

**MINUTES OF THE MEETING OF THE  
BOARD OF REGENTS OF THE UNIVERSITY SYSTEM OF GEORGIA**

**Held at  
Atlanta, Georgia  
January 12, 2010**

**CALL TO ORDER**

The Board of Regents of the University System of Georgia met on Tuesday, January 12, 2010, in the Board Room, 270 Washington St., S.W., Atlanta, Georgia. The Chair of the Board, Regent Robert F. Hatcher, called the meeting to order at approximately 1:00 p.m. Present in addition to Chair Hatcher, were Vice Chair Willis J. Potts, Jr. and Regents Kenneth R. Bernard, Jr., James A. Bishop, Larry R. Ellis, Felton Jenkins, W. Mansfield Jennings, Jr., James R. Jolly, Donald M. Leebern, Jr., William H. NeSmith, Jr., Doreen Stiles Poitevint, Kessel D. Stelling, Jr., Benjamin J. Tarbutton, III, Richard L. Tucker, Allan Vigil, and Larry Walker. Regent Frederick E. Cooper and Wanda Yancey Rodwell were excused.

**INVOCATION**

The invocation was given on each day by Regent Larry Walker.

**SAFETY BRIEFING**

The safety briefing was given on each day by Assistant Vice Chancellor for Compliance & Operations, Sandra Neuse.

**ATTENDANCE REPORT**

The attendance report was given by Secretary to the Board Burns Newsome.

**APPROVAL OF MINUTES**

The minutes of the Board of Regents meetings held on November 17-18, 2009 and December 21, 2009, were unanimously approved.

**INTRODUCTION OF NEW PRESIDENT: GEORGIA SOUTHERN UNIVERSITY**

Chancellor Erroll B. Davis, Jr. introduced Dr. Brooks Keel as the 12<sup>th</sup> president of Georgia Southern University (“GSOU”). Dr. Keel earned a bachelor of science in biology and chemistry from Augusta State University. He followed that with a Ph.D. in reproductive endocrinology from the Medical College of Georgia. Prior to accepting the presidency at GSOU, Dr. Keel served as the vice chancellor of research and economic development and also as a professor of biological sciences at Louisiana State University at Baton Rouge. Dr. Keel, joined by his wife,

Dr. Tammie Schalue, shared brief remarks thanking the Board for the opportunity to serve as president of Georgia Southern University and expressing his excitement about the road ahead.

### **RECOGNITION OF GUESTS**

Chancellor Erroll B. Davis, Jr. recognized the legislative delegation that serves the Georgia Southern University region including Representative Butch Parrish of Swainsboro, Representative Bob Lane of Statesboro, Representative Jon Burns of Effingham County, Representative Ann Purcell, and Senator Jack Hill of Reedsville. Senator Hill gave brief remarks welcoming Dr. Keel to his new role at Georgia Southern University. He noted the economic climate and the challenges it creates for the all state agencies. He stated that he looks forward to working with Chancellor Davis, his staff, and the Board this year.

Chancellor Davis also recognized two Student Government Association (“SGA”) presidents who attended the Board meeting: Daniel Street, a senior accounting major at Kennesaw State University, and Samantha Young, a senior history/political science major at Georgia Southern University. The Chancellor noted that the SGA president from the University of Georgia, Katie Barlow, spoke during the Finance and Business Operations committee meeting that morning.

### **STATE OF THE SYSTEM ADDRESS**

Chancellor Erroll B. Davis, Jr. gave the annual State of the System Address as follows.

First, I want to welcome everyone back and I am hopeful that you all had restful and enjoyable holiday seasons. This is my fourth State of the System address. Each year, I have tended to note both our progress and our challenges.

In recent years, I have noted how our presidents have done more with less without fundamentally changing how we meet our overall mission of providing quality instruction, excellent research and needed services. This year, however, I have concluded that we are at a different point in our history as a System. And as a result, moving forward, we simply cannot continue to do business as usual. What leads me to this conclusion?

Our students are blessed to be in a state with the HOPE scholarship; yet more and more of them are, even with our best efforts to contain costs, facing affordability issues. Raising tuition to simply replace state dollars only exacerbates this situation. Our faculty & staff are working harder than ever but are facing more furloughs, no raises, increased health care costs and declines in professional development opportunities. Our budget has declined 13.1 percent since the beginning of Fiscal Year 2009 and the state’s economy has yet to rebound. Our federal stimulus dollars, now at \$140 million, disappear in Fiscal Year 2012. And, of course, demand continues to grow. We have added more than 40,000 students in the last three years and our funding formula is now 30,000 students behind. I could go on, but I think you get the picture. This is why I say we cannot continue to do business as usual.

So, what is the correct path ahead?

One – We must somehow unleash the collective brainpower of this great System, primarily at the institutional level.

Two – To accomplish this, this board must develop and set, with our help, key principles that will guide our institutions and their leaders in this work.

Three – We must create an environment where our institutions are both empowered and encouraged to experiment with new ways of accomplishing our mission.

That is the broad outline. Before I go further, let me share a bit of historical context—a lesson for us all from history. Do you recognize these people? These are the individuals that sat in your seats at a time of even greater challenge. They are, of course, the first Regents of the System – names that still resonate today: Martha Berry, Cason Callaway, Richard B. Russell Sr., Hughes Spalding, George Woodruff, and the man who called them into existence, Governor Richard Russell Jr.

At a time when national unemployment was 24 percent and the state was near bankruptcy . . . at a time before the term “safety net” was coined, then Governor Russell reinvented higher education in Georgia by creating the University System of Georgia. He and these first Regents did so because they understood that even in the direst of times, you must look to the future. And today, nearly eight decades later, we have to do the same.

The true genius of the 1931 creation of the System was the realization that System institutions can learn from each other, can collaborate on projects, can avoid duplication but do not all have to engage in “forced marches” in lockstep. They did what they had to do to survive in the short term, as we must, but they set a direction for the future, as well. And our role today as the leaders of the System is to set that direction.

Over the holidays, I spent some time talking with other higher education leaders, brainstorming with my own team, and reading the intense debates going on in the literature about the future of higher education in this country. There are many movements afoot. One calls for the total reinvention of our academic model. Another calls for a back-to-basics approach. I have not adopted a particular view. The only conclusion that I have reached is that we cannot continue doing business as usual.

