

**MINUTES OF THE MEETING OF THE  
BOARD OF REGENTS OF THE UNIVERSITY SYSTEM OF GEORGIA  
HELD AT  
270 Washington St., S.W.  
Atlanta, Georgia  
January 8 and 9, 2002**

**CALL TO ORDER**

The Board of Regents of the University System of Georgia met on Tuesday, January 8 and Wednesday, January 9, 2002, in the Board Room, room 7007, 270 Washington St., S.W., seventh floor. The Chair of the Board, Regent Hilton H. Howell, Jr., called the meeting to order at 1:00 p.m. on Tuesday, January 8. Present on Tuesday, in addition to Chair Howell, were Vice Chair Joe Frank Harris and Regents Hugh A. Carter, Jr., Connie Cater, William H. Cleveland, Michael J. Coles, George M. D. (John) Hunt III, Donald M. Leebern, Jr., Allene H. Magill, Elridge W. McMillan, Martin W. NeSmith, J. Timothy Shelnut, Glenn S. White, Joel O. Wooten, Jr., and James D. Yancey.

**WORDS OF WELCOME TO CHANCELLOR THOMAS C. MEREDITH**

Chair Howell noted that this meeting marked the first meeting of the new Chancellorship of the Board of Regents of the University System of Georgia. He welcomed Chancellor Meredith to the University System and presented to Chancellor Meredith a number of items that would help him as he begins his tenure in the State of Georgia, including books, music, and other gifts relating to University System institutions. Also among these gifts was a recent issue of *Time* magazine. Chair Howell noted that Regent Martin W. NeSmith had been named *Time*'s "2001 Quality Dealer of the Year."

**ATTENDANCE REPORT**

The attendance report was read on Tuesday, January 8 by Secretary Gail S. Weber, who announced that all Regents were present on that day.

**SPECIAL INTRODUCTION: NEW PRESIDENT OF FORT VALLEY STATE UNIVERSITY**

Chair Howell called upon the Chancellor to introduce the new president of Fort Valley State University ("FVSU").

Before introducing the new president, Chancellor Meredith first thanked the Special Regents' Committee for the FVSU Presidential Search, which consisted of Regents Connie Cater (Chair), Donald M. Leebern, Jr., and Elridge W. McMillan. He also recognized the chair of the campus presidential search committee, Dr. Dorothy B. Conteh, Interim Vice President for Academic Affairs. Dr. Conteh earned her bachelor's and master's of science degrees from Tuskegee University and her doctorate from Iowa State University.

She came to FVSU in 1966. The Chancellor remarked that Dr. Conteh had done an outstanding job in the search, and he asked her to stand and be recognized by the Board. Chancellor Meredith also thanked Ms. Shelley C. Nickel, Special Assistant to the Chancellor, for her work with the search committees. Then, the Chancellor invited President Kofi Lomotey to approach the Board. He explained that President Lomotey began his presidency on October 15, 2001. President Lomotey has a bachelor of arts degree from Oberlin College, a master of education degree from Cleveland State University, and a master of arts and doctorate in educational administration and policy analysis from Stanford University. He began his career at the State University of New York, Buffalo. He worked at Louisiana State University, and then became Senior Vice President and Provost, as well as Professor in the Department of Education, at Medgar Evers College. Chancellor Meredith said that President Lomotey has a stellar reputation and welcomed him to the State of Georgia.

President Lomotey greeted the Board and thanked the search committees. He stated that it is an honor to serve as President of FVSU and to serve the University System of Georgia. He expressed that he is very excited to be at FVSU for a number of reasons. He has met a number of wonderful people at FVSU, including student, faculty, staff, and administrators, but equally as important, he has met hundreds of FVSU alumni. President Lomotey remarked that he has never seen a more enthusiastic and committed group of alumni in all of his experience in higher education. So, he looks forward to working not only with the individuals on campus, but also with the alumni around the country. He is also excited about the 107-year history of FVSU and its commitment to students of African ancestry, as well as its more recent commitment of being a land grant institution and serving the needs of all students who choose to enroll. He is also very excited about the physical plant of the campus. Its 1,365 acres make it the largest contiguous piece of land in the University System. This is certainly an asset to leverage the efforts of the institution. President Lomotey said that he has spent a great deal of time watching and listening to people on campus. He has also made some personnel changes and will continue to look at the staffing patterns at the institution to determine what will best serve its needs going forward.

President Lomotey noted that as the institution moves forward, he will primarily focus on upgrading the quality of its academic programs. There are a number of programs that he refers to as “centers of excellence,” and he is doing everything possible to ensure those programs have the necessary resources to move to the next level. There are also programs that are less successful, such as teacher education. Such programs should also receive the necessary resources in order to strengthen them. So, academic enhancement is his primary focus right now. However, the institution will also embark on a \$15 million capital campaign over the next three years. Those funds will not only go toward improving academic programs, but will also go toward other activities on campus. President Lomotey is also working to improve communications both on campus and between the campus and the community and to improve customer service on campus. Finally, he wants to increase the number and quality of dormitories on campus. Presently, only one of every three FVSU students lives on campus. He would like to see perhaps two out of three living on campus within the next few years. In closing, President Lomotey said that there is a new motto at FVSU: “Straight to the top.” He then thanked the Regents and said that he looks forward to working with them over the years.

## **PRESENTATION: A DEMOGRAPHIC PROFILE OF GEORGIA**

Chancellor Meredith next introduced Dr. Douglas C. Bachtel, Professor of Housing and Consumer Economics in the College of Family and Consumer Sciences at the University of Georgia (“UGA”). He noted that Dr. Bachtel is also the editor of the Georgia County Guide. Dr. Bachtel was also named the 2001 Walter B. Hill Distinguished Public Service and Outreach Fellow, the highest award UGA gives to recognize outstanding public service. The information he provides not only aids citizens, but is also a great asset to legislators and decision makers in the state. At this meeting, Dr. Bachtel would provide a demographic profile of Georgia, which will provide a context for the Regents’ strategic planning discussions.

Dr. Bachtel thanked the Chancellor for his introduction and explained that he would be giving a statistical tour of the State of Georgia. The first information he presented was from the U.S. Census Bureau. It showed that Georgia has one of the fastest rates of population growth in the nation. From 1990 to 2000, the state’s population grew about 25%. Georgia is the sixth fastest growing state in the nation on a percentage basis and the fourth fastest growing state on a numeric basis. Georgia has the tenth largest population of any state in the nation and is the largest state east of the Mississippi River. (Florida is the third fastest growing state in the nation.) From 1930 to 2000, Georgia’s population grew to 8.1 million. Growth is a huge factor in politics and the environment in the State of Georgia, remarked Dr. Bachtel. Population changes are effected in three ways: birth, death, and migration. During the 1950s, all of Georgia’s population growth was attributed to births. During the 1960s, 12% of the growth was from people moving to Georgia. During the 1970s, about 50% of the growth was from new people moving into the state. During the 1980s, it was about 52%. During the 1990s, it was 60%. Today, migration continues to fuel the majority of population growth. There are over 2 million rural Georgians, but the majority of Georgia’s population lives in metropolitan areas. There has been a precipitous decline of the rural farm populations in Georgia. Dr. Bachtel said that every farmer, his/her spouse, and children could fit in Turner Stadium. He added that there are more private security guards in Georgia than farmers. Additionally, the latest data on rural farm statistics show that there has been a great decline of the African-American population in farming. Today, more women own farms in Georgia than African-Americans. There are only 20,000 black farmers left in America, and their average age in 1997 was close to 60. So, in a few years, black agriculture will essentially be over. Dr. Bachtel noted that only about 40,000 farms remain in Georgia.

Next, Dr. Bachtel discussed the metropolitan Atlanta area, which is the second fastest growing metropolitan area in the nation, following Los Angeles. There is also tremendous growth in North Georgia. There is a very interesting growth phenomenon occurring there, he said, and this is a tremendous force for change. This is a significant change from the 1980s, when 43 Georgia counties lost population. However, losses may occur again because of the recession and low prices in agriculture, combined with the lack of diversified economy in rural Georgia. Overall, however, Georgia has a diversified economy, which has attracted many people to the state. For example, I-75 is the busiest highway in the nation. One of every

four registered vehicles in the nation goes up and down I-75 each year. Additionally, Georgia has pecans, pine trees, peaches, and fuller's earth, which

is a primary component of kitty litter. Georgia has Hartsfield International Airport, the port of Savannah, and the port of Brunswick, which contribute to the diversification of the economy. So, overall, Georgia grows in both good and bad economic times, making it harder than the economies of some other states.

Dr. Bachtel next turned to the unemployment rate. He noted that even in a good economy, rural Georgia has difficulties. However, the metropolitan areas in Georgia have some of the lowest unemployment rates in the nation because of their diversification. Georgia has increased in per capita incomes and is better off than other Southern states but still lags behind the nation. As a result, there are over 1 million people who live below the poverty level in Georgia. He explained that there are some age-old problems affecting the state that make higher education even more important to economic development and improving the quality of life in the state. The latest per capita income data (1999) show that 94 counties in Georgia have a per capita income below \$21,000. A large portion of the state has a per capita income below Mississippi, which has the lowest per capita income in the nation. That is important for higher education, he said, because many children in those counties will not go to college because they do not have the home environment that encourages higher education and/or they cannot afford to go.

In the year 2000, 28.7% of the state's population was African-American and 65.1% was white, stated Dr. Bachtel. Georgia has the fifth highest number and fourth highest percentage of African-Americans of any state in the nation. Other races, including Asians, Eskimos, and Pacific Islanders, comprised approximately 4.8% of the population. Multi-racial citizens comprised the other 1.4% of the population. Dr. Bachtel noted that the Hispanic population was not included in this data because it is considered an ethnic population rather than a race. Nonetheless, he said, the Hispanic population is grossly undercounted and is one of the fastest growing populations of Georgia residents. Georgia's black population increased dramatically from 1790 to 2000. It was about 40% in 1880, decreased steadily for 90 years, and then increased by 1% in the 1970s when African-Americans stopped leaving the state. The reasons for the recent dramatic population increase are that black women have a higher birth rate and that there are African-Americans moving to the State of Georgia. Dr. Bachtel showed a map of the "black belt" in the nation, which goes from Virginia, through Georgia, into Texas because of the legacy of plantation cotton agriculture. He said that this area is called America's "third world" because the area has a higher infant mortality rate than Cuba. So, there are some long-term problems associated with health and education in the nation's "black belt." He explained that this goes far back into the nation's history when large concentrations of the African-American population were involved in plantation cotton agriculture. He noted that 51% of the state's black population lives in seven counties: Bibb, Chatham, Cobb, DeKalb, Fulton, Muscogee, and Richmond. African-Americans are also heavily concentrated in rural areas south of the fall line. There are very few African-Americans in the mountainous areas of Georgia because there were no job opportunities for that population in North Georgia. The Hispanic population is officially 5.35%, but Dr. Bachtel estimated that it is actually closer to 10% or 11%. Hispanics are heavily concentrated in certain

areas of the state because of job opportunities. In North Georgia, they are attracted to the carpet industry, and in South Georgia, they work in tobacco, cotton, and vegetable agricultural. They are also heavily populated in metropolitan areas because of landscaping, construction, and service jobs. On a statewide basis, they are not as pervasive, but in certain areas of the state, there are large concentrations of Hispanics and their numbers are very much underestimated.

Dr. Bachtel noted that there is a significant difference in the median ages of the white population versus the black population in the nation and in Georgia, which is attributable to the higher birth rate among black women and the longer average life expectancy of white people. As a result, there can be a minority African-American population while at the same time there is a majority black school population. When there is a predominantly elderly white population living on a fixed income, they will not necessarily want to vote for a tax increase to support a predominantly black school system, which can create some real political problems, said Dr. Bachtel. The age differential is very important to understanding the African-American population because they tend to be much younger than the white population. He noted that situation is becoming even more skewed over time.

Chair Howell asked what the median age for the African-American population is.

Dr. Bachtel responded that in Georgia, the median age of the overall population is approximately 34. the median age of the white population is about 37, while the median age of the black population is about 29. He then turned his attention to the percentage of mobile homes in the state. In 1990, 11.5% of homes in the state were mobile homes, but it is anticipated that the figure will be approximately 18% for the 2000 census. This has big implications for education, he explained, because mobile homes are taxed differently. This plays a more significant role in rural areas. Ironically, women who live in mobile homes tend to have higher birth rates, lower educational attainment levels, and lower incomes. So, this constitutes a “double-whammy” to the school systems.

In 1940, 81% of the population in Georgia age 25 and older did not have a high school education, reported Dr. Bachtel. Efforts like the Quality Based Education program (“QBE”) and the lottery have improved this significantly. It is expected that the 2000 census figure will be closer to 20%. However, in 1990, 29% of the state’s adult population did not have a high school education. Some of those people are parents now, and Dr. Bachtel speculated that, in general, their children will not be going to college. It is important, he asserted, that the state have an educated female population because women raise children. If women have an education, he said, they can teach their children. If they can read, their children will learn to read. He stressed that it is very important that women get in school and stay in school. More than 40% of adults in some Georgia counties do not have a high school education. While Georgia has made tremendous strides, it still lags the national average. Births to unwed mothers create a significant problem in Georgia that directly affects higher education. From 1980 to 1998, 34% of all births in the state were to unwed mothers. About one-fifth of the births to white women and about two-thirds of the births to African-American women were to unwed mothers, and those figures have remained relatively constant to the present. Those children will generally not go to college, said Dr. Bachtel. He asserted that they are programmed to fail. There are over 20 counties in Georgia that have more than half of their births to unwed

mothers. He noted that Georgia also has a very poor voter participation rate. It has been over 100 years since a majority of Georgians voted for president. The last president that a majority of Georgians voted for was in the Hayes-Tilden election, and Georgians voted for Tilden. When Jimmy Carter ran for President the first time, Georgia ranked forty-ninth out of fifty states for voter participation.

