorities: the Post-secondary Readiness Enrichment Program ("PREP"), the P-16 initiative, and international education scholarships. The Foundation also supports Regent activities.

The Foundation trustees, consistent with Board interests, also established a deferred compensation plan for the Chancellor. The totals for this plan are \$25,000 in 1997 and \$50,000 in 1998. The plan includes a non-compete clause.

Regent Leebern also reported that the Foundation plans to raise a minimum of \$8 million to \$12 million for programs between now and the year 2001.

Regent Jones added that the Board would be very impressed and pleased with both the scope and effectiveness of the Foundation.

PETITIONS AND COMMUNICATIONS

Secretary Gail S. Weber announced that the next Board meeting would take place on Tuesday, May 12 and Wednesday, May 13, 1998 in the Board Room in Atlanta, Georgia.

Regent Leebern thanked Secretary Weber as well as Assistant Secretary Jennifer E. Fairchild and Kim Iddins, Instructional Technology Support Specialist, for their work in preparing this out-of-town Board meeting.

PETITIONS AND COMMUNICATIONS

Chancellor Portch added that he would like to thank Regents Howell and Leebern for providing transportation to the Board members for this meeting in Albany. He noted that their generosity saved the taxpayers the cost of the Regents' transportation.

Regent Dahlberg also wanted to express the gratitude of the Board to the General Assembly and asked that the Board adopt a resolution thanking the General Assembly. With motion properly made, variously seconded, and unanimously adopted, the Board approved the adoption of such a resolution.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 11:00 a.m. on April 8, 1998.

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

s/_____
S. William Clark, Jr.
Chair, Board of Regents
University System of Georgia