So, let me look briefly in more detail at those three main points I outlined at the beginning.

One — unleash the collective brainpower of this great System.

The more I have listened, the more I have read, the more it became clearer that only those closest to the action can solve our problems – our campus based leaders. No other segment of society has what we have: the brightest intellects and some of the most creative minds. Our faculty, in particular, have the capacity to blaze new ground. We must use the talents we have to create both administrative and academic creativity and productivity.

Two — this is where this Board must lead.

The Board must set the parameters and principles under which the innovation of our faculty and staff at our institutions can operate – and be successful. You must set the direction. This work must begin immediately as it is the most important — and the first — step. It will be a focus at our subsequent meetings. We have more than 40,000 minds out there that can address our challenges and provide some viable answers. We must harness that power.

Three — create an environment where our institutions are both empowered and encouraged to experiment with new ways of accomplishing our mission.

This board has expended significant time, energy and resources in developing a superb set of Presidents. We now must let them lead like never before. As Chancellor, I will hold them accountable for and hopefully find the resources to reward them for their boldness, for their innovation, for their focus on the basics, for their creativity, for their willingness to engage their entire campus community in this effort and – importantly- for their willingness to collaborate with other Presidents and institutions.

I will be meeting with the Presidents this week and seeking their advice for an organizational and communication structure to manage this effort. And this effort, in addition to a focus on our students, must also look at institutional missions. I would prefer to see more institutions sharpening, honing and tightening their missions rather than seeking to expand them based upon institutional aspirations versus true state need. Yes, it is vitally important that we not stop dreaming and not stop thinking about new programs to serve the present and future needs of the state. But we also must start thinking about what activities we need to stop doing in order to bring reduced missions into alignment with reduced resources.

It is going to be challenging to us all to pay more attention to the basics while at the same time calling for expanded innovation. This the essence of what I mean when I say that business as usual will no longer work. Some of the approaches we are doing in the short term simply cannot continue for the long haul. Deferring hiring, cutting travel, eliminating training is not the recipe for future success.

Our job at the System will be to provide the framework, the empowerment and the support to our campus based leaders. We here also will provide the leadership in communicating what we are doing to our external partners – the Governor and the Legislature — as we will need both their understanding and their budgetary support as we set out to potentially remake parts of this System. But, we may also need their policy support if we are to try new and different approaches.

We also will need to work with our K-12 and Technical College partners as certainly some of our ideas may need their input and collaboration, as well. We will need to ensure that our accrediting agencies work with us if some of our ideas enter new territory not adequately covered by their standards. We also must listen to our students as they have certainly demonstrated over the last few years that they will have ideas worthy of consideration.

And lastly, we must reach out to those who employ our students to make sure we understand their expectations for our graduates, not just for today but for the years ahead.

What then, are the potential outcomes of this new course of action – innovation at the campus level with guidance and support from the System level? At your urging we should expect the emergence of “best practices” that can be shared across the System. We also should expect ideas that will work only on a single campus. We should expect some stunning successes. We also should expect some failures, which we should tolerate if a reasonable risk assessment was part of the process.

Remember, at one point, Babe Ruth, not only held the record for home runs, he held the record for strikeouts, as well! This must be a total team effort. We must approach these issues with open minds, with a willingness to have candid discussion, and with a will to make some potentially tough political decisions.

In the final analysis, I have not offered a silver bullet here today. I have suggested a process that potentially includes the entire university community and beyond. It is a process designed to result in actions, primarily at the institutional level. This brings us back to why do we now need to act in ways so unlike those of previous years.

The answer is that our challenges have now accumulated to the point at which we must have the boldness of vision and the courage of conviction if we are to maintain and continue this dynamic and knowledge-creating System. These challenges must be solved. They are not going away. Waiting for “better days ahead” is a wished-for outcome. It is not a plan.

We must be basically bold as well as boldly basic. We do have the talent. What will be tested is our will and our resolve to, not only manage through the crisis, but to set a direction for the future, as well. The state of the system is “challenged;” our job is to meet that challenge.

Mr. Chairman, that completes my rather extended remarks. I would, of course, be happy to answer any questions.

## **COMMITTEE REPORTS**

### **EXECUTIVE AND COMPENSATION COMMITTEE**

The Executive and Compensation Committee met on Tuesday, January 12, 2010, at approximately 10:04 a.m. in Room 7019. Committee members in attendance were Chair Robert F. Hatcher, Vice Chair Willis J. Potts, Jr., Regents Felton Jenkins, and W. Mansfield Jennings, Jr., James R. Jolly, as well as ex-officio members Regents Donald M. Leebern, Jr., Richard L. Tucker, and Allan Vigil. Chancellor Erroll B. Davis, Jr. and members of his senior staff were also present. Chair Hatcher reported to the Board that the Committee reviewed three items, which required action. Upon motion properly made, seconded, and unanimously adopted, the Board approved and authorized the following:

## **Executive Session: Personnel Matters**

At approximately 10:15 a.m., Chair Robert F. Hatcher called for an executive session for the purpose of discussing personnel matters. With motion properly made and seconded, the Regents who were present voted unanimously to go into executive session. Those Regents are listed above. The Chancellor and members of his senior staff also were present. 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 in the Office of the Secretary to the Board.

Chair Hatcher reconvened the Committee in its regular session at approximately 10:36 a.m. and announced that no actions were taken during the executive session. The Committee voted on the following three actions in open session.

### **1. Ratification of Settlement Agreement for Fort Valley State University**

The Board ratified the execution by Chancellor Erroll B. Davis, Jr. of a settlement agreement with the National Science Foundation involving a grant at Fort Valley State University.

### **2. Contract Amendment for President Lisa Rossbacher**

The Board authorized Chancellor Erroll B. Davis, Jr. to negotiate an amended contract for President Lisa Rossbacher, Southern Polytechnic State University, with authority to increase President Rossbacher's compensation up to \$20,000 if the Chancellor deems it appropriate.

### **3. Regent Emeritus Appointment for Elridge W. McMillan**

The Board appointed Regent Elridge W. McMillan as Regent Emeritus of the Board of Regents.