Dr. Bachtel stated that the state can be divided into four categories. The first category is metropolitan Georgia. It is the seat of economic development and is where most of the population resides. The people who live in metropolitan Georgia are primarily African-American. In these areas, there are high crime rates, low educational attainment levels, and very high rates of births to unwed mothers. The second category is suburban Georgia, the areas which surround the state's major metropolitan areas. Those areas are experiencing an incredible rate of population growth and have high educational attainment levels. While there are high crime rates, the crimes are more often property crimes than personal crimes. Suburban Georgia comprises many of the areas where the best things are happening in Georgia. The third category is rural Georgia that is growing. Such rural areas have assets such as scenic coastal or mountain views, military bases, or job opportunities. In those areas, young people do not have to leave to get jobs, and these areas are doing well. The final category is rural Georgia that is declining. In those areas, there are long-term problems, such as lack of infrastructure, low educational attainment levels, very high rates of births to unwed mothers, high unemployment rates, and other significant problems associated with these factors. Dr. Bachtel concluded that there are many good things happening in the State of Georgia; however, there are some age-old problems that need to be addressed. He then asked whether the Regents had any questions.

Regent Cleveland asked Dr. Bachtel to discuss the national rates of births to unwed mothers in both the African-American and general populations.

Dr. Bachtel responded that the birth rates to unwed mothers are increasing nationally and in Georgia, but the phenomenon disproportionate affects African-American women. (He noted that the group with the lowest birth rate to unwed mothers is the Asian population, in which the phenomenon is almost nonexistent.) The rates are particularly bad in rural areas. For example, in Clay, Quitman, and Stewart Counties in Southwest Georgia, approximately 80% of all births to African-American women are to unwed mothers. He noted that the interesting part of the phenomenon is that the unwed women are not teenagers. Rather, they are mostly women ages 20 to 44. He asserted that these women are poor and exploited. The problem significantly affects economic development in the state, and it is tremendously bad for higher education. However, because the problem revolves around such issues as birth control, religion, and race, it is a very complicated and sensitive matter.

Regent Coles remarked that it is very interesting that this problem should be growing worse while so many other areas have improved. He asked why improvements in income and quality of life have had no effect on the issue of birth rates to unwed mothers.

Dr. Bachtel suggested that the Regents consider how much more improved the state would be had children

not been born under those circumstances. He stated that because these children are born poor, it is likely that they will remain poor. They comprise a large portion of the dropout rate and will potentially end up in prison or on drugs and alcohol. Those children are programmed to fail, he reiterated.

Chair Howell asked Dr. Bachtel how Georgia would measure up if the metropolitan Atlanta figures were excluded from the data and projections and what would be the fastest-growing areas in the state.

Dr. Bachtel responded that if Atlanta were removed from the picture, Georgia would look very much like the rest of the rural South. He reminded the Regents that 94 counties in Georgia have a per capita income below \$21,000. However, there are some tremendous pockets of growth in the North Georgia mountains and in the coastal areas. He said that areas with scenic beauty and suburbs of larger metropolitan areas experience growth in job opportunities and in their economies. The suburbs of the metropolitan areas around Columbus and Lee County in South Georgia have experienced tremendous rates of population growth despite their geographic locations. Still, all of Georgia's second-tier cities, such as Albany, Columbus, and Savannah, have lost population because the white populations are moving to the suburbs. He contributed this "white flight" phenomenon to the difference in the population median ages and its resultant effect on the school districts. He said that in Atlanta, a similar phenomenon is referred to as "bright flight" because middle-class African-Americans are leaving the City of Atlanta and moving to the suburbs in record numbers. For example, the African-American growth in Clayton County has been so great that its black educational attainment level is higher than its white educational attainment level. Clayton County is one of the few counties in the nation where that has occurred.

Chair Howell asked whether and where there are areas outside of Atlanta that have experienced solid growth.

Dr. Bachtel replied that Lee County in South Georgia is experiencing rapid growth, as are Bryan, Effingham, and Lowndes Counties. Lowndes County has a very diversified economy due to Valdosta State University, I-75, and Moody Air Force Base. In fact, Lowndes County may be labeled a metropolitan area once the results of the 2000 census are released. So, there are pockets of growth and great economic diversity outside of Atlanta. Seeing that there were no further questions, he thanked the Regents and stepped down.

At approximately 2:00 p.m., Chair Howell adjourned the Board into its regular Committee meetings.

### **CALL TO ORDER**

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

James D. Yancey.

### **INVOCATION**

The invocation was given on Wednesday, January 9 by Regent Martin W. NeSmith.

### **ATTENDANCE REPORT**

The attendance report was read on Wednesday, January 9 by Secretary Gail S. Weber, who announced that all Regents were present on that day.

### **APPROVAL OF MINUTES**

Motion properly made and duly seconded, the minutes of the Board of Regents meeting held on November 13 and 14, 2001, were unanimously approved as distributed.

Chair Howell then asked the Regents for their Committee reports.

### **COMMITTEE ON INFORMATION AND INSTRUCTIONAL TECHNOLOGY**

The Committee on Information and Instructional Technology (the “Technology Committee”) met jointly with the Committee on Real Estate and Facilities (the “Facilities Committee”) on Tuesday, January 8, 2002, at approximately 11:00 a.m. in room 6041, the Sixth Floor Training Room. Technology Committee members in attendance were Chair Martin W. NeSmith, Vice Chair Michael J. Coles, and Regents Hugh A. Carter, Jr., and James D. Yancey. Facilities Committee members in attendance were Chair George M. D. (John) Hunt III, Vice Chair Joel O. Wooten, Jr., and Regents Connie Cater, Michael J. Coles, Donald M. Leebern, Jr., and James D. Yancey. Chancellor Thomas C. Meredith was also in attendance at the meeting. Technology Committee Chair NeSmith reported to the full Board on Wednesday that the Technology Committee had reviewed two items, one of which required action. With motion properly made, seconded, and unanimously adopted, the Board approved and authorized the following:

1. **Status of Regents’ Office of Information and Instructional Technology Facility, University of Georgia**

The Vice Chancellor for Information and Instructional Technology and Chief Information Officer, Randall A. Thursby, presented to the Committee on Information and Instructional Technology and the Committee on Real Estate and Facilities a status report on the possible Regents’ Office of Information and Instructional Technology (“OIIT”) Facility in Athens, Georgia, on the campus of the University of Georgia (“UGA”). UGA’s Vice President for Business and Finance, Hank M. Huckaby, and the Chief Information Officer



and Associate Provost, Kirk D. Bertram, were also involved in this discussion.

Previous discussions have centered on approximately 2.0242 acres on the campus of UGA, which are no longer advantageously useful to UGA or other units of the University System of Georgia, for the purpose of constructing and owning a 61,635-square-foot technology/office building for OIIT. If built, the building will be constructed in compliance with Board of Regents construction standards and expectations and in a manner consistent with the campus's architectural design.

Discussions between the Regents and System and UGA representatives centered around the cost of construction and leaseback through the University of Georgia Real Estate Foundation, Inc. (the "Foundation"), the relationship between the OIIT building project and the UGA Information Technology Services building project, and the fact that the current OIIT leased space is quite inadequate. Concern was expressed that the cost of construction appeared to be excessive compared to other construction projects even after a reduction in square footage and other design economies were employed.

All of the System and UGA parties involved said that they would examine both building projects more closely and work with the Foundation to ensure that costs were minimized without a reduction in space and that maximum efficiency and synergy will be maintained between both projects before requests are presented to the Board for approval.

## **2. Facilities Guidelines for Instructional Technology Report**

Approved: The Committee on Information and Instructional Technology endorsed the Facilities Guidelines for Instructional Technology Report (the "Report") and submitted this Report for action to the Committee on Real Estate and Facilities. (See pages 23 to 25.) The Report establishes a baseline set of guidelines for University System of Georgia facilities that provides for consistent and high-quality instructional environments while at the same time reducing the time necessary for building program development and design and lowering support and maintenance requirements due to commonality of equipment and systems. President Clifford M. Brock of Bainbridge College chaired the Facilities Guidelines for Instructional Technology Task Force (the "Task Force") and presented its Report to the Committee.

The Committee also conveyed its appreciation to the following members of the Task Force for their dedicated service:

- President Clifford M. Brock of Bainbridge College, Chair
- Donald P. Alexander, P.E., Institute Engineer, Georgia Institute of Technology
- Thomas Archibald, Assistant to President for Information Technology, Valdosta State University
- Gita Hendessi, Director of Facilities Planning, Board of Regents
- John Scoville, Executive Director for Enterprise Infrastructure Services, Office of

- Information and Instructional Technology, Board of Regents
- David Sims, Director of Plant Operations, Macon State College
  - Kris E. Turnbull, Director of Center for Technology Training, Kennesaw State University
  - Dr. James Wolfgang, Chief Information Officer, Georgia College & State University

The Vice Chancellor for Information and Instructional Technology and Chief Information Officer, Randall A. Thursby, also recognized Ms. Gita Hendessi, Director of Facilities Planning for the Board of Regents for her outstanding staff work in support of the Task Force.

Understandings: At the April 2001 Board meeting, President Brock, Chair of the Task Force, and staff reported to the Board on the benefits of establishing baseline guidelines for technology requirements for instructional and support spaces.

Modern methods of teaching and learning rely in varying degrees on electronic technology to support the curriculum. Instructional technology must therefore be capable of responding to the various educational support needs within the buildings and facilities that compose the physical campus. The obligation of a facility to provide a minimum level or type of electronic support was the focus of this Task Force.

The Task Force reviewed issues associated with the physical provisions of instructional technology in University System of Georgia facilities and recommended standards or guidelines that could serve as a baseline for System facilities.

There are many benefits that could accrue from the establishment of a set of standards or guidelines for the inclusion of instructional technology equipment (hardware and intrabuilding connectivity). These benefits could include improved instructional environments that permit faculty and students to better utilize instructional technology capabilities with a level of consistency in all types of rooms, the ability to reduce the time to complete a building's programming and design, the careful consideration of features intended to support the future adaptability of a building to support alternate programs, and reduced support and maintenance requirements due to commonality of equipment and systems.

The Task Force also considered the difference between the campuses in terms of mission, location, size, and staffing requirements to ensure that the baseline guidelines provide reasonable access capabilities to all System institutions. In this regard, the Task Force considered the first-time costs associated with the installation of the technology, associated maintenance costs, and most importantly, flexibility to respond to future requirements.

President Brock commented that one of the most significant findings of the Task Force was that all campus facilities projects must have a variety of personnel involved, including significant participation by

campus and System information and instructional technology professionals. Mr. Thursby indicated that the Georgia Student Finance and Investment Commission (“GSFIC”) now requires the chief information officer (“CIO”) of the Georgia Technology Authority (“GTA”) to sign off on all building projects. He reported that an agreement has been reached between the Board of Regents and the GSFIC that will permit him, as the University System’s CIO, to sign off for all University System facilities in place of the GTA CIO.

## **COMMITTEE ON FINANCE AND BUSINESS OPERATIONS**

The Committee on Finance and Business Operations met on Tuesday, January 8, 2002, at approximately 2:05 p.m. in the Board Room. Committee members in attendance were Chair James D. Yancey, Vice Chair J. Timothy Shelnut, and Regents Connie Cater, Michael J. Coles, George M. D. (John) Hunt III, Donald M. Leebern, Jr., Glenn S. White, and Joel O. Wooten, Jr. Chancellor Thomas C. Meredith was also present at this meeting. Chair Yancey reported to the Board on Wednesday that the Committee had reviewed four items, all of which required action. With motion properly made, seconded, and unanimously adopted, the Board approved and authorized the following:

### **1. Approval of Investment Manager for the University System of Georgia’s Pooled Investment Fund Program**

Approved: The Board approved the selection of Trusco Capital Management (“Trusco”) to serve as investment manager for the University System of Georgia’s pooled investment funds program and authorize the establishment of a one-year contract to become effective February 1, 2002, with annual renewals permitted for an additional four years.

Additionally, the Committee requested that annual contract renewals come back to the Committee for approval and that annual evaluations be undertaken.

Background: The University System of Georgia’s pooled investment funds program was established in 1991 to provide a full representation of risk/return options for participating institutions and their affiliated organizations. Trusco has been the investment manager for the program since its inception. The pooled investment fund program consists of four separate funds meeting specific Georgia investment code restrictions. Currently, 26 institutions and/or their affiliated organizations participate in the program. The present market value of all invested funds exceeds \$175 million.

To ensure that the University System institutions obtain the best results at reasonable cost, a request for information was released to the public to rebid the management of the program. Management encompasses investment advice and forecasts, custodianship of the funds, and personalized reporting to the University System Office and individual institutions.

In early September 2001, a committee comprised of chief business officers from institutions having the

largest investments in the fund was created to evaluate and make recommendations on submitted proposals. A total of eight proposals were submitted to the University System Office and evaluated on the basis of the following criteria:

- Previous performance and returns
- Trading and investment philosophy
- Ability and willingness to conduct on-campus visits
- Experience with educational or governmental accounts
- Company history
- Fee schedules
- Proposed investment team
- Reporting format and frequency
- Size of firm

Several firms were disqualified for not meeting these basic criteria. Trusco received the highest aggregate score among the remaining firms and has therefore been recommended for approval by the Board of Regents.

## **2. Approval of New Policy for Postsecondary Options Tuition Reimbursement Waiver**

Approved: The Board approved a new policy for postsecondary options (“PSO”) tuition reimbursement waiver to become retroactively effective July 1, 2001.

Background: The PSO program is a program in which junior and senior level high school students in the state are eligible to take college-level courses at the institutions of the University System of Georgia and Department of Technical and Adult Education institutions. The institutions are reimbursed by the Department of Education for the cost of educating the students. The state has allocated a fixed amount for this program. While the state has fully reimbursed the institutions in prior years, the state funding for the program has begun operating at a deficit.

The Governor is proposing legislation to reduce the reimbursement rate from 100% to 90% for fiscal year 2002 and to 75% for fiscal year 2003. The reduction is expected to be retroactively applied to the current fiscal year. Since the inception of the program, students have not been charged any cost associated with the program. The difference between the total cost and the amount reimbursed by the state will be borne by the institution. The waiver will be applied to the shortfall in reimbursement.

The new tuition reimbursement waiver policy adds the following subsection to the existing policy:

### **704.03 TUITION DIFFERENTIAL AND FEE WAIVERS**

#### **704.0303 POSTSECONDARY OPTIONS TUITION REIMBURSEMENT WAIVER**

Any institution may waive the portion of tuition and fees representing the difference between the amount of the state reimbursement for the Postsecondary Options program and the total cost of tuition and fees, as approved by the Board, for the students enrolled in the program.

**3. Approval of Allocation of Funds for the Support of the Georgia Institute of Technology’s Food Processing Technology Research Building**

Approved: The Board approved the allocation of \$1,860,000 to the Georgia Institute of Technology (“GIT”) from the proceeds of the sale of the former Georgia Institute of Genetics property located in Bartow County to support the construction of the Food Processing Technology Research building.

Background: In 1972, the Georgia Institute of Genetics conveyed 306 acres in Bartow County to the Board of Regents in concluding its operations. The charter of the institute provided that assets remaining after its dissolution “shall belong to the Board of Regents for the advancement of agricultural education and experimentation in Georgia.” Over the years, portions of the property have been sold with proceeds divided equally between the University of Georgia (“UGA”) and GIT. In 1995, 50 acres of the property were sold, yielding net proceeds of \$2.7 million. Half of the amount, \$1,350,000, was distributed in 1997 to UGA for the purchase of the Red Bud Farm. GIT is requesting use of the balance of funds, plus investment earnings, to pay a portion of the cost of constructing the Food Processing Technology Research building, a project approved by the Board of Regents in March 1999 at a total cost of \$9.7 million. The project is expected to commence in spring 2002. This transfer will allow GIT to commit funds.

**4. Acceptance of Gifts for the Georgia Institute of Technology**

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

<u>Company</u>	<u>Value</u>	<u>Items</u>	<u>Department</u>
CaiCE Software Corporation	\$434,000	200 licenses of CaiCE for survey and design with microstation translator	School of Civil and Environmental Engineering

Background: CaiCE is the survey and design software of choice of the Georgia Department of Transportation as well as many private consultants. This gift will aid in students’ preparation for the profession by increasing their exposure to valuable product knowledge and experience. Board policy requires that any gift to a University System of Georgia institution with an initial value greater than \$100,000 must be accepted by the Board of Regents. GIT has advised that there are no material cost

implications anticipated by the acceptance of this gift.

### **COMMITTEE ON REAL ESTATE AND FACILITIES**

The Committee on Real Estate and Facilities (the “Facilities Committee”) met first with the Committee on Information and Instructional Technology (the “Technology Committee”) on Tuesday, January 8, 2002, at 11:00 a.m. in room 6041, the Training Room to discuss Items 8 and 9 of the Facilities Committee agenda. (See pages 10 to 12 for a full report of that meeting.) The Facilities Committee met again at approximately 2:25 p.m. in the Board Room to discuss the remainder of its agenda. Committee members in attendance were Chair George M. D. (John) Hunt III, Vice Chair Joel O. Wooten, Jr., and Regents Connie Cater, Michael J. Coles, Donald M. Leebern, Jr., J. Timothy Shelnut, Glenn S. White, and James D. Yancey. Chancellor Thomas C. Meredith was also present at this meeting. Facilities Committee Chair Hunt reported to the Board on Wednesday that the Committee had reviewed a total of 11 items, 8 of which required action. One action item was tabled until the February 2002 Board meeting. With motion properly made, seconded, and unanimously adopted, the Board approved and authorized the following:

**1. Amendment to Rental Agreement 405, 425, and 455 North Lumpkin Street, Athens, University of Georgia**

Approved: The Board authorized the execution of an amendment to the rental agreement between McClure & Griffin Enterprises, LLC, Landlord, and the Board of Regents of the University System of Georgia, Tenant, increasing office space located at 405, 425, and 455 North Lumpkin Street, Athens, Georgia, from 4,124.5 square feet to 5,546.5 square feet for the period January 15, 2002, through June 30, 2002, at a monthly rental of \$5,018.83 (\$60,225.96 per year/\$10.86 per square foot per year) with the option to renew on a year-to-year basis for three consecutive one-year periods with rent remaining the same for the first option period and increasing to \$5150.89/month for second and third option period for the use of the University of Georgia (“UGA”).

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

Understandings: The Northeast Georgia Trio program, which includes the Northeast Georgia Upward Bound, the Northeast Georgia Educational Opportunity Center (the “Opportunity Center”), and the Northeast Georgia Educational Talent Search (the “Talent Search”), currently occupies the space. These are community service organizations that serve adults returning to school. Both the Opportunity Center and the Talent Search are expanding to reach a greater portion of clients in the Athens area.

No space is available on campus and the Landlord has configured the property to meet production requirements.

All operating expenses are included in the rent.

Funding is from the U.S. Department of Education.

This amendment will increase the square footage of space rented at this location for this program from 4,124.5 square feet to 5,546.5 square feet. Space has been rented since June 1999 at this location for this program.

**2. Rental Agreement, 175 Gwinnett Drive, Lawrenceville, University of Georgia**

Approved: The Board authorized the execution of a rental agreement between Heritage Lawrenceville Investors, Landlord, and the Board of Regents of the University System of Georgia, Tenant, for 4,042 square feet of office and classroom space located at 175 Gwinnett Drive, Lawrenceville, Georgia, for the period January 9, 2002, through September 30, 2002, at a monthly rental of \$5,052.50 (\$60,630 per year annualized, \$15 per square foot per year) with the option to renew on a year-to-year basis for two consecutive one-year periods with rent increasing 4% per year for the use of the University of Georgia's ("UGA") Advancing Careers through Education and Training ("ACET") project.

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

Understandings: The ACET project serves to implement a statewide professional development system that will enhance the skills and career opportunities for childcare and early education professionals in support of quality programs for children.

The space currently occupied by this project on the Gainesville College campus will be vacated. The 175 Gwinnett Drive space is preferable because of its closer proximity to Atlanta, where most of the funding agencies are located, as well as its proximity to the Gwinnett University Center and the Georgia Center on UGA's campus, which houses the administrative functions for ACET.

No space is available on campus or in University System facilities within the area.

All operating expenses are included in the rent rate.

Funding for the rent is provided by United Way of Atlanta and the Governor's Early Learning Initiative. The agreement will be terminated should this funding not be provided.

**3. Intergovernmental Rental Agreement, 2 Peachtree Street Annex Building, Atlanta, Georgia State University**

Approved: The Board authorized the execution of an intergovernmental space assignment rental

agreement between the Georgia Building Authority (“GBA”), Landlord, and the Board of Regents, Tenant, covering approximately 107,342 square feet of office space located at 2 Peachtree Street Annex Building, Atlanta, Georgia, for the period beginning on completion of renovations and ending ten years after occupancy at a monthly rental of \$88,071 (\$1,056,853 per year/\$9.80 per square foot per year) with option to renew for one 10-year period for use by Georgia State University’s School of Policy Studies. After the initial five-year occupancy, rent will be the rate set by the Office of Planning and Budget to be charged by the GBA to state agencies.

The terms of this intergovernmental agreement are subject to review and legal approval by the Office of the Attorney General on behalf of the Board of Regents, and the terms must be consistent with Board policy and business practices.

Understandings: The School of Policy Studies is presently located in the College of Business Building, One Park Place South Building, Urban Life Building, Georgia State University (“GSU”), and 2 Peachtree Street Annex Building, Atlanta, Georgia. This lease will consolidate the School of Policy Studies at one location. Recognition of the space requirements for this academic unit was given by the Georgia General Assembly who appropriated \$10 million to the GBA for the renovation of this vacant state office space. GSU will be responsible for any costs over this amount. The project cost (based on 65% construction drawings) is now estimated at \$13 million. GSU and GBA are working together to reduce the difference between the \$13 million project cost estimate and the \$10 million appropriations to approximately \$2 million, which will be funded by GSU. It is currently anticipated that GSU will contribute \$2 million for the renovation.

No other suitable office space is available on campus or within other University System institutions within the area. The space could be hardwired to GSU’s computer backbone.

Rent includes all operating expenses.

The GBA will grant a Right of Offer to the Board of Regents for any space in 2 Peachtree Street Annex Building that may become available for rent. Should such Right to Offer be extended and there is a need for such space offered, a rental agreement will be presented to the Board for consideration.

**4. Memorandum of Understanding With the Savannah Economic Development Authority, Georgia Institute of Technology**

Approved: The Board authorized a memorandum of understanding (“MOU”) with the Savannah Economic Development Authority (“SEDA”) for the Georgia Tech Regional Engineering Program (“GTREP”) facility at the Crossroads Business Center in Savannah, Georgia.

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



Understandings: In October 2000, the Board received information concerning GTREP and efforts to provide permanent facilities in Savannah for GTREP. This action will provide the basic understanding by which SEDA will provide this permanent facility.

The MOU will set forth the understandings between the Board of Regents and SEDA concerning the design and construction of the GTREP facility as follows:

1. SEDA will obtain all architectural services, civil engineering landscape design and infrastructure improvements on the GTREP site. The Board will reimburse SEDA for these services as part of the purchase price of \$5 million, less an amount for fixed and moveable equipment and for telecommunications for the first building.
2. SEDA will work with the Georgia Institute of Technology and the Board to design and construct the first building for an amount not to exceed \$5 million, less an amount for fixed and moveable equipment, telecommunications, and design costs, no later than the fall of 2003.
3. The Board presently intends to purchase the first building for an amount within the Board's approved budget no later than the fall of 2003.
4. SEDA is encouraging development of lease space on the adjoining 101 acres mixed-use office complex and will assist the Board with finding additional lease space within this area, if requested.
5. SEDA will assist the Board with efforts to further develop the GTREP site for the GTREP, the Advanced Technology Development Center, and Yamacraw programs.

At such time as construction of the first building is complete, the Board will be requested to accept title to approximately 47 acres and purchase the first building.

**5. Appointment of Design/Build Firm, Georgia Southern University**

Approved: The Board appointed the first-named design/build firm listed below for the identified major capital outlay project and authorized the execution of a contract with the identified firm at the stated cost shown. Should it not be possible to execute a contract with the top-ranked firm, staff would then attempt to execute a contract with the other listed firms in rank order.

Following a selection process for a design/build firm, the following recommendation is made:

**Project No. I-86, "Information Technology Building,"  
Georgia Southern University**

Project Description: The Information Technology Building will be approximately 130,000 gross square feet of new construction, providing classrooms, a lecture hall, an auditorium, computer labs, interactive learning areas, offices, a professional/executive learning center, a bookstore, and support areas.

The bookstore will be funded by auxiliary funds in the amount of \$648,000. Bond funds in the amount of \$33 million will fund the remainder of the building. Total project funding is \$33,648,000.

Total Project Cost	\$33,648,000
Construction Cost (Stated Cost Limitation)	\$25,738,000

Number of design/build firms that applied for this commission: 18  
Recommended design/build firms in rank order:

- 1) The Facility Group, Smyrna
- 2) Carter and Associates, Atlanta
- 3) Gateway Development Services, Inc., Atlanta
- 4) John Portman and Associates, Atlanta

## **6. Preventive Maintenance Program for University System of Georgia Facilities**

Tabled: The Committee tabled the approval of the Systemwide preventive maintenance implementation plan that anticipates a Systemwide, centrally hosted, computerized maintenance management system (“CMMS”) based program. The Committee requested that the staff return in February 2002 with a summary of anticipated savings.

Understandings: At the November 2001 meeting, the Vice Chancellor for Facilities, William K. Chatham, discussed the preventive maintenance (“PM”) steering committee’s major findings and recommendations, which represented the culmination of a year of research and investigation into the existing PM practices at each of the 34 System institutions together with a national review of literature and like institutions. The Board directed the staff to prepare an implementation plan for the Systemwide PM program (“SPMP”).

Implementation of the SPMP will have three major components, as follows:

1. **Staffing Requirements:** A centrally hosted and managed SPMP will require additional staff resources to manage the acquisition of a CMMS, manage training requirements, and develop an implementation schedule and phasing plan. Once implemented, the staff will be providing regular and routine management of the overall program. Initially, two

full-time staff positions (a director and an administrative assistant) will be required.

2. Training Requirements: Two types of training will be required: 1) initial training for campus staff for use and operation of the SPMP and 2) ongoing training to keep staff up-to-date and to train new employees.
3. Development of an Implementation Schedule for University System Office (“USO”) and Campuses: An implementation schedule will be developed to include hiring of USO staff, selection and purchase of a CMMS through a request for proposal process, acquisition of related equipment, and training of staff and campus personnel.

**7. Reauthorization of Project No. I-91 “Myers Hall Renovation,” University of Georgia**

Approved: The Board reauthorized Project No. I-91, “Myers Hall Renovation,” University of Georgia (“UGA”), with a total project budget of \$16,472,300, using funds from student affairs auxiliary reserves.

Understandings: The Board authorized this project in March 2000 with a total budget of \$19,360,000 for converting the 472-bed dorm into a 310-bed dormitory with academic space.

Following programming and initial design studies, UGA has concluded that it is more cost-effective to renovate the building in a conventional dorm style, with a shared bath on the hall, similar to its current configuration. The living/learning, academic space, and comprehensive infrastructure upgrades have been deleted from the program.