The committee meeting was adjourned at approximately 10:40 a.m.

## **COMMITTEE ON ACADEMIC AFFAIRS**

The Committee on Academic Affairs met on Tuesday, January 12, 2010 at approximately 10:35 a.m. in Room 5158. Committee members in attendance were Chair Benjamin J. Tarbutton, III, and Regents Kenneth R. Bernard, Jr., William H. NeSmith, Jr., Doreen Stiles Poitevint, Richard L. Tucker, and Larry Walker. The Vice Chair of the Board, Willis J. Potts, Jr., Chief Academic Officer and Executive Vice Chancellor, Susan Herbst, Assistant Vice Chancellor Linda Noble, and institutional representatives also were in attendance. Chair Tarbutton reported to the Board that the Committee reviewed 17 items, 16 of which required action. With motion properly made, seconded, and unanimously adopted, the Board approved and authorized the following:

### **1. Revision to Policy 3.7, Regents' Reading and Writing Skills Requirement, Regents' Test Policy Change**

The Board approved the revision of Policy 3.7, "Regents' Reading and Writing Skills Requirement", as shown below effective January 13, 2010.

Background: In 2007, changes to the Regents' Test involving the timing and reporting of results, method of teaching for those students requiring additional assistance, and method of testing including appeals for a limited number of cases were approved by the Board.

At the November 2009 meeting of the Committee on Academic Affairs, progress on these changes was shared. Based on discussions held by members of the Committee on Academic Affairs, proposed policy revisions will enable institutions to seek exemptions to the Regents' Reading and Writing Skills requirement.

On the following pages, please note that the strikethrough texts represent deletions from the current version, and the bold, highlighted texts represent additions.

**Revised Policy:**

***Policy 3.7 Regents' Reading and Writing Skills Requirement***

The formulation and administration of the Regents' Test and the Regents' Writing and Reading Skills requirement shall be as determined by the Chancellor and prescribed in the Academic Affairs Handbook (BoR Minutes, August 2004).

Each USG institution shall ensure that students obtaining a degree from a USG institution possess certain minimum skills of reading and writing, hereinafter called Regents' Writing and Reading Skills. The Regents' Writing and Reading Skills requirement has been developed to help attain this goal. The Regents' Writing and Reading Skills requirement will ensure students have competence, at a minimum system-wide level, in reading and writing.

Students enrolled in undergraduate degree programs leading to the baccalaureate degree will be required to complete the Regents' Writing and Reading Skills requirement as a requirement for graduation. The Regents' Writing and Reading Skills requirement is not a requirement for an associate of applied science degree or an associate of science degree in an allied health field, although institutions may choose to require it for these degrees (BoR Minutes, 1986 – 87, p. 371, 1987 – 88, pp. 129 – 30).

A student holding a baccalaureate or higher degree from a regionally accredited institution of higher education will not be required to complete the Regents' Writing and Reading Skills requirement in order to receive a degree from a USG institution (BoR Minutes, 1987-88, pp. 129 – 30).

**Institutional exemptions to the Regents' Reading and Writing Skills requirement may be granted by the USG Executive Vice Chancellor and Chief Academic Officer under delegated authority of the Chancellor in consultation with the Chair of the Academic Affairs Committee of the Board of Regents. Exemption requests will be reviewed based on institutional evidence of robust and effective student learning assessment and support for under-achieving students.**

The Board of Regents may **also** allow waivers **for individual students** of the Regents' Skills Requirement in very rare circumstances (estimated at no more than 1 – 2 a year, system-wide) when, after enrollment, students develop documentable medical conditions that make all testing methods inapplicable. Guidelines for implementing this waiver will be issued by the Chancellor (BoR Minutes, March, 2007).

There shall be two system-mandated courses in writing and in reading that represent a vehicle for meeting the Regents' Writing and Reading Skills requirement.

There will be system-wide tests administered in reading and in writing. These tests will be referred to collectively as the Regents' Test. The Regents' Test is designed to provide an additional method for satisfying the Regents' Writing and Reading Skills requirement.

2. **Establishment of a Bachelor of Arts with a major in Geography, Georgia College & State University**

The Board approved the request of President Dorothy Leland that Georgia College & State University be authorized to establish a Bachelor of Arts with a major in Geography, effective January 13, 2010.

3. **Establishment of a Bachelor of Business Administration with a major in Logistics and Supply Chain Management, Clayton State University**

The Board approved the request of Interim President Timothy Hynes, Jr. that Clayton State University be authorized to establish a Bachelor of Business Administration with a major in Logistics and Supply Chain Management, effective January 13, 2010.

4. **Establishment of a Bachelor of Science with a major in Mathematics (with a secondary teacher certification track), Gordon College**

The Board approved the request of President Lawrence V. Weill that Gordon College be authorized to establish a Bachelor of Science with a major in Mathematics (with a secondary teacher certification track), effective January 13, 2010.

5. **Establishment of a Bachelor of Science with a major in General Studies, North Georgia College & State University**

The Board approved the request of President David L. Potter that North Georgia College & State University be authorized to establish a Bachelor of Science with a major in General Studies, effective January 13, 2010.



6. **External Delivery (Onsite) of the Existing Specialist in Education with a major in Educational Leadership at the West Point Instructional Site, Columbus State University**

The Board approved the request of President Timothy S. Mescon that Columbus State University be authorized to offer, through onsite external delivery, the Specialist in Education with a major in Educational Leadership at the West Point instructional site, effective January 13, 2010.

7. **External Delivery (Onsite) of the Existing Associate of Science (General Studies) at the West Point Instructional Site, Columbus State University**

The Board approved the request of President Timothy S. Mescon that Columbus State University be authorized to offer through, onsite external delivery, the Associate of Science (General Studies) at the West Point instructional site, effective January 13, 2010.

8. **External Delivery (Onsite and Online) of the Existing Specialist in Education with a major in Special Education at Schools within the Cherokee County School System, University of West Georgia**

The Board approved the request of President Beheruz N. Sethna that the University of West Georgia be authorized to offer, through onsite and online methods the external delivery, the Specialist in Education with a major in Special Education at schools within the Cherokee County School System, effective January 13, 2010.