The request is consistent with the university’s comprehensive housing plan.

Because of the range and mix of student housing existing or being planned at UGA, this facility will not be renovated to include bathrooms within each suite. An exemption from the University System policy concerning student housing facilities will be granted upon the approval of this project authorization.

Myers Hall, built in 1953 as a 468-bed dormitory, currently operates as a 472-bed dormitory. Since its construction, there have been no substantial renovations made to the facility. Consequently, many of the building’s systems are worn out or do not function well and need to be replaced.

The concept of the renovation is to provide approximately 405 beds arranged in traditional dorm style with bathrooms on the hall.

The renovation cost of the facility is estimated at \$12,950,000, which includes \$103.60 per square foot for residential space.

Funding for the project is \$16,472,300 using funds from student affairs auxiliary reserves.

The University of Georgia has completed a preplanning/programming study. If authorization is received, the staff, in cooperation with UGA, will proceed with design services.

## **8. Facilities Guidelines for Instructional Technology Report**

Approved: The Board adopted the Facilities Guidelines for Instructional Technology Report (the “Report”) for distribution, thus establishing baseline requirements for University System of Georgia facilities, which, if implemented, could reduce the time necessary for building program and design and reduce maintenance requirements due to commonality of equipment and systems.

This item was discussed in a joint meeting of the Committee on Real Estate and Facilities and the Committee on Information and Instructional Technology. (See pages 11 to 12.)

The Committee conveyed its appreciation to the following members of the Facilities Guidelines for Instructional Technology Task Force (the “Task Force”) for their dedicated service:

- President Clifford M. Brock of Bainbridge College, Chair
- Donald P. Alexander, P.E., Institute Engineer, Georgia Institute of Technology
- Thomas Archibald, Assistant to President for Information Technology, Valdosta State University
- Gita Hendessi, Director of Facilities Planning, Board of Regents
- John Scoville, Executive Director for Enterprise Infrastructure Services, Office of Information and Instructional Technology, Board of Regents
- David Sims, Director of Plant Operations, Macon State College
- Kris E. Turnbull, Director of Center for Technology Training, Kennesaw State University
- Dr. James Wolfgang, Chief Information Officer, Georgia College & State University

The Vice Chancellor for Information and Instructional Technology and Chief Information Officer, Randall A. Thursby, also recognized Ms. Gita Hendessi, Director of Facilities Planning for the Board of Regents for her outstanding staff work in support of the Task Force.

Understandings: At the April 2001 Board meeting, President Brock, Chair of the Task Force, and staff reported to the Board on the benefits of establishing baseline guidelines for technology requirements for instructional and support spaces.

Modern methods of teaching and learning rely in varying degrees on electronic technology to support the curriculum. Instructional technology must therefore be capable of responding to the various educational support needs within the buildings and facilities that compose the physical campus. The obligation of a facility to provide a minimum level or type of electronic support was the focus of this Task Force.

The Task Force reviewed issues associated with the physical provisions of instructional technology in University System of Georgia facilities and recommended standards or guidelines that could serve as a baseline for System facilities.

There are many benefits that could accrue from the establishment of a set of standards or guidelines for the inclusion of instructional technology equipment (hardware and intrabuilding connectivity). These benefits could include improved instructional environments that permit faculty and students to better utilize instructional technology capabilities with a level of consistency in all types of rooms, the ability to reduce the time to complete a building's programming and design, the careful consideration of features intended to support the future adaptability of a building to support alternate programs, and reduced support and maintenance requirements due to commonality of equipment and systems.

The Task Force also considered the difference between the campuses in terms of mission, location, size, and staffing requirements to ensure that the baseline guidelines provide reasonable access capabilities to all System institutions. In this regard, the Task Force considered the first-time costs associated with the installation of the technology, associated maintenance costs, and most importantly, flexibility to respond to future requirements.

President Brock commented that one of the most significant findings of the Task Force was that all campus facilities projects must have a variety of personnel involved, including significant participation by campus and System information and instructional technology professionals. Mr. Thursby indicated that the Georgia Student Finance and Investment Commission ("GSFIC") now requires the chief information officer ("CIO") of the Georgia Technology Authority ("GTA") to sign off on all building projects. He reported that an agreement has been reached between the Board of Regents and the GSFIC that will permit him, as the University System's CIO, to sign off for all University System facilities in place of the GTA CIO.

**9. Information Item: Status of Regents' Office of Information and Instructional Technology Facility, University of Georgia**

The Committee on Information and Instructional Technology and the Committee on Real Estate and Facilities discussed the status of the possible Regents' Office of Information and Instructional Technology ("OIIT") Facility in Athens, Georgia, on the campus of the University of Georgia ("UGA"). (See page 10.)

Previous discussions have centered on approximately 2.0242 acres on the campus of UGA, which are no longer advantageously useful to UGA or other units of the University System of Georgia, for the purpose of constructing and owning a 61,635-square-foot technology/office building for OIIT. If built, the building will be constructed in compliance with Board of Regents construction standards and expectations and in a manner consistent with the campus's architectural design.

Discussions between the Regents and System and UGA representatives centered around the cost of construction and leaseback through the University of Georgia Real Estate Foundation, Inc. (the “Foundation”), the relationship between the OIIT building project and the UGA Information Technology Services building project, and the fact that the current OIIT leased space is quite inadequate. Concern was expressed that the cost of construction appeared to be excessive compared to other construction projects even after a reduction in square footage and other design economies were employed.

All of the System and UGA parties involved said that they would examine both building projects more closely and work with the Foundation to ensure that costs were minimized without a reduction in space and that maximum efficiency and synergy will be maintained between both projects before requests are presented to the Board for approval.

#### **10. Information Item: Master Plan, Georgia Southern University**

Georgia Southern University (“GSOU”) and the Office of Facilities proposed a physical master plan for future development of the institution. President Bruce F. Grube and a consultant, Mr. Walter Miller, Vice President and Director of Education Studios of the architectural firm of Portman and Associates, Inc., presented the plan to the Committee. The consultants reviewed the university’s enrollment targets, mission statement, strategic plan, academic and support programs, and other variables. They met with the administration, faculty, senate, students, and community leaders to receive input and then presented options for facilities, parking/traffic patterns, student/pedestrian circulation patterns, and campus beautification. Based on the consultants’ findings, GSOU’s master plan recommendations included the following:

- Replace several temporary campus buildings with purpose-built facilities
- Create appropriate future facilities for the growing academic needs, community outreach activities, and economic development needs
- Renovate and preserve several existing historic buildings to provide modern facilities
- Upgrade campus utility infrastructure
- Improve and expand student housing facilities based on the recommendations of the housing plan
- Improve campus roads and parking to create a more pedestrian-oriented campus core
- Continue to preserve and enhance the campus environment and landscaping

The Committee requested that the staff come back with a report on efficiency ratios.

**11. Information Item: Housing Concept Proposal, Georgia Southern University**

In October 1997, the Board passed a new student housing policy that requires the preparation of a comprehensive plan for student housing together with a financial plan to support the housing program objectives.

Georgia Southern University (“GSOU”) has developed a comprehensive student housing plan that is consistent with the policy. The GSOU plan consists of constructing new on-campus privatized housing facilities in 3 phases and the demolition of 13 existing dormitories that are beyond cost-effective repair by 2006. According to the plan, the net result will be a 4267-bed capacity, which will be an increase of approximately 1500 beds, or 35% over current capacity.

Currently, GSOU operates 2767 student housing beds with a 98% occupancy rate.

Approximately 19% of the students are currently housed on campus. With this housing plan, this percentage will change to 30% upon full implementation of the housing plan. The first phase of the housing plan will construct approximately 1000 beds and demolish seven buildings which are beyond cost-effective renovation.

University System Office staff will work with the Office of the Attorney General to prepare a request for proposals for the first phase of public/private housing at GSOU, modeled after Savannah State University but modified to respond to specific campus needs.

**12. Executive Session: Authorization of Purchase Option for Acquisition of Property**

This item was added by unanimous consent as a walk-on item to the Committee’s agenda. At approximately 3:30 p.m. on Tuesday, January 8, 2002, Chair Hunt called for an Executive Session for the purpose of discussing the acquisition of property. With motion properly made and variously seconded, the Committee members who were present voted unanimously to go into Executive Session. Those Regents were as follows: Chair George M. D. (John) Hunt III, Vice Chair Joel O. Wooten, Jr., and Regents Connie Cater, Donald M. Leebern, Jr., J. Timothy Shelnut, Glenn S. White, and James D. Yancey. Also in attendance were Chancellor Thomas C. Meredith; the Secretary to the Board, Gail S. Weber; the Senior Vice Chancellor for Support Services, Corlis Cummings; the Senior Vice Chancellor for External Activities and Facilities, Thomas E. Daniel; and the Interim Vice Chancellor for Facilities, George B. Wingblade. In accordance with H.B. 278, Section 3 (Amending O.C.G.A. § 50-14-4), an affidavit regarding this Executive Session is on file with the Chancellor’s Office.

At approximately 3:45 p.m., Chair Hunt reconvened the Committee meeting in its regular session and announced that no actions were taken in the Executive Session. He then moved that the Board authorize a purchase option for the acquisition of property. Motion properly made and variously

seconded, the Board unanimously approved the purchase option.

**13. Rental Agreement, 675-1 West Paces Ferry, Atlanta**

Approved: The Board authorized the execution of a rental agreement between the University System of Georgia Foundation, Inc., Landlord, and the Board of Regents of the University System of Georgia, Tenant, for real property located at 675-1 Paces Ferry Road, Atlanta, Georgia, for the period January 10, 2002, through June 30, 2002, at a monthly rental of \$10 for the use of the University System of Georgia. This item was added by unanimous consent as a walk-on item to the Committee's agenda.

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

Understandings: Operating expenses, such as utilities, maintenance, and repairs, will be the responsibility of the Tenant.

**COMMITTEE ON EDUCATION, RESEARCH, AND EXTENSION**

The Committee on Education, Research, and Extension met on Tuesday, January 8, 2002, at approximately 2:05 p.m. in room 6041, the Training Room. Committee members in attendance were Chair Allene H. Magill, Vice Chair Martin W. NeSmith, and Regents Hugh A. Carter, Jr., William H. Cleveland, Joe Frank Harris, and Elridge W. McMillan. Chair Magill reported to the Board that the Committee had reviewed 11 items, 8 of which required action. Additionally, 142 regular faculty appointments were reviewed and recommended for approval. With motion properly made, seconded, and unanimously adopted, the Board approved and authorized the following:

**1. Articulation Agreement Between the University System of Georgia and the Department of Technical and Adult Education: Academic Standards in Freshman English and Mathematics for Exit and Transfer**

Approved: The Board approved changes in policy to require institutions to accept transfer core English and mathematics courses (see below) from Commission on Colleges-accredited Department of Technical and Adult Education ("DTAE") colleges and to accept test scores via a crosswalk recorded on transcripts from DTAE colleges. This agreement will become effective for students who enroll in English and mathematics courses beginning January 2002 and who meet the minimum test score requirements for exemption or exit from developmental studies/learning support.

Abstract: Early in 2000, Governor Barnes' Education Commission observed that barriers to transfer between the University System of Georgia ("USG") and DTAE institutions of students who were adequately prepared should be removed. In response to the observation, the USG and DTAE, with the complete support of Chancellor Stephen R. Portch (USG) and Commissioner Kenneth Breeden



(DTAE), initiated the “Mini-Core” Project, which focused on freshman courses in mathematics and English. The two goals of the Mini-Core Project were:

- C To establish transferable English and mathematics courses (e.g., courses with common content) between DTAE and USG institutions; and
- C To honor placement test results between systems.

### Mini-Core Project Parameters

#### *Courses Approved for Transfer*

Mathematics:

- Introduction to Mathematical Modeling — MATH 1101 (USG) / MAT 190 (DTAE)
- College Algebra — MATH 1111 (USG) / MAT 191 (DTAE)
- Pre-Calculus – MATH 1113 (USG) / MAT 194 (DTAE)

English:

- Composition I – ENGL 1101 (USG) / ENG 191 (DTAE)
- Composition II – ENGL 1102 (USG) / ENG 193 (DTAE)

#### *Common Placement*

- Both systems agree to accept comparable exit scores for freshman English and mathematics on the Collegiate Placement Exam, COMPASS, and ASSET tests.
- Students who have taken a placement test will not be required to take another placement test by any other USG or DTAE institution if they have attended the institution and have the placement scores recorded on the transcript.
- Exit from learning support/developmental studies at one institution will be honored at all DTAE and USG institutions.

#### *Follow-up Study*

- Performance of native students and students who transfer between USG and DTAE institutions will be assessed in transfer courses and in successive English and mathematics courses at the institutions to which they are transferred.

## **2. Establishment of the Existing Darton College Associate of Science in Nursing as an External Degree in the City of Cordele and on the Campuses of Bainbridge College and Georgia Southwestern State University, Darton College**

Approved: The Board approved the request of President Peter J. Sireno that Darton College (“DC”) be authorized to establish the existing Associate of Science in Nursing as an external degree program delivered in the City of Cordele and on the campuses of Bainbridge College (“BC”) and Georgia Southwestern State University (“GSSU”), effective January 9, 2002.

Abstract: A needs assessment conducted by DC demonstrates that there is a significant pool of qualified applicants who have the potential for meeting the application requirements for entry into the Associate of Science in Nursing program. Hospitals and other medical facilities have indicated strongly that a local need exists for associate degree nurses. Specifically, DC was asked by Sumter Regional Hospital and GSSU to establish an associate degree nursing program on the GSSU campus to complement its bachelor’s degree program. Crisp Regional Hospital in the City of Cordele asked DC to establish an associate degree nursing program at Crisp Regional Medical Center. Similarly, BC, at the behest of Memorial Hospital & Manor, asked DC to begin a nursing program on their campus. These programs will respond to the priority of nursing programs in the state and will demonstrate the University System’s willingness and ability to enhance access to academic programs.

Each of the external sites is capable of providing nursing instruction to approximately 20 students per cohort, with students performing the majority of their clinical requirements at local hospitals and healthcare agencies. GSSU and BC will provide the general education courses for the two-year degree, thereby providing both colleges additional headcount and full-time equivalent students. These temporary, off-campus instructional programs do not involve additional facilities costs. Each off-campus nursing program utilizes DC faculty and curricula, while all financial costs for the instructional and clinical components of the program, including faculty salaries, mileage, and supplies are paid through the participating hospitals. Funding for the external degree program will be allocated from local funds, hospital support, and institutional reallocation.

Admission requirements for the external degree program will be identical to the admission requirements for the existing Associate of Science in Nursing program at DC. Each student accepted into the program will have access to advisement that will be comparable to that of any student entering DC’s on-campus programs. The present library holdings at GSSU and BC are excellent for the associate degree program. The program will be implemented and continue until terminated by either party in each of the external degree relationships.

### **3. Establishment of the Major in Criminal Justice Under the Existing Bachelor of Science, Kennesaw State University**

Approved: The Board approved the request of President Betty L. Siegel that Kennesaw State University (“KSU”) be authorized to establish the major in criminal justice under the existing Bachelor of Science, effective January 9, 2002.

Abstract: The major in criminal justice responds to documented demands of currently enrolled

students, entering freshmen, and presently employed criminal justice agency personnel. The program will serve those constituents of KSU interested in careers in law enforcement, corrections, courts (probation and parole), and private or industrial security.

Need: The U.S. Department of Labor's 2000 - 2001 Occupational Outlook Handbook indicates that "employment of police officers and detectives is expected to increase faster than average for all occupations through 2008." The Georgia Department of Labor's report entitled, 1996 - 2006 Planning for Tomorrow: Industry and Occupational Outlook, indicates that "employment in Georgia is projected to increase by more than one million jobs in the next ten years. The service occupations related to criminal justice will increase by 30%." The Atlanta Police Department has a shortage of 480 police officers, or 26% of their force.

Objectives: The objectives of the program include providing students with practical experience and knowledge of the criminal justice system, providing students with the skills to exhibit technological proficiencies in addressing criminal justice issues, and providing specialized courses that will allow students to assume professional or managerial careers in their chosen area of practice.

Curriculum: The 120-semester-hour program will have an interdisciplinary focus, and the curriculum will reflect selective courses from the social sciences. Students may choose one of three concentration areas: criminal justice administration, forensic behavioral sciences, and technology and crime. All students will be required to complete an internship as well as courses in cultural diversity, ethics, and a second language. The program will be administered through the Department of Sociology, Geography, and Anthropology, located in the College of Humanities and Social Sciences.

Projected Enrollment: The institution anticipates enrollments of 60, 120, and 180 during the first three years of the program.

Funding: The institution will redirect resources to establish and implement the program.

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

#### **4. Establishment of the Master of Music Therapy, Georgia College & State University**

Approved: The Board approved the request of President Rosemary DePaolo that Georgia College & State University ("GCSU") be authorized to establish the Master of Music Therapy, effective January 9, 2002.

Abstract: Music therapy involves the planned and structured use of music and music experiences to achieve specific therapeutic objectives with the overall purpose of improving an individual's quality of

life. Conditions that require a music therapist's treatment include psychiatric disorders, physical handicaps, sensory impairments, developmental disabilities, substance abuse, communication disorders, interpersonal problems, and gerontological impairments. GCSU proposes the establishment of a graduate music therapy program to complement its existing baccalaureate offering, enhance specialization foci, and increase practice opportunities.

Need: According to a feasibility study of music therapists in Georgia conducted by GCSU, 96% of respondents suggested that GCSU offer a graduate music therapy program. GCSU has received 52 letters of inquiry since 1998 and 15 letters of support. According to the American Music Therapy Association Sourcebook, the professions will experience a 31% job increase in such settings as nursing homes, adult daycare, and K-12 schools.

Objectives: The objectives of the program include providing students with the opportunity for advanced training in music therapy with a specialization, fostering a greater understanding of the interdisciplinary nature of music therapy, and further enhancing a student's ability to conduct assessments to determine a client's strengths and therapeutic needs.

Curriculum: The 30-semester-hour program will be offered through the School of Health Sciences. The program consists of 18 credit hours in music therapy and 12 credit hours in supportive field subjects. Students may opt to specialize in one of four concentration areas: women's health, hospice/medical, multicultural/international, or special education. Admission requirements include the completion of an undergraduate degree in music therapy and designation as a registered music therapist by the National Association of Music Therapy.

Projected Enrollment: The institution anticipates enrollments of 5, 9, and 11 during the first three years of the program.

Funding: The institution will redirect resources to establish and implement the program.

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

**5. Establishment of the Major in Applied Linguistics Under the Existing Doctor of Philosophy, Georgia State University**

Approved: The Board approved the request of President Carl V. Patton that Georgia State University (“GSU”) be authorized to establish the major in Applied Linguistics under the existing Doctor of Philosophy, effective January 9, 2002.

Abstract: The international use of English as an academic language requires more doctorally prepared faculty who can teach in educational programs that prepare master’s level teachers of English as a Second Language (“ESL”). Applied linguistics is an interdisciplinary field that examines and explores language as it pertains to teaching, learning, translation, education, and language policies. The major in Applied Linguistics under the existing Doctor of Philosophy is a response to societal needs resulting from the current status of English as the language of international communication in a variety of areas and in higher education domestically and abroad.

Need: LinguistList, a Web site for linguists, listed approximately 860 job vacancies during the past academic year of which 100 were for applied linguists. The number of doctoral programs in applied linguistics remains small. The Directory of Professional Preparation Programs in TESOL in the United States and Canada (1999 - 2001) lists 29 universities that grant doctoral degrees in applied linguistics and/or the teaching of ESL.

Objectives: The program will prepare teacher-scholars whose research will expand the field’s knowledge of adult language acquisition and the nature of English for Academic Purposes (“EAP”). Program graduates will prepare future teachers of ESL and EAP and will teach courses in applied linguistics. Graduates will be able to identify and analyze appropriate research topics in the field of applied linguistics.

Curriculum: The curriculum will build upon the current master’s degree in applied linguistics. Courses will be offered in areas such as research methods, language analysis, teacher development, language, cognition, and communication. The program will be administered through the Department of Applied Linguistics and English as a Second Language.

Projected Enrollment: The institution anticipates enrollments of 6, 12, and 18 during the first three years of the program.

Funding: The institution will redirect resources to establish and implement the program.

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

**6. Administrative and Academic Appointments and Personnel Actions, Various System Institutions**

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

**7. Revised Institutional Statutes, Darton College**

Approved: The Board approved the request of President Peter J. Sireno that Darton College (“DC”) be authorized to revise its institutional statutes, effective January 9, 2002.

Abstract: The revision of the statutes reflects a thorough review and brings the statutes into line with current Board of Regents policies and procedures. The statutes also clarify the faculty involvement in governance, committee responsibilities, and committee membership.

The changes include revised sections pertaining to the college’s history, a vision statement, the inclusion of the mission statement, and a clarification of positions included under administrative officers. The term faculty-as-a-whole was renamed to faculty assembly, and an additional section was added to formalize the existing appeals process. In addition, DC included a section on institutional effectiveness to match Board of Regents policy and to prepare for the institution’s upcoming reaccreditation visit by the Commission on Colleges, Southern Association of Colleges and Schools.

These changes were approved by the general faculty of DC. They have been reviewed by the Office of Legal Affairs and were found to be consistent with the current organization and administrative process at DC. The revised statutes are on file in the Office of Academics and Fiscal Affairs at the Board of Regents.

**8. Merger of the Existing Departments of Community Nursing and Mental Health/Psychiatric Nursing to Form the Department of Community and Mental Health Nursing, Medical College of Georgia**

Approved: The Board approved the request of President Daniel W. Rahn that the Medical College of Georgia (“MCG”) be authorized to merge the existing Departments of Community Nursing and Mental Health/Psychiatric Nursing to form the Department of Community and Mental Health Nursing, effective January 9, 2002.

Abstract: MCG requested approval to merge the existing Departments of Community Nursing and Mental Health/Psychiatric Nursing within the School of Nursing into one academic unit that will be called the Department of Community and Mental Health Nursing. In contemporary schools of nursing

across the country, it is commonplace to combine specialties in community nursing and mental health/psychiatric nursing into the same department.

The new department will facilitate increased collaboration between specialties in the school of nursing, which will enhance the quality of generalist education provided at the baccalaureate level. The merger will allow school resources to be directed towards recruiting new faculty with established programs of research in MCG strategic areas and will significantly reduce administrative costs.

The Department of Community Nursing currently has 15 faculty members. Because the chair's position is currently vacant, the Department of Mental Health/Psychiatric Nursing has five faculty members. The merger of these departments will not adversely affect faculty nor the educational experiences of undergraduate and graduate students.

**9. 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:

<b>University of Georgia</b>			
<b>Purpose</b>	<b>Agency</b>	<b>Duration</b>	<b>Amount</b>
Provide operating support	Georgia Council for the Arts	7/1/01 - 6/30/02	\$105,569
Provide services related to eradication of livestock disease	Georgia Department of Agriculture	7/1/01 - 6/30/02	\$1,389,304
Provide personal assistance to Americorps	Georgia Department of Community Affairs	10/1/01 - 9/30/02	\$159,005
Provide leadership investment infrastructure	Georgia Department of Community Affairs	9/1/01 - 6/30/02	\$200,000
Provide research and staffing	Georgia Department of Community Affairs	10/1/01 - 9/30/02	\$30,000
Provide training programs for fiscal year 2002	Georgia Department of Community Affairs	11/1/01 - 6/30/02	\$9,000
Study childhood obesity	Georgia Department of Community Health	7/1/01 - 6/30/02	\$50,000

Manage Rogers State Prison Dairy Farm	Georgia Department of Corrections	7/1/01 - 6/30/02	\$304,567
Manage Rogers State Prison Swine Farm	Georgia Department of Corrections	7/1/01 - 6/30/02	\$70,377
Manage Project Winning Team	Georgia Department of Education	8/15/01 - 6/30/02	\$144,725
Conduct nutrition education programs	Georgia Department of Human Resources	10/1/01 - 9/30/02	\$224,785
Study West Nile virus in wild birds	Georgia Department of Human Resources	7/1/01 - 6/30/02	\$11,610
Conduct local government workshops	Georgia Department of Natural Resources	7/1/01 - 6/30/02	\$42,000
Conduct safety education program	Georgia Department of Transportation	10/1/01 - 9/30/02	\$708,034
Provide training for quality childcare	Georgia Childcare Council	10/1/01 - 9/30/02	\$72,356
Train childcare providers in health curriculum	Georgia Childcare Council	10/1/01 - 9/30/02	\$75,765
<b>Georgia Southern University</b>			
Provide health training in coastlands area	Magnolia Coastlands Area Health Education Center	7/1/01 - 6/30/02	\$30,866
Survey fish in Duplin River	Department of Natural Resources	10/1/01 - 9/30/02	\$7,000
<b>Georgia College &amp; State University</b>			
Provide respite program for parents of children with special needs	Georgia Department of Human Resources	10/1/01 - 9/30/02	\$47,000
<b>Darton College</b>			
Provide challenge course	Georgia Department of Juvenile Justice	4/25/01	\$6,000



Provide leadership training and computer classes	Marine Corps Logistics Base, Albany	2/13/01 - 7/2/01	\$11,750
Conduct challenge course and computer classes	City of Albany	5/11/01 - 9/9/01	\$15,404
Provide leadership skills	Regional Economic Development Program	2/6/01 - 6/5/01	\$25,000

<b>TOTAL AMOUNT - DECEMBER/JANUARY</b>	<b>\$ 3,740,117</b>
<b>TOTAL AMOUNT FY 2002 TO DATE</b>	<b>\$ 13,609,926</b>
<b>TOTAL AMOUNT FY 2001 (TO JANUARY)</b>	<b>\$ 14,922,524</b>
<b>TOTAL AMOUNT FY 2001</b>	<b>\$ 23,180,836</b>

**10. Information Item: Grants and Contracts Received by Institutions in the University System of Georgia for Instruction, Public Service, and Research for Fiscal Year 2001**

Much of the financial support for the University System is derived from extramural sources. The Associate Vice Chancellor for Strategic Research and Analysis, Dr. Cathie Mayes Hudson, presented to the Committee the dollar amounts for contracts and grants received by the institutions and highlighted some of the larger grants awarded to our institutions. The total external support for these activities in all institutions equaled \$686,139,514, an increase of \$63,344,561, or 10.2%, above fiscal year 2000.

Dr. Hudson also presented a graph illustrating external support for the past six years. It depicted a consistent increase in support from fiscal year 1996 through fiscal year 2001. The largest percentage increases were in fiscal years 1998 and 2001. Sources of external support for fiscal year 2001 were federal (52%), state (27%), industry (8%), nonprofit (8%), other (5%), and local (1%).

This information is on file with the Office of Strategic Research and Analysis.

**11. Information Item: Intellectual Property Income Summary in the University System of Georgia for Fiscal Year 2001**

The Associate Vice Chancellor for Strategic Research and Analysis, Dr. Cathie Mayes Hudson, presented to the Committee the following table presenting income received from intellectual properties during fiscal year 2001. The total income represents a decrease of \$5,658,380, or 39%, below fiscal year 2000. Last year's spike in income was a result of the Medical College of Georgia's sale of stock in a company which contributed to the development of their invention, Electronic HouseCall.