9. **Dual Degree Program Administration of the Existing Master of Business Administration and Master of Science in Information Systems, Kennesaw State University**

The Board approved the request of President Daniel S. Papp that Kennesaw State University be authorized to offer the existing Master of Business Administration and Master of Science in Information Systems in a dual degree format, effective January 13, 2010.

10. **Substantive Change of the Specialist in Education and Doctor of Education with majors in Leadership for Learning to Additional Stand-alone Degrees in Educational Leadership for Learning, Kennesaw State University**

The Board approved the request of President Daniel S. Papp that Kennesaw State University be authorized to substantively change the existing Specialist in Education and Doctor of Education with a major in Leadership for Learning to establish stand-alone degrees in *Educational Leadership for Learning*, effective January 13, 2010.

**ESTABLISHMENT OF NAMED FACULTY POSITIONS**

Items 10 through 14 of this document were submitted by University System institutions seeking to establish special faculty positions that have been developed through the philanthropy of donors. Named faculty positions are often developed to recruit scholars who have made

contributions to academic life and/or to knowledge in their academic discipline. All of the requested positions meet and/or exceed minima funding requirements per institutional sector as prescribed in *The Policy Manual*, Section 8.3.2.2 as provided in the table below.

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

Each institutional request (Items 10 through 14) to establish a named position can be found on successive pages within this document.

**11. Establishment of the Valerie Adams Professorship, Georgia State University**

The Board approved the request of President Mark P. Becker that Georgia State University be authorized to establish the Valerie Adams Professorship, effective January 13, 2010.

**12. Establishment of the Dr. William N. Agostas and Josephine R. Agostas Chair of Internal Medicine, Medical College of Georgia**

The Board approved the request of Interim President James N. Thompson that the Medical College of Georgia be authorized to establish the Dr. William N. Agostas and Josephine R. Agostas Chair of Internal Medicine, effective January 13, 2010.

**13. Establishment of the American Association of Managing General Agents Chair in Risk Management and Insurance, Georgia State University**

The Board approved the request of President Mark P. Becker that Georgia State University be authorized to establish the American Association of Managing General Agents Chair in Risk Management and Insurance, effective January 13, 2010.

**14. Establishment of the Georgia Power Chair in Energy Efficiency, Georgia Institute of Technology**

The Board approved the request of President G. P. Peterson that Georgia Institute of Technology be authorized to establish the Georgia Power Chair in Energy Efficiency, effective January 13, 2010.

**15. Establishment of the David M. McKenney Family Professorship, Georgia Institute of Technology**

The Board approved the request of President G. P. Peterson that Georgia Institute of Technology be authorized to establish the David M. McKenney Family Professorship, effective January 13, 2010.

**16. Named Faculty Positions**

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

**17. Information Item: Innovative Resources and Learning: Curriki and USG Teacher Preparation**

Abstract: The Vice Chancellor for Educator Preparation and Innovation, Dr. Lynne Weisenbach, provided information regarding Valdosta State University's engagement with Curriki, an online environment designed to support the development and free distribution of world-class education materials, with emphasis on using technology to improve K-12 education and teacher preparation.

The committee meeting was adjourned at approximately 11:00 a.m.

**COMMITTEE ON INTERNAL AUDIT**

The Committee on Internal Audit met on Tuesday, January 12, 2010, at approximately 11:29 a.m. in the Boardroom. Committee members in attendance were Chair Kessel D. Stelling, Jr., Vice Chair W. Mansfield Jennings, Jr., and Regents James A. Bishop, Felton Jenkins, James R. Jolly, Donald M. Leebern, Jr., and Allan Vigil. Chair Stelling reported to the Board that the Committee reviewed two items, which required no Board action.

**1. Information Item: Internal Audit Risk Assessment – Fiscal Year 2011**

The Chief Audit Officer & Associate Vice Chancellor, John Fuchko, briefly summarized the Fiscal Year 2011 risk assessment process and highlighted the role that Committee members will have in identifying significant risk issues. The Director of Internal Audit, Michael Foxman, assisted Mr. Fuchko with the presentation.

## **2. Information Item: Ethics and Compliance Hotline Trends – Calendar Year 2009**

The Chief Audit Officer & Associate Vice Chancellor, John Fuchko, updated the Committee on Internal Audit, Risk, and Compliance as to key hotline reporting trends. The Interim Director of Compliance and Enterprise Risk, Scott Woodison, assisted Mr. Fuchko with the presentation.

The committee meeting was adjourned at approximately 12:08 p.m.

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

The Committee on Finance and Business Operations met on Tuesday, January 12, 2010, at approximately 10:45 a.m. in the Boardroom. Committee members in attendance were Chair Felton Jenkins and Regents James A. Bishop, W. Mansfield Jennings, Jr., James R. Jolly, Donald M. Leebern, Jr., and Allan Vigil. The Chair of the Board, Robert F. Hatcher, also was in attendance. Chair Jenkins reported to the Board that the Committee reviewed three items, one of which required action. With motion properly made, seconded, and unanimously adopted, the Board accepted the Committee's report of the following:

### **1. Approval of Proposed Revisions to The Policy Manual, 7.3.2 Student Fees and Special Charges, and 7.2.2 Auxiliary Enterprises Revenues and Expenditures**

The Board approved the proposed revisions to the Board Policy 7.3.2 Student Fees and Special Charges and 7.2.2 Auxiliary Enterprises Revenues and Expenditures.

Background: Mandatory student fees are essential to provide services, activities and materials that enhance the overall learning experience and allow for an enriched educational environment. Board Policy requires all mandatory fees to be approved by the Board. It is proposed that the current Board policy on mandatory fees be revised to incorporate further specificity in its articulation of the mandatory fee policy and process. These revisions will result in increased guidance to the leadership of the University System of Georgia institutions, satisfy recent audit questions and concerns, and will provide additional information to outside entities.

The changes proposed to revise and improve Board Policy 7.3.2 Student Fees and Special Charges, and 7.2.2 Auxiliary Enterprises Revenues and Expenditures include the following five elements:

1. To accentuate the overarching philosophy for mandatory fees, as is the case with all student charges, which is that fees are used exclusively for the benefit of the students in University System of Georgia institutions;
2. To broaden student participation in the student fee process, thus garnering greater input and support for mandatory fee changes;
3. To require Board approval of any fee or charge which is to be paid by all full-time, undergraduate students at the institution or by all undergraduate students in

a specific degree program, with the exception of course fees for supplementary costs;

4. To clarify elective “course fees,” which are to be defined as supplementary costs for specific course offerings, such as art materials, course packets/kits, software/videos, and special equipment;
5. To recognize the importance of reserves associated with mandatory student fees, which permit institutions to plan strategically for both current and future student services and activities, allow mandatory student fees to remain at relatively stable levels and ensure that auxiliary enterprises will be self-supporting and sustaining over time.

### **Proposed Policy 7.3.2 Student Fees and Special Charges**

#### **7.3.2.1 Mandatory Student Fees**

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

Mandatory fees shall include, but not be limited to:

1. Intercollegiate athletic fees;
2. Student health service fees;
3. Transportation or parking fees (if the latter are charged to all students);
4. Student activity fees;
5. Technology fees; and
6. Facility fees.

All mandatory fees shall be approved by the Board of Regents at its meeting in April to become effective the following fall semester. Exceptions to this requirement may be granted upon recommendation of the Chancellor and the approval of the Board of Regents.

An institution may waive mandatory fees for students who are enrolled for fewer than six (6) credit hours. Alternatively, institutions may prorate mandatory fees on a per-credit-hour basis for students taking fewer than twelve (12) credit hours. Institutions may elect to reduce Board-approved mandatory fees for students enrolled in summer courses.

Proposals submitted by an institution to increase mandatory student fees and proposals to create new mandatory student fees shall first be presented for advice and counsel to a committee at each institution composed of at least fifty percent (50%) students, except in special circumstances when a general purpose fee is instituted system-wide by the Board of Regents (BoR Minutes, June 2009). **The committee shall include at least four students, who** Students shall be appointed by the institution’s student government association. **Institutions and student government associations should make a concerted effort to include broad representation among the students appointed to the committee.**

All mandatory student fees collected by an institution shall be budgeted and administered by the president using proper administrative procedures, which shall include the advice and counsel of an advisory committee composed at least fifty percent (50%) students, except in special circumstances when a general purpose fee is instituted system-wide by the Board of Regents (BoR Minutes, June 2009). **The committee shall include at least four students, who** Students shall be appointed by the institution's student government association. **Institutions and student government associations should make a concerted effort to include broad representation among the students appointed to the committee.**

**Mandatory student fees shall be used exclusively to support the institution's mission to enrich the educational, institutional, and cultural experience of students.** All payments from funds supported by student mandatory fees shall be made according to approved business procedures and the appropriate business practices of the institution (BoR Minutes, 1999-2000, p. 364).

### 7.3.2.2 Elective Fees and Special Charges

**Institution presidents are authorized to approve elective fees and special charges as outlined below. However, any fee or special charge that is required to be paid by all full-time, undergraduate students at the institution or by all undergraduate students in a specific degree program, with the exception of specific course fees for supplementary costs, shall be approved by the Board.**

#### Housing Fees

Housing fees are defined as fees paid by students who elect to live in institutional residential facilities. All housing fees, except for housing fees that are proposed to support debt service and operating costs on new housing projects funded with private funds, shall be approved by the institution president in April of each year. The housing fees that support debt service ~~should~~ **shall** be approved by the Board. Each institution shall notify the Chancellor annually of all **institutionally**-approved housing fees (BoR Minutes, February, 2007).

#### Food Service Fees

Food service fees are defined as fees paid by students who elect to choose an institutional food service plan. All **elective** food service fees **and those required for residential students** shall be approved by the institution president in April of each year. **All food service fees that support debt service shall be approved by the Board.** Each institution shall notify the Chancellor annually of all **institutionally**-approved food service fees.

#### Other Elective Fees and Special Charges

Other elective fees and special charges are defined as those fees and charges **that** are paid selectively by students. These fees and charges may include, but are not limited to:

1. Resident hall deposits;
2. Penalty charges;
3. Non-mandatory parking fees and parking fines;
4. Library fines;
5. Laboratory fees;
6. Post office box rentals; and,
7. Course fees **to cover supplementary costs for specific courses, such as art materials, course packets/kits, software/videos, and special equipment.**

Institutional presidents are authorized to establish and adjust these fees, as appropriate. Prior to implementation of such fees, institutions shall be required to report to the Chancellor any **establishments and** adjustments made thereto under procedures established by the USG chief fiscal officer.

### **Continuing Education Fees**

Institutional presidents shall be authorized to establish fees for non-credit-hour courses and programs as defined in [Section 5.2 of this Policy Manual](#).

### **Proposed Policy 7.2.2 Auxiliary Enterprises Revenues and Expenditures**

Auxiliary enterprises revenues and expenditures shall be defined as all revenues received and expenditures made for functions and activities that are related to the mission of USG institutions including, but not limited to:

1. Housing;
2. Food Services;
3. Student Health Services;
4. Student Activities;
5. Intercollegiate Athletics (excluding intercollegiate athletics which are operated under the authority of a separately incorporated athletic association);
6. Parking;
7. Transportation;
8. Stores and Shops; **and**
9. Vending and Other Services.

Refer to [Section 15.0, Auxiliary Enterprise Funds, of the Business Procedures Manual](#) for more information on auxiliary enterprise funds.

Auxiliary enterprise operations shall operate on a self-supported basis with revenues derived from student fees and other non-state sources, except as provided below. Each auxiliary enterprise operation shall be charged for its share of plant operations and maintenance expense as a direct expense, and/or charged on the basis of an allocation methodology, such as share of total institutional square footage. USG institutions may choose also to charge administrative overhead to recoup general costs expended on behalf of each operation.