<b>Institution</b>	<b>Inventions</b>	<b>Software</b>	<b>Copyrights/ Trademarks</b>	<b>Totals</b>
Georgia Institute of Technology	\$1,735,111	\$1,688,051	\$33,100	\$3,456,262
Georgia State University			\$9,914	\$9,914
Medical College of Georgia	\$2,236,748		\$7,818	\$2,244,566
University of Georgia	\$3,113,685	\$14,571	\$10,953	\$3,139,209
Augusta State University			\$180	\$180
Macon State College			\$600	\$600
<b>Totals</b>	<b>\$7,085,544</b>	<b>\$1,702,622</b>	<b>\$62,565</b>	<b>\$8,850,731</b>

Dr. Hudson also presented a graph illustrating intellectual properties income for the past six fiscal years. Income in fiscal year 2001 was the second highest in the six-year period. This information is on file with the Office of Strategic Research and Analysis.

## **COMMITTEE ON ORGANIZATION AND LAW**

The Committee on Organization and Law met on Tuesday, January 8, 2002, at approximately 3:00 p.m. in the room 7019, the Chancellor's Conference Room. Committee members in attendance were Chair Hugh A. Carter, Jr., Vice Chair Elridge W. McMillan, and Regents William H. Cleveland, Joe Frank Harris, Allene H. Magill, and Martin W. NeSmith. Chair Carter reported to the Board on Wednesday that the Committee had six applications for review, all of which were denied. With motion properly made, seconded, and unanimously adopted, the Board approved and authorized the following:

### **1. Applications for Review**

- a. In the matter of Mozell Smith Jr. at Fort Valley State University, concerning termination of employment, the application for review was denied.
- b. In the matter of Liman Brown at Fort Valley State University, concerning suspension and termination of employment, the application for review was denied.
- c. In the matter of Saladean D. Mullgrav at Savannah State University, concerning termination of employment, the application for review was denied.
- d. In the matter of Dona C. Johnson at Kennesaw State University, concerning academic status, the application for review was denied.
- e. In the matter of Betty Paschal at Georgia Institute of Technology, concerning scheduling of dismissal hearing, the application for review was denied.
- f. In the matter of Charlotte H. Janis, concerning use of annual leave, the application for review was denied.

## **CHANCELLOR'S REPORT TO THE BOARD**

After the Committee meeting reports, Chancellor Meredith made the following remarks to the Board:

Thank you, Chairman Howell. I appreciate your support – professional and personal. I also appreciate the positive article in the *Atlanta Constitution*. We've had three offers to buy the Volkswagen.

This marks my first report to you as Chancellor. I wanted to give you an overview of the larger environment in which the University System will be operating over the next critical months. As always, the University System's budget is decided not solely on its

own merits. If so, we would get it all! So, what are these issues that will impact the General Assembly's deliberations and our own unified efforts to push forward the Governor's recommendations for the System?

First and most critical is the state's revenue picture. Georgia's net revenue collections for the first five months of fiscal year 2002 — through November — were down 5.7%. Net revenue collections in November 2001 alone were down 2.5% from November 2000. Sales tax collections were down 3.7%. Motor fuel taxes were down 3.6%. Corporate income taxes were down 185%. Individual income taxes were up 2.2%.

The state's chief revenue forecaster, Dr. Henry Thomassen, predicts state revenue collections for fiscal year 2002 will be down by 2.5% to 3% from fiscal year 2001. This would be the first time the state's yearly revenues have been lower than previous year's since fiscal year 1954. The economic forecasters at the institutions agree that our state faces a period of uncertainty. Georgia has been hit harder than usual due to our economic concentration in transportation, conventions and tourism, and information technology.

In fact, Georgia led the nation in job losses in 2001 — the largest drop since 1945. This is a marked change from the 1990s, when Georgia led the nation in job creation, growing at annual rates of between 3% and 4%. Forecasters tend to agree that the recession will be concentrated in fiscal year 2002, with recovery happening by the third quarter of calendar year 2002 at the latest. Our economic base, as opposed to most other states, will allow us to rebound quickly. Unemployment hits our state hard. There is a lag in collections when people go back to work. That means the state's budget picture will improve as a delayed reaction to the improving economy. We must bear this in mind in our planning.

However, despite this bad economic news, one only has to look beyond Georgia's borders to see that this state is in good shape relative to many other states. Georgia's fiscal prudence has built an extremely strong reserve fund. Governor Barnes plans to preserve this reserve fund for future needs to leverage the state's AAA bond rating and its bonding capacity in order to preserve the state's bond rating for future needs.

So what are the opportunities for the System in the current economic climate? Two opportunities stand out: facilities and salaries.

The state's current bonding capacity is \$1.5 billion. The University System benefitted from a \$200 million bond package last year. When you combine low interest rates with the state's strong bond rating, there is a great opportunity here for significant construction in the 2002 session. Construction equals jobs. We will work closely with

the Governor and the General Assembly to realize the maximum possible capital outlay. The Governor's initial recommendations for the System in the fiscal year 2002 amended budget total \$219 million. There may be additional opportunities over the course of the session.

The System has received strong support since 1995 for merit salary increases. Since 1995, we have seen an average yearly increase of 5%. Despite the poor economic picture, there is a good opportunity for Georgia to push ahead of other states in the coming year and make up some ground we have lost from the late 1990s.

The general environment continues to shape our actions and plans. The impact of September 11 and the recession have created caution and uncertainty. The preexisting and ongoing impact of semester conversion on the formula already had put the System on a new level of budget austerity. Our enrollment and [numbers of full-time equivalent students] have rebounded, but with the two-year lag in the budget process, fiscal reality has not yet caught up to enrollment reality. We will get there.

Add to the impact of semester conversion on the formula the Governor's call for 2.5% cuts in fiscal year 2002 and 5% in fiscal year 2003, and it is clear that the System must and will be fiscally responsible. But we must make a strong case for our progress — and the long-term, negative impact — if full reductions move ahead.

That is why, as Chairman Howell recently emphasized in a Board meeting, it is more important than ever for this System to speak with one voice. Any hint that we are uncertain or divided will not aid our efforts to move this System forward. We must be united in our goals and our efforts.

Make no mistake, the Governor is acting with prudence. But again, I must remind you to look at other states where the fiscal picture is much darker. We should not overreact. It would be very unfortunate for this System and this state if we do overreact and implement budget cuts with long-term, negative implications only to see the economy recover by the third or fourth quarter of 2002. It will be that much more difficult to make up the lost ground.

The Governor recognizes the University System of Georgia's impact on and value to this state. At the December Economic Outlook Luncheon, Governor Barnes noted the "increased prestige of our universities, to the point where research funding in the Atlanta-Athens area was recently third in the nation." I know he does not want to jeopardize this. The Governor also cited the economic impact of the Yamacraw mission and the System's key role in this effort. So, it is important that we build upon this foundation of support and make our unified case for our goals. Georgia has invested in its higher education system, and the economic results have been

overwhelming.

The overall political climate impacts us. Before the bad economic news, the legislature already was back in session early (August 2001) for state/congressional reapportionment. This also is an election year for the General Assembly, the Governor, Lieutenant Governor, and other top spots. We will start the 2002 session with one open seat in the senate and one open seat in the house due to recent resignations. We must be mindful of these realities as we ask them to consider our case in a year of economic uncertainty. In such situations — the economic downturn and the upcoming elections — one tends to see the state’s elected leadership working closely together. Working with them will be my top priority.

This will be a challenging year. But this board — and past boards — have never pulled back from challenge or opportunity. It was 70 years ago this month that the first Board of Regents for the University System of Georgia met. Let me just give a roll call of that first Board: they were Georgia’s preeminent leaders: Hughes Spalding, Cason Callaway, M. D. Dickerson, A. Pratt Adams, W. J. Vereen, T. F. Green, Richard B. Russell, Sr., Martha Berry, W. D. Anderson, George C. Woodruff, and Philip Weltner. They too, faced great challenges. And they faced great opportunities. They did not pull back. They set a tone and a standard for the ensuing decades and for those that followed them.

You can find at your seat an updated and brief history of the Board of Regents during these 70 years and the work of your predecessors. It’s a good reminder of where we’ve been and how much we’ve accomplished.

I came to Georgia in response to that legacy — and in response to what I see as a visionary Governor, a dynamic Board, and one of this nation’s strongest systems engaged in moving public higher education and this state forward. Part of the proud history of this Board is this legacy of the state’s eminent business leaders giving back.

You give of your time and your talents to provide leadership, not only for this System, but also for this state. It’s a huge commitment of time — a seven-year term — and many of you are reappointments. Regent McMillan — our esteemed “senior regent” — has served 27 years. That is more than one-third of the Board’s existence. That is true service and on this seventieth anniversary should be recognized.

The Board of Regents, for 70 years, has played a fundamental role in setting Georgia’s agenda. As a result of this legacy, the Board of Regents enjoys an excellent reputation in state government. You are seen as a cohesive group – a forward-thinking body – visionary and strategic in your thinking. Such attributes have led to documented

successes. Significant progress has been made. Our promise for the future is bright and limitless. As we continue to speak with one voice in the legislature, together we will continue to move the System toward our goal of creating a more educated Georgia. Mr. Chairman, that concludes my report.

## **PRESENTATION TO RETIRING REGENT JUANITA P. BARANCO**

Chair Howell approached the podium to make a special presentation to retiring Regent Juanita P. Baranco. He said that this was a particularly important moment for him as Chair of the Board because this day marked the seventieth anniversary of the Board. Therefore, it was even more appropriate that the Regents honor a retiring member of the Board. Chair Howell noted that no departing Regents have received any special recognition during his tenure on the Board, but he wanted to change that precedent. He wanted to establish an item of recognition that could be given as a token of the Board's appreciation for a Regent's years of service, dedication, and hard work for higher education in Georgia. He wanted an item that would represent Georgia and the Board of Regents. He could find no item more appropriate than the one he would present to Regent Baranco at this meeting. Governor Barnes, from whom the Regents borrowed the idea, had set the standard. The Board would establish this item going forward as an item of recognition and thanks honoring retiring Regents. Chair Howell asked Regent Baranco to join him at the podium to accept this gift. On behalf of the Board of Regents, he presented the gift to her.

Regent Baranco unveiled the item, which was a rocking chair made by the Brumby Chair Company ("Brumby").

Chair Howell noted that the headrest of the rocker was engraved on the front with the seal of the University System of Georgia and the name Juanita Powell Baranco, Regent. On the back, the headrest had a brass plate with her name, dates of service (1991 to 2001), and dates as Chair (1995 to 1996). Chair Howell then congratulated Regent Baranco on her retirement.

Regent Baranco thanked the Board for this gift. She said that she was thrilled to be a part of the legacy of the Board of the Regents. Most current Regents, she noted, are baby boomers; they have one foot in the twentieth century and one foot in the twenty-first century. The policies they have put forward have been aggressive and on the cutting edge; however, the Regents have also paid a great deal of respect to the history of the state and the System. She remarked that this is a very talented Board that will take the University System to even greater heights. She thanked Chair Howell for making her the first recipient of this wonderful gift. She assured him that it would be used often to rock her grandchildren. In closing, she thanked the Board again.

Chair Howell told Regent Baranco that the rocking chair would be delivered to her home. He also noted that the University System Office staff had given a Brumby rocker to former Chancellor Stephen R. Portch as a retirement gift. At approximately, 9:35 a.m., Chair Howell called for brief recess.

## **STRATEGIC PLANNING COMMITTEE, "COMMITTEE OF THE WHOLE"**

At approximately 9:45 a.m., Chair Howell reconvened the Board in its regular session. He then convened the Strategic Planning Committee as a Committee of the Whole and turned the Chairmanship



of the meeting over to Regent Leebern, the Chair of the Committee.

Chair Leebern explained that the Strategic Planning Committee had two agenda items at this meeting. The first would be an update on the Board's strategic planning efforts given by the Special Assistant to the Chancellor, Shelley C. Nickel, and the Senior Vice Chancellors. The second agenda item would be an update on the Board's fourth strategic planning goal, particularly as it pertains to retention and graduation rates. Chair Leebern then called upon Ms. Nickel to begin the presentations.

Ms. Nickel thanked Chair Leebern. She reminded the Regents of their strategic planning session held at the Jolley Lodge at Kennesaw State University in May 2001. Building on the original strategic plan adopted in 1995, and after a much focused discussion, the Board developed its second strategic plan, which focuses on the overarching theme of a more educated Georgia. The new strategic plan includes vision, mission, and goals statements, which were adopted in August 2001. (The official vision, mission, and goals statements of the University System can be found online at [www.usg.edu/admin/regents/](http://www.usg.edu/admin/regents/).) Since then, the Board has been hearing monthly presentations on the second and fourth goals, which relate to access and retention, respectively. Meanwhile, the staff have been diligently working on implementation strategies for the goals statement. This meeting marked the halfway point of the implementation plan. So, at this meeting, the staff would update the Regents on the status of the plan. Ms. Nickel noted that there are three different approaches to implementing the strategic goals. The first approach is the Board's focus on the second and fourth goals. In, the second approach, faculty address the first and third goals, which pertain to curricular issues. In the third approach, University System Office staff and others in the System address the remaining goals, which focus on business processes, funding, facilities, economic development, and human resources. At this meeting, the Senior Vice Chancellors would discuss the status of the goals that come under their areas of responsibility. Ms. Nickel then introduced the Senior Vice Chancellor for Academics and Fiscal Affairs, Daniel S. Papp.

Dr. Papp reminded the Regents that at the October and November 2001 Board meetings, they had examined different aspects of the second goal, which pertains to access. At the October 2001 meeting, the discussion centered on off-campus centers and four-year degrees offered by four-year institutions at two-year colleges ("4-4-2 programs"). At the November 2001 meeting, the discussion centered on efforts to increase enrollments of African-American males and specialized programs for nontraditional students. Later during this meeting, Dr. Papp would be discussing the fourth goal, particularly as it pertains to retention and graduation rates. He stressed that the Regents' involvement in these two goals is critical to the success of the University System.