Each institution shall develop and update annually a five-year plan for each auxiliary enterprise operation that defines the level and manner of service to be provided, planned expenditures and sources of revenue, including projected fee requirements. The format and content of each plan shall be determined by the USG chief fiscal officer, but **minimally shall** contain the following:

1. A statement regarding the role of the enterprise in the context of the institution's academic mission.
2. A statement of goals and objectives to be achieved over the course of the five-year plan.
3. A statement on operating strategy, including services to be provided and sources of revenue, including student fees.
4. A financial pro forma that projects future revenues and expenditures consistent with stated goals and objectives. The method used to allocate plant operations costs and other indirect costs, if charged, **also shall** be described in the five-year plan.
- 5. The plan shall provide for an adequate reserve to cover anticipated renewals and replacements and other contingencies, as necessary.**

Exceptions to the requirement that institutions operate their auxiliary enterprises on a self-supporting basis shall be recognized as follows:

1. Institutions may choose to operate some auxiliary enterprise activities on a loss basis, but must indicate in their five-year plans how the costs of such activities will be covered by revenues generated through other auxiliary operations. It shall be the Board of Regents' determination as to whether such losses are sustainable based on the institution's five-year plan.
2. Institutions may apply general fund resources to auxiliary enterprise operations where such expenditures can be justified as supporting the primary mission of the institution. In no instance may general fund revenues be used to support athletic scholarships. The use and amount of general revenues applied to the support of auxiliary enterprise operations shall be included in the five-year plan.

Accounting records for auxiliary enterprises will be maintained on the full accrual basis. Therefore, funded depreciation will be required for all auxiliary enterprise service equipment, buildings, infrastructure and facilities, and other improvements. The reserve for depreciation will be used for repair and replacement of auxiliary assets according to guidelines provided in [Section 7.0, Capitalization, of the Business Procedures Manual](#). The funds collected will be left with the institutions (BoR Minutes, February, 2007).

## **2. Reallocation of Special Institutional Fee at Kennesaw State University**

The Board approved the request of President Daniel S. Papp of Kennesaw State University to reallocate \$35 per semester from the Special Institutional Fee assessed at Kennesaw State University to support projects funded from the previously titled "Land Acquisition" mandatory fee. President Papp also requests the renaming of the "Land Acquisition" fee to "Sports and



Recreation Parks” fee, consistent with the use of the fee revenue. This reallocation is effective fall 2010.

The committee meeting adjourned at approximately 11:48 a.m.

## **COMMITTEE ON ORGANIZATION AND LAW**

The Committee on Organization and Law met on Tuesday, January 12, 2010, at approximately 11:07 a.m. in Room 5158. Committee members in attendance were Chair Kenneth R. Bernard, Jr., Vice Chair Doreen Stiles Poitevint, and Regents Larry R. Ellis, William H. NeSmith, Jr., Benjamin J. Tarbutton, III, Richard L. Tucker, and Larry Walker. Chair Bernard reported to the Board that the Committee reviewed three items, two of which required action. Item 2 included seven applications for review. With motion properly made, seconded, and unanimously adopted, the Board approved and authorized the following:

### **1. Amendment to Section 5 of the Policy Manual**

The Board approved the following addition to the Policy Manual.

#### **5.4.4 Georgia Public Library Service**

The Georgia Public Library Service supports Georgia’s libraries by providing a broad range of services, including consulting services, technical assistance and public library automation. GPLS serves library patrons in all 159 Georgia counties, creating a statewide “borderless library” that provides equal access to information for all Georgians.

The Chancellor is authorized to adopt and implement rules and regulations for the Georgia Public Library Service.

### **2. Applications for Review**

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

- a. In the matter of Dr. Kathy Carlisle, at Columbus State University, concerning her demotion and subsequent elimination of her position, the application for review was remanded to the institution.
- b. In the matter of Mr. Cornelius Rouse, at the Georgia Institute of Technology, concerning his termination, the application for review was denied.

- c. In the matter of Mr. Malcolm Swann, at the Georgia Institute of Technology, concerning his termination, the application for review was denied.
- d. In the matter of Ms. Debra Little, at Fort Valley State University, concerning her termination, the application for review was denied.
- e. In the matter of Ms. Mellonee Blumenberg, at the University of West Georgia, concerning non-promotion and other employment matters, the application for review was denied.
- f. In the matter of file no. 2074, at Georgia Southwestern State University, concerning the administrative withdrawal of a student, the application for review was denied.
- g. In the matter of file no. 2075, at the University of Georgia, concerning denial of a student's request for readmission after a second scholastic dismissal, the application for review was denied.

**3. Information Item: Proposed Bylaws Change to Article VIII Appeals Process**

The Committee discussed proposed changes to the Board's Article VIII appeals process.

The committee meeting adjourned at approximately 12:07 p.m.

**COMMITTEE ON REAL ESTATE AND FACILITIES**

The Committee on Real Estate and Facilities met on Tuesday, January 12, 2010, at approximately 12:10 p.m. in the Boardroom. Committee members in attendance were Chair James A. Jolly, Vice Chair James A. Bishop, and Regents Felton Jenkins, W. Mansfield Jennings, Jr., Donald M. Leebern, Jr., and Allan Vigil. The Chair of the Board, Robert F. Hatcher, and Vice Chair, Willis J. Potts, Jr., the Vice Chancellor for Facilities, Linda M. Daniels, and representatives from System institutions were also in attendance. Chair Jolly reported to the Board that the Committee reviewed 15 items, which required action. The Committee deferred one information item, Item 16, until the February Board meeting. With motion properly made, seconded, and unanimously adopted, the Board approved and authorized the following:

**1. Authorization of Project, Demolition and Appointment of Architectural Firm, Project No. BR-70-1002, Psychology Building, Valdosta State University**

The Board authorized Project No. BR-70-1002, Psychology Building, Valdosta State University ("VSU"), with a total project budget of \$6.2 million, to be funded from VSU Institutional Funds.

The Board declared Converse Hall North on the campus of VSU, to be no longer advantageously useful to VSU or other units of the University System of Georgia and authorized demolition and removal of this building and agreed to request the Governor to issue an Executive Order authorizing the demolition and removal of this building from the campus of VSU.

The Board appointed the first-named architectural firm listed below for the identified project and authorized the execution of a contract with the identified firm. Should it not be possible to execute a contract with the top-ranked firm, staff will then attempt to execute a contract with the other listed firms in rank order.

Understandings: Converse Hall is a suites-style residence hall for married students, composed of two wings connected by a single-story breezeway. The concrete bearing walls, low floor-to-floor ceiling heights and suites-style floor plan layout of Converse Hall preclude the adaptive re-use of the building for classrooms and offices.

The 19,000-square-foot, two-story North Wing of Converse Hall will be replaced with an approximately 33,000-square-foot, three-story facility with academic classrooms, laboratories, offices, clinical and support space for the Department of Psychology and Counseling. The building will also include space for the VSU Graduate School and the Office of Grants and Contracts. The South Wing of Converse Hall will remain as a residence hall in the short-term until the need for additional instructional/academic space requires its removal. The project is consistent with VSU's master plan.

A hazardous materials survey and assessment will be conducted prior to demolition and will identify recommendations for the proper management and disposal of all hazardous materials during demolition to ensure compliance with environmental regulations.

Following public advertisement, a qualifications-based selection process was held in accordance with Board of Regents procedures. The following recommendation is made:

Total Project Cost:	\$6,200,000
Construction Cost (Stated Cost Limitation):	\$4,750,000

Number of firms that applied for this commission: 19

Firms in rank order:

- 1) Ellis, Ricket & Associates, Architects, Valdosta
- 2) BFB Gladwin Architects, Valdosta
- 3) Chapman Griffin Lanier Sussenbach Architects, Inc., Atlanta
- 4) McCall & Associates, Inc., Valdosta

**2. Authorization of Project Budget Modification, Project No. J-050, G. Wayne Clough Undergraduate Learning Commons, Georgia Institute of Technology**

The Board modified the budget of Project J-050, G. Wayne Clough Undergraduate Learning

Commons, Georgia Institute of Technology (“GIT”), to increase the total project budget from \$85 million to \$93.7 million.

Understandings: The Clough Undergraduate Learning Commons (the “CULC”) project, approved by the Board in October 2007, is under construction.

This budget increase will fund the renovation of the Skiles Walkway adjacent to the site; a sustainable roof garden; the study, abatement, and remediation of the brick wall where the CULC attaches to Price Gilbert Memorial Library; unanticipated underground utilities and central plant costs; and additional costs associated with the City of Atlanta’s sewer replacement activities at the site.

Funding of this budget increase of \$8.7 million will be from GIT funds. State funding for this project remains \$60 million.

	<u>October 2007</u>	<u>Now</u>
Total Project Cost:	\$85,000,000	\$93,700,000
Construction Cost (Stated Cost Limitation):	\$63,250,000	\$66,700,000

3. **Appointment of Construction Management Firm, Project No. J-155, Historic Renovations, Fort Valley State University**

The Board appointed the first-named construction management firm listed below for the identified project and authorized the execution of a contract with the identified firm. Should it not be possible to execute a contract with the top-ranked firm, staff will then attempt to execute a contract with the other listed firms in rank order.

Following public advertisement, a qualifications-based selection process was held in accordance with Board of Regents procedures. The following recommendation is made:

**Project No. J-155, Historic Renovations, Fort Valley State University**

Project Description: This project was authorized by the Board in August 2008. An architectural firm was appointed in August 2009. A program management firm was appointed in October 2009. This project will renovate three key buildings that occupy a significant portion of the FVSU core campus. Huntington Hall will be rehabilitated and repurposed from residential use to office and administrative use. Miller Hall will be rehabilitated and repurposed from a science building to a general classroom building. Ohio Hall will be renovated as FVSU’s first Honors Residence Hall. The renovation of Ohio Hall & Miller Hall is currently in design and the renovation of Huntington Hall is currently in construction.

Total Project Cost:	\$14.9 million
Construction Cost (Stated Cost Limitation):	\$11.2 million

Number of firms that applied for this commission: 18

Firms in rank order:

- 1) Chris R. Sheridan & Company, Macon
- 2) Peter Brown Construction Inc., Warner Robins
- 3) Van Winkle General Contracting Company, Atlanta
- 4) Structor Group, Atlanta

**4. Appointment of Construction Management Firm, Project No. J-159, Historic Renovations and Addition, North Georgia College & State University**

The Board appointed the first-named construction management firm listed below for the identified project and authorized the execution of a contract with the identified firm. Should it not be possible to execute a contract with the top-ranked firm, staff will then attempt to execute a contract with the other listed firms in rank order.

Following public advertisement, a qualifications-based selection process was held in accordance with Board of Regents procedures. The following recommendation is made:

**Project No. J-159, Historic Renovations and Addition, North Georgia College & State University**

Project Description: This project was authorized by the Board in August 2008. An architectural firm was appointed in August 2009. This project will renovate and expand four buildings in the North Georgia College & State University (“NGCSU”) campus core. Plumbing, electrical, and mechanical systems will be replaced in all four buildings. Young Hall will be expanded with a classroom addition.

<b>Building</b>	<b>Built</b>	<b>Area</b>	<b>Original Use</b>	<b>Current Use</b>	<b>Intended Use</b>
Barnes Hall	1935	18,648 sf	Dormitory	Office and Administration	Office and Administration
Young Hall	1938	15,670 sf	Library	Classroom and Office	Classroom and Office
Hoag Student Center	1969	50,104 sf	Student Center	Student Center	Student Center
Stewart Building	1971	33,920 sf	Library	Vacant	Student Success Center and Bookstore

The project design and construction will be funded from \$16,445,000 Fiscal Year 2010 General Obligation Bonds and \$1,455,000 NGCSU Auxiliary Service Funds.

Total Project Cost: \$17,900,000  
Construction Cost (Stated Cost Limitation): \$13,800,000

Number of construction management firms that applied for this commission: 30

Firms in rank order:

- 1) Gay Construction Company, Atlanta

- 2) Carroll Daniel Construction Company, Gainesville
- 3) The Beck Group, Atlanta

**5. Appointment of Construction Management Firm, Project No. J-162, Science Building, Clayton State University**

The Board appointed the first-named construction management firm listed below for the identified project and authorized the execution of a contract with the identified firm. Should it not be possible to execute a contract with the top-ranked firm, staff will then attempt to execute a contract with the other listed firms in rank order.