Dr. Papp next discussed the first and third goals, which pertain to curricular issues. He explained that these goals will be addressed by an 11-member faculty committee. The committee will be reporting to the Board on its recommendations regarding these goals at the March 2002 Board meeting. The seventh goal, which pertains to business practices, is being addressed by the Vice Chancellor for Fiscal Affairs, William R. Bowes, in conjunction with the chief business officers around the University System.

Together, they are developing a set of best practices for business and service. This committee's work will be presented to the Board at the February 2002 meeting. The ninth goal addresses seamlessness in education, which is one of the objectives of Governor Barnes' administration. Improvement in movement between the K-12, Department of Technical and Adult Education ("DTAE"), and University System institutions has been an ongoing effort over recent years. Indeed, at this meeting, the Board had approved an articulation agreement between DTAE and the System that established certain transferable English and mathematics courses between DTAE and System institutions. (See pages 28 to 29.) Other seamlessness initiatives will be coming to the Board for consideration over the upcoming months.

Dr. Papp stated that the final goal that falls under the jurisdiction of the Office of Academics and Fiscal Affairs is the tenth goal, which pertains to funding. There are three different efforts toward achieving this goal. First, a committee of faculty and University System Office staff will advise the Regents on how to enhance private funding, the attainment of grants and contracts, and the return on intellectual property. As part of that effort, the Board will hear briefly in February 2002 from the Assistant Vice Chancellor for Development and Economic Services, Annie Hunt Burriss, who has been working with the Washington Advisory Group ("WAG") on intellectual property issues. A second committee consisting of chief business officers and chief academic officers will be considering allocation strategies for the University System. This committee will be working with the Regents to develop ways to improve and enhance the budget allocation strategies in the University System, particularly given the tightness of the budget for the upcoming fiscal year. The third effort to address the tenth goal will be a future revision of the funding formula under the leadership of the Board and the Chancellor. In closing, Dr. Papp introduced the Senior Vice Chancellor for Support Services, Corlis Cummings.

Ms. Cummings stressed that it is very important that the right individuals be in place to accomplish any goal, vision statement, or mission. The System must have the appropriate faculty, staff, and administrators in place to teach, recruit, and advise the students. The proper administrators must also be in place to plan for new facilities and maintain those facilities. In February 2002, the Board will receive a consolidated report from a committee that Ms. Cummings has empaneled. The committee split into two groups to address the fifth goal, which emphasizes the recruitment, hiring, and retention of faculty, staff, and administrators. The first group is led by the Associate Vice Chancellor for Human Resources, William Wallace, and it focuses primarily on administrators and staff. The second group is co-chaired by Dr. Bettie R. Horne, Vice President and Dean of Academic Affairs at Abraham Baldwin Agricultural College, and Dr. Peter J. Shedd, Interim Vice President for Instruction and Associate Provost at the University of Georgia ("UGA"), and it will focus on faculty. In its consolidated report to the Board, the committee will identify best practices that currently exist in the University System and recommend new ideas that may involve changes in current policies and practices. Ms. Cummings then turned the floor over to the Senior Vice Chancellor for External Activities and Facilities, Thomas E. Daniel.

Mr. Daniel explained that the Office of External Activities and Facilities is directly involved in three of the Board's strategic goals, and the Office of Media and Publications under the leadership of the

Assistant Vice Chancellor for Media and Publications, Arlethia Perry-Johnson, is working to support all of the Board's efforts. The Office of Economic Development is an enthusiastic supporter of the sixth goal, which pertains specifically to economic development. The Intellectual Capital Partnership Program ("ICAPP®") is a model for establishing academic programs to match graduates with high-demand workforce needs. Thanks to the efforts of the Assistant Vice Chancellor for Development and Economic Services, Annie Hunt Burriss, and her staff, the Board of Regents, the University System, and the institutions are seen as engines of economic development. Support for the Office of Economic Development is a visible indicator that funding partners view the System as a place to invest precious state resources. As Dr. Papp had noted, Ms. Burriss will be presenting to the Board in February 2002. The Office of Facilities will also report on the eighth goal, which pertains to facilities, at the February 2002 Board meeting. In anticipation of this presentation, the Assistant Vice Chancellor for Design and Construction, Linda M. Daniels, co-chaired an advisory group of System and institutional officials. After reviewing the Board's 11 strategic goals, the 1996 strategic plan, the 1997 comprehensive plan, and all related documents, the advisory group prepared a long list of recommended actions that could be instituted to support and implement the eighth goal. After the appropriate discussion and review, the advisory group refined the long list into a concise, three-point action plan. Ms. Daniels will present the recommendations of the advisory group at the February 2002 Board meeting. The Office of External Affairs is working to ensure that the full potential of the eleventh goal, which pertains to maximizing cooperation with other state entities, is realized. The office is compiling an inventory, and more importantly, it has conducted a survey of state agencies to gain their insights and perspectives. The Regents will hear a report on the eleventh goal at their March 2002 meeting. In closing, Mr. Daniel turned the floor back over to Ms. Nickel.

Ms. Nickel stressed that in making recommendations, all of the advisory committees and groups are taking into consideration the University System's accountability for its resources to the state. Particularly in these times of budget cuts and recession, she said, it is important to keep the goals of the strategic plan in mind when making fiscal policy and other decisions. The Board will continue to have presentations on the goals implementation until May 2002, when the University System Office staff will summarize all of the work and present to the Regents their recommendations, which will be up for Board approval in June. At that point, the staff will consider the strategic plan, including the implementation strategy, complete. By June 30, 2002, all recommendations and, where appropriate, goals and specific targets will be finalized and adopted by the Board. Ms. Nickel stated that this concluded the staff's update on the strategic planning process.

Chair Leebern thanked Ms. Nickel and the Senior Vice Chancellors for this update and said that the Regents look forward to hearing the upcoming reports on the progress of the strategic plan implementation. He then called upon Dr. Papp to discuss the fourth goal in particular.

Dr. Papp stated that he would be discussing how the System is doing and how it can improve with regard to retention and graduation rates. Retention is a very critical issue for the University System of Georgia. The retention rate is the percentage of students who attended in fall of one year and then

returned for the fall of the next year. It is a basic concept, he said, but underneath the concept, there are many complexities. While one might expect the System would want a 100% retention rate, this is not necessarily the case because a 100% retention rate could imply that courses are too easy or that the pricing system is too low compared to other educational opportunities. Either of those causes could have advantages or disadvantages. Dr. Papp noted that the retention rate for full-time students is much higher than the retention rate for part-time students. So, the retention rate at an institution with a large percentage of part-time students may be lower than that at an institution with a majority of full-time students. He asked whether the retention rates of an institution today should be compared to its retention rates from past years. He also asked whether an institution's retention rate should be compared to the rates of its national competitors. Finally, he asked whether institutional retention rates should be compared across the System. Dr. Papp recommended that the Board not do that because of the other complexities of retention rates.

Dr. Papp stressed that retention rates do not reveal everything. There are a number of reasons students may not return to school from one year to the next. Some students may have planned to go for just one year for familial reasons and are planning to return to school later. Others may attend intermittently because they have to work their way through school. Those students are called "stop-outs" because they have temporarily stopped going to school, but they are going to return. There are also students who drop out. They are gone, and the school does not know why. There are also "opt-out" students who have enrolled in college for a particular purpose, have accomplished what they set out to do, and are not returning. For example, after the tragedies of September 11, 2001, a person might want to enroll in college just to take a course in Islam or terrorism with the sole objective of learning more about those matters. There are also students who flunk out. They are students who for academic reasons will not be returning. The staff can develop data on "flunk-outs," but it is rather difficult to classify the other reasons students do not return to school. So, one of the main issues is trying to learn why students do not return. Some students may not return because of poor academic preparation. Others may not return because their academic interests do not match with the offerings of the particular institution. So, student fit is also critical. Student academic motivation is likewise critical. No matter how well prepared a student is or how well she fits with an institution, if the student cannot motivate himself to attend class, he will probably not be able to stay in school. Student goals are also important. For the most part, the opt-out and stop-out phenomena are somewhat difficult to influence or control. However, the institutions can have a considerable impact on their own initiatives, attitudes, and programs, which can have a tremendous impact on all of the other issues.

National data indicate that the freshman year is the most critical, stated Dr. Papp. This is the year in which colleges and universities experience the most attrition, approximately 21% nationally and within the University System of Georgia. Sophomore year attrition rates are about 11% nationally. Attrition for the remaining college years combined is only about 10%. So, it is clear that the emphasis for retention programs needs to be on the freshman and sophomore years. The retention rate in the University System is fair, reported Dr. Papp. He said that over the course of the last three to four years, the System's retention rate has even improved. Institutional retention rates have also improved.

He asked the Regents whether any of them knew why the System has experienced overall improvements in retention rates in recent years.

Regent White responded that it likely had to do with the System's increased admissions standards.

Dr. Papp confirmed that the enhanced admissions standards, which just became fully implemented this past fall, have already impacted the retention rates across the System. Next, Dr. Papp discussed how the institutions are doing compared to their peer competitors, which were identified during the benchmarking study. He noted that overall, the institutions were within the ranges of their peers, but there is certainly room to exceed the peers. Dr. Papp also said that the retention rates from last year (fall 2000 to fall 2001) for full-time students were in the seventieth percentile, while part-time retention rates were in the fortieth percentile. This demonstrates the huge difference in retention rates between full-time and part-time students. He noted that the retention rates across ethnic groups were fairly consistent.

Dr. Papp next turned to graduation rates. He stressed that most students today do not graduate in four years. As part of the semester conversion process, System institutions performed programmatic review to ensure that baccalaureate programs were reduced to 120 semester hours in an effort to accelerate graduation rates. However, the figures are not yet available to determine whether this plan is working. The staff will be working on compiling the data over the next few months. Dr. Papp reminded the Regents that as part of the semester conversion process, the institutions went through a program review process so that almost all majors can now be accomplished in 120 semester hours. This was an effort to correct the "credit creep" that had occurred under the quarter system.

Chair Leebern asserted that the reduction of semester hours was a positive outcome of the semester conversion process.

Dr. Papp agreed that it was certainly a positive outcome because the objective of programmatic review was to reduce the number of semester hours down to a reasonable number in order to accelerate the time to graduation.

Chair Leebern added that credit creep made it nearly impossible for students to graduate in a reasonable number of years.

Dr. Papp agreed again. He noted that the staff have gathered some preliminary data on the success of the program review efforts that will be presented later in the calendar year. He added that more students are graduating in their fifth and sixth years in college. As a result, most university systems are now emphasizing six-year graduation rates rather than four-year graduation rates. Looking at the University System of Georgia's six-year graduation rates, Dr. Papp noted that the Georgia Institute of Technology and UGA are within the ranges for their respective peer groups. However, Georgia State University and the regional and state universities have fallen below the ranges of their peer groups. Dr. Papp reminded the Regents that these institutions were all within their national peer groups with regard

to retention. This discrepancy indicates that something is happening after the sophomore year to affect the six-year graduation rates at these institutions. He asserted that this is something the staff and the Regents need to examine more closely. Other data reveal that the graduation rates differ significantly both by ethnic group and by gender. However, since the retention rates across ethnic groups were relatively consistent, this also raises some questions about what is happening beyond the sophomore year.

Chancellor Meredith asked whether the graduation rates in the University System vary by institution.

Dr. Papp responded that there are significant variations among the institutions.

The Chancellor asked whether the staff are examining this matter.

Dr. Papp replied that they are. He then addressed what the System is doing to improve retention and graduation rates, noting that some institutions are doing more than others. Some institutions are implementing different programs for different types of students to enhance retention and graduation rates in certain groups of students. Other institutions have implemented freshman experience programs, which can vary from a single course to a comprehensive program that might include mentoring, home visitations, and/or learning communities. Some institutions are conducting surveys to try to determine why students are not staying in school. Other institutions have developed centers for the enhancement of teaching and learning. These institutions are working with their faculty members to help them improve their teaching and better understand the freshman and sophomore experience. These centers have proven particularly successful. Other institutions are tracking at-risk students (with their permission) in an effort to help those students adapt to college. Some institutions have improved their academic advising for the student population as a whole or for particular groups. Other institutions are emphasizing student activities and organizations in order to encourage academic success. Dr. Papp noted that one fraternity recently celebrated ranking number one in grade point averages at UGA. Some institutions have improved their off-hours services. He noted that some institutions need to improve off-hour services because they have a high percentage of nontraditional and part-time students who attend at night when the campus offices are closed. It is very difficult for nontraditional and part-time students to get onto campus to take care of business during the business day. So, this is a critical component that some institutions are recognizing and addressing. Another critical issue is having a campuswide student-friendly attitude. The entire University System could further enhance its student-friendliness, he said. Dr. Papp reiterated that it is very important to understand why institutions have different retention and graduation rates. He said that all of these things are being done at various institutions across the System. However, there are a number of other things the System could also do to improve retention and graduation rates.

Dr. Papp stated that the Regents should consider what kinds of retention and graduation efforts should be managed at the campus level and what should be managed centrally. He said that the System should probably look at retention and graduation performance by institution. Current programs should also be

evaluated to measure their success. Institutions might also develop comprehensive enrollment management plans from recruitment and access through retention and graduation. He stressed this should involve not only admissions and registration personnel, but also academic and student affairs staff. The System might also develop a sophomore experience program. Nationally, the second greatest rate of retention loss comes between the sophomore and junior years. However, such a program would require funding, perhaps through redirection. Academic intervention programs might also be a useful retention and graduation tool. Another might be to adopt a best practices adoption program by which institutions could share their best practices with each other. Perhaps it would also be useful to develop retention and graduation rate targets, keeping in mind the differences among System institutions. In closing, Dr. Papp asked the Regents which programs they felt should be encouraged and which programs, if any, should be required at institutions. He stressed that the Regents should consider the tightened funding the System is now experiencing, though not everything is a function of funding. He pointed out that some things are a function of policy. He then asked the Regents for their comments and questions.

Chair Leebern thanked Dr. Papp. He remarked that finding strategies to keep students in college and help them graduate is not only good for the students, but it is also good for the state. He then asked whether the Regents had any questions or comments.

Regent White stated that before the Regents can determine which programs will best aid in improving the retention and graduation rates, they first need to understand why institutions are losing students. He noted that it seemed from Dr. Papp's data that Georgia loses more students after the sophomore year than the national average.

Dr. Papp confirm that this is so.

Regent White reiterated that the Board must understand by institution the reasons the University System is losing students.

Regent Yancey asserted that if the admissions standards for an institution are appropriate, then that institution's retention rate should be 100%. He said that rather than focusing on the myriad of reasons why the retention rate is not 100%, the institution should instead focus on the biggest reasons first before taking on the other smaller reasons.

Dr. Papp responded that this was a very wise suggestion. He stated that he personally feels the most important focus should be on an institution's retention rate from one year to the next. However, the System operates in a competitive market. So, it is also suitable and useful to compare institutions to their appropriate peers. However, he did not think it was particularly useful to compare institutions within the System because of the incredible differences among their missions and student bodies. A president of a major research university where almost all students are full-time students who enter well prepared with the objective of earning a degree would push for a 100% retention rate, but she still

would not get it. He noted that the retention rates at even the best ivy league schools are still only in the high ninetieth percentile. However, at the two-year colleges, where students often intend to opt out, stop out, or drop out from the time they enroll and are not as well prepared for college, retention improvement over time would be a more reasonable goal.

Regent Yancey agreed that if an institution's retention rate is not satisfactory, then the focus should be on improvement.

Regent Cater argued that the goal of the institutions should always be 100%. He said that now that the new admissions policy is fully implemented, all students should be well prepared to attend the institutions to which they are granted admission. Therefore, institutions should always aspire to achieve 100% retention.

Dr. Papp responded that there are two parts of retention that institutions cannot influence. First, some students may have to stop out of school to go to work because of financial or family obligations. Second, some students come to school just to learn a single subject. For example, a person's job may be transferring him to Mexico in a year and he needs to learn Spanish this year. Such situations are beyond the control of the System and institutions.

Regent Carter asked whether there is any way to find out why students leave. He agreed with Regent White that the Regents must understand why students are leaving the institutions before they can determine what would be the best course of action for each institution.

Dr. Papp responded that there are a couple of different approaches at different levels. First of all, three years ago, the University System instituted a student satisfaction survey, which was revised and readministered this fall as the Student Opinion Survey ("SOS"). The data from the SOS are presently being compiled. Some of the responses on the SOS are targeted particularly to what students like and do not like about their institutions. So, this will help shed some light on the matter. Additionally, some of the institutions have their own student satisfaction surveys, and some of them administer their surveys annually. Some institutions are also trying to survey or interview students who leave to find out why. That approach is both time-consuming and methodologically difficult, but some institutions are attempting it nonetheless. So, there are some efforts underway to determine why students leave, but they still may not reveal all of the reasons.

Regent Hunt asserted that all of these approaches should be utilized. He then asked Dr. Papp whether the System drop-out rates after the sophomore year reflect the data from two-year colleges when students complete their associate's degrees and move on.

Dr. Papp responded that the two-year college rates were not included. The data beyond the sophomore year was derived exclusively from the state, regional, and research universities.



Regent Hunt asked whether the two-year colleges were included in the data on freshman retention rates.

Dr. Papp replied that they were.

Regent McMillan suggested that perhaps the opt-out students could be identified during the application process by a simple question regarding the students' intentions. He asserted that it is clear why retention rates are bad. For example, some institutions need to put more emphasis on advising. He suggested that the Board also consider its need-based financial aid, which he characterized as woefully inadequate. While there are merit-based scholarships, such as the HOPE Scholarship, there are almost no need-based financial aid programs. Regent McMillan also stated that there is a notion in higher education that everything must be accomplished between the hours of 10 a.m. and 4 p.m. He suggested that some staff in financial aid and counseling could work from 2 p.m. to 8 p.m. This does not have to cost more, he asserted; it just requires creative scheduling and not giving in to the pressures of faculty who want to teach only between 10 a.m. and 2 p.m. Regent McMillan said that retention and graduation are phenomena that are endemic to higher education all over the world. He suggested that the institutions look at those programs that have been proven to work, such as advising, mentoring, and learning communities. He reiterated that the institutions know why students leave and they also know what will help retain students. He insisted that the Board need not reinvent the wheel. Rather, the Regents should encourage the institutions to concentrate on the programs that work.

Following up on Regent McMillan's comments, Regent White asked Dr. Papp if the reasons why some institutions have lower retention and graduation rates than their peer institutions are in fact known specifically by institution.

Dr. Papp responded that this information is not known in all cases specifically by institution. In some cases, it is very clear where the problems lie, such as availability of need-based scholarships. In many cases, there are clear correlations between the numbers of part-time and full-time students. He stated that the institutions know some of the reasons why in a general sense. However, they do not know specifically why retention and graduation rates are low in all cases.

Regent Shelnut remarked that if that is the case, then the Regents still need more information.

Dr. Papp stated that there is a very clear understanding of the problems at some institutions, while at other institutions, the problems are not as evident. So, the staff need direction from the Board about how they should proceed.

Regent White responded that there is no reason to study the institutions where the causes are already known. In those cases, the institutions can focus on correcting the problems. At the institutions where the reasons are unknown, the staff need to determine what is happening.

Regent Cleveland agreed and added that the information on flunk-outs should be available.

Dr. Papp responded that this information is indeed available at the institutional level.

Regent Hunt surmised that retention problems boil down to the fact that the institutions need to be more customer friendly. The institutions' offices need to be available when the students need them. He said that the institutions could have more flexible hours than they currently have.

Regent Howell noted that Andy Rooney had recently discussed his grandchild's college course schedule on *60 Minutes*. The student was only in class about eight hours a week. He noted that traditional students often do take their classes between the hours of 10 a.m. and 2 p.m.

Regent Coles asked whether the current data can be projected forward six years to create a trend line that anticipates future retention rates.

Dr. Papp responded that, with the exception of the last three to four years, the retention rates have been rather consistent.

Regent Coles stated that because the retention rates have improved in recent years, he wondered how the System would be doing in four to six years. He said the new policies seem to be making a difference.

Dr. Papp stated that it is certainly evident that the new admissions policies are making a difference. Regent Coles said that perhaps the benchmarking and best practices have already made a big difference as well.

Regent Yancey cautioned that "too much analysis can cause paralysis." He said that the staff may already have enough data to go ahead and address the problem rather than continuing to look for more data.

Dr. Papp reiterated that there are many programs in place that work. However, there are some programs that can be further emphasized at the direction of the Board.

Chancellor Meredith remarked that the cheapest means of recruitment is to retain the students already recruited. When he was a university president, he focused a great deal on retention. He stressed that it is absolutely critical to know why students are leaving. Every student who did not return the next fall was contacted by the institution. For many students, there was nothing the institution could have done. In some cases, students married or moved away. There are many things beyond the control of the institution. However, there are some things the institution can improve upon if it just knows about them. His institution put some intervention steps in place so that more students could be retained. He noted that a lot of students leave in the first six weeks of college, and those students generally do not ever come back. So, his institution identified at-risk students and invited them to come to the campus a

week early to learn about going to college. The administrators met with those students, and the student success rate skyrocketed. Nationally, about 30% of today's college students are nontraditional students. If institutions do not adjust to serve students who are not 18 to 24 years old, those students will simply leave. This requires different kinds of advisors, and it means keeping bookstores and offices open until 9 p.m. It also means offering classes at different times. There are also transfer students who will need orientation. Transfer students who cannot adjust will also leave. The Chancellor stressed that it is also important to look at the flunk-out rates to examine whether those students were underprepared or whether certain classes are being taught by the wrong faculty. So, the problem is multifaceted and has many ramifications. He said that the best practices list is not hard to devise. The Board should which institutions are using which best practices, as it should be evident in their retention rates. The Board can also help those institutions that are not doing well with regard to retention implement best practices that will help them improve. He said that a methodical approach will accomplish an improvement in retention.

Chair Leebern reiterated that raising the admissions standards resulted in increased retention rates at many schools. However, he observed that the retention rates at two-year colleges have dropped. He asked the Board to consider what could be done to improve the retention of at-risk students at two-year colleges. He suggested that the Regents consider some form of recognition for institutions with improved retention rates. Chair Leebern then adjourned the meeting of the Strategic Planning Committee as a Committee of the Whole.

Chancellor Meredith stated that if the intention is to be the best university system in the nation, then the standards must be set very high. The University System of Georgia must strive to be the best in everything it does.

Chair Howell agreed. He also noted that Regent Yancey's warning was extremely important. The Regents need to analyze and then act. They do not need to wait too long before they take action. He then requested further data that compares at the University System of Georgia against other systems. He also requested data about post-graduate, doctoral, and professional programs. For example, how does the Medical College of Georgia stack up against other medical schools? These are issues the System needs to address in order to attain national recognition. This does not in any way diminish the matters of retention and graduation. However, if the System was not the first place the Governor looked for help with the Georgia Cancer Coalition, he asked, why not? Those are questions the Chair would like to see addressed in an effort to wrap up the benchmarking process over the next several months.

### **UNFINISHED BUSINESS**

Chair Howell asked for a motion to ratify the action of former Chancellor Stephen R. Portch in appointing President Ronald Michael Zaccari at Valdosta State University ("VSU"). He noted that President Zaccari was already on the job and doing outstanding work.

Regent Leebern made the motion, which Regent Cater seconded. Motion properly made, seconded,

and unanimously adopted, the Board ratified the appointment of President Zaccari.

Chair Howell thanked Regent Hunt for chairing the Special Regents' Committee for the VSU Presidential Search, which also included Regent Carter and himself. He noted that Chancellor Meredith had also met President Zaccari. He also thanked Dr. Fred A. Ware, Jr., Professor of Management at VSU, who chaired the campus presidential search committee. Chair Howell then invited President Zaccari to approach the Board.

President Zaccari thanked Chair Howell and greeted the Board. He remarked that it is an honor to serve as President of VSU. He noted that there were many stages of the interview process. He met first with the presidential search committee, then with former Chancellor Portch, and finally with the Special Regents' Committee for the VSU Presidential Search. He then realized that if he were not selected for the presidency, he would be extremely disappointed not to serve the University System and the Board. He had only been on the job two days, but he had already met his administrative staff and student, faculty, and staff leaders. Together, they are already beginning to plan their first strategic planning retreat on campus, but first he needs to determine what is already at VSU, what is not at VSU, and most importantly, what can be at VSU. President Zaccari contended that a contemporary president at a contemporary university will face many new challenges. He told the Regents that he casts bronze sculptures. He noted that he cannot create a new work of art by thinking about it and hoping it will appear. Today, university presidents must be an integral part of the creative process. Data are good, but the area of admissions is not the only office that will bring new students to the institution, student affairs is not the only area that must deal with retention, and institutional research and evaluation are not the only ones that can obtain data. Contemporary presidents must find creative solutions to problems by being an integral part of the day-to-day activities. They cannot hope to find solutions by staying outside. President Zaccari reported that he spends about three hours in his sculpting studio each morning before work. His new works of art are created because he learns from that session every morning. VSU will be looking for creative solutions to the problems the Board discussed at this meeting. However, he said, VSU will not only lead the best practices in the System, it will also develop some international implications of leadership and new ways of solving these problems. President Zaccari said that he would not have accepted this appointment if he did not feel confident that the dynamic institution built by former President Hugh C. Bailey and his staff and the students and the communities surrounding the university could accomplish great things. He committed to the Board that he would do everything in his power to build a unique institution of higher education. He then thanked the Regents and stepped down.

Chair Howell thanked President Zaccari for his kind words.

### **NEW BUSINESS**

There was no new business at this meeting.

### **PETITIONS AND COMMUNICATIONS**

Secretary Gail S. Weber announced that the next Board meeting would take place on Tuesday, February 5 and Wednesday, February 6, 2002, in the Board Room in Atlanta, Georgia. She noted that this is a week earlier than usual.

She also noted that the Regents were invited to attend the Chancellor's fiscal year 2002 amended budget address at the Capitol on January 10, 2002.

**EXECUTIVE SESSION**

At approximately 11:10 a.m. on Wednesday, January 9, 2002, Chair Hilton H. Howell, Jr. called for an Executive Session for the purpose of discussing the acquisition of property. With motion properly made and variously seconded, the Regents who were present voted unanimously to go into Executive Session. Those Regents were as follows: Chair Howell, Vice Chair Joe Frank Harris, and Regents Hugh A. Carter, Jr., Connie Cater, William H. Cleveland, George M. D. (John) Hunt III, Donald M. Leebern, Jr., Allene H. Magill, Elridge W. McMillan, Martin W. NeSmith, J. Timothy Shelnut, Glenn S. White, Joel O. Wooten, Jr., and James D. Yancey. Also in attendance were Chancellor Thomas C. Meredith; the Secretary to the Board, Gail S. Weber; the Senior Vice Chancellor for Support Services, Corlis Cummings; and the Senior Vice Chancellor for External Activities and Facilities, Thomas E. Daniel. In accordance with H.B. 278, Section 3 (amending O.C.G.A. § 50-14-4), an affidavit regarding this Executive Session is on file with the Chancellor's Office.

At approximately 12:00 p.m., Chair Howell reconvened the Board meeting in its regular session and announced that no actions were taken in the Executive Session.

**ADJOURNMENT**

There being no further business to come before the Board, the meeting was adjourned at approximately 12:05 p.m. on January 9, 2002.

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

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