Following public advertisement, a qualifications-based selection process was held in accordance with Board of Regents procedures. The following recommendation is made:

**Project No. J-162, Science Building, Clayton State University**

Project Description: This project was authorized by the Board in August 2008. This approximately 100,000-square-foot Science Building will include teaching labs for general science, molecular and organic chemistry and the biological sciences. It will also include research laboratories, a greenhouse, lab support spaces, general classrooms, and faculty offices.

Design of the project will be funded from Fiscal Year 2010 General Obligation Bonds.

Total Project Cost:	\$35,600,000
Construction Cost (Stated Cost Limitation):	\$26,750,000

Number of firms that applied for this commission: 27

Firms in rank order:

- 1) McCarthy Building Companies, Inc., Atlanta
- 2) Holder Construction Group, LLC., Atlanta
- 3) Turner Construction Company, Atlanta
- 4) Whiting-Turner Contracting Company, Atlanta
- 5) Balfour Beatty Construction, Atlanta

**6. Appointment of Construction Management Firm, Project No. J-163, Academic Building, Dunwoody, Georgia Perimeter College**

The Board appointed the first-named construction management firm listed below for the identified project and authorized the execution of a contract with the identified firm. Should it not be possible to execute a contract with the top-ranked firm, staff will then attempt to execute a contract with the other listed firms in rank order.

Following public advertisement, a qualifications-based selection process was held in accordance with Board of Regents procedures. The following recommendation is made:

**Project No. J-163, Academic Building, Dunwoody, Georgia Perimeter College**

Project Description: This project was authorized by the Board in August 2008. An architectural firm was appointed in August 2009. This project will provide an approximately 125,000-square-foot general academic instruction building for the Dunwoody Campus of Georgia Perimeter College on real property acquired from the DeKalb County Board of Education in April 2007.

The project design will be funded from Fiscal Year 2010 General Obligation Bonds.

Total Project Cost:	\$34,400,000
Construction Cost (Stated Cost Limitation):	\$25,807,000

Number of firms that applied for this commission: 20

Firms in rank order:

- 1) New South Construction, Atlanta
- 2) The Whiting-Turner Contracting Company, Atlanta
- 3) R.J. Griffin & Company, Atlanta
- 4) Batson-Cook Construction, Atlanta

7. **Appointment of Construction Management Firm, Project No. J-164, Biology Building, Georgia Southern University**

The Board appointed the first-named construction management firm listed below for the identified project and authorized the execution of a contract with the identified firm. Should it not be possible to execute a contract with the top-ranked firm, staff will then attempt to execute a contract with the other listed firms in rank order.

Following public advertisement, a qualifications-based selection process was held in accordance with Board of Regents procedures. The following recommendation is made:

**Project No. J-164, Biology Building, Georgia Southern University**

Project Description: This project was authorized by the Board in August 2008. An architectural firm was appointed in August 2009. This approximately 113,800-square-foot Biology Building will include research laboratories, student laboratories, other teaching spaces, and administrative and faculty offices.

The project design will be funded from Fiscal Year 2010 General Obligation Bonds.

Total Project Cost:	\$38,600,000
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Construction Cost (Stated Cost Limitation): \$28,971,000

Number of firms that applied for this commission: 27

Firms in rank order:

- 1) Brasfield & Gorrie, LLC, Kennesaw
- 2) The Whiting-Turner Contracting Company, Atlanta
- 3) Holder Construction Group, LLC, Atlanta
- 4) R.J. Griffin & Company, Atlanta
- 5) McCarthy Building Companies, Inc., Atlanta

**8. Appointment of Construction Management Firm, Project No. J-165, Nursing Building, University of West Georgia.**

The Board appointed the first-named construction management firm listed below for the identified project and authorized the execution of a contract with the identified firm. Should it not be possible to execute a contract with the top-ranked firm, staff will then attempt to execute a contract with other listed firms in rank order.

Following public advertisement, a qualifications-based selection process was held in accordance with Board of Regents procedures. The following recommendation is made:

**Project J-165, Nursing Building, University of West Georgia**

Project Description: This project was authorized by the Board in August 2008. An architectural firm was appointed in August 2009. A program management firm was appointed in October 2009. The multi-story, approximately 61,000-square-foot Nursing Building will include general classrooms, seminar rooms, large lecture and assembly rooms, dry class laboratory, conference rooms, faculty offices, and faculty and administrative offices. The building will also contain the Center for Caring, including conferencing and educational space for externally focused initiatives, a small clinic for patients, and space for hands-on observation and training.

The project design and pre-construction will be funded from Fiscal Year 2010 General Obligation Bonds.

Total Project Cost: \$20,300,000

Construction Cost (Stated Cost Limitation): \$15,350,000

Number of firms that applied for this commission: 24

Firms in rank order:

- 1) Holder Construction Group, LLC, Atlanta
- 2) Skanska USA Building, Inc., Atlanta
- 3) Bovis Lend Lease, Atlanta



- 4) Freese Construction Company, Inc., Marietta

**9. Appointment of Construction Management Firm, Project No. J-167 Academic Sciences Building, Atlanta Metropolitan College**

The Board appointed the first-named construction management firm listed below for the identified project and authorized the execution of a contract with the identified firm. Should it not be possible to execute a contract with the top-ranked firm, staff will then attempt to execute a contract with the other listed firms in rank order.

Following public advertisement, a qualifications-based selection process was held in accordance with Board of Regents procedures. The following recommendation is made:

**Project No. J-167, Academic Sciences Building, Atlanta Metropolitan College**

Project Description: This project was authorized by the Board in October 2009. An architectural firm was appointed in October 2009. A program management firm was appointed in October 2009. The Academic Sciences Building will be utilized by Atlanta Metropolitan College's Science and Teacher Education Programs. The approximately 50,000-square-foot building will include both wet laboratory and computer laboratory spaces, multi-purpose/large classroom assembly space, general classroom space, and administrative and support space.

The project design and pre-construction will be funded from Fiscal Year 2010 General Obligation Bonds

Total Project Cost:	\$14,400,000
Construction Cost (Stated Cost Limitation):	\$10,900,000

Number of firms that applied for this commission: 19

Firms in rank order:

- 1) C. D. Moody Construction company, Inc., Lithonia
- 2) Potts Construction, Conyers
- 3) Evergreen Construction, Atlanta

**10. Appointment of Construction Management Firm, Project No. J-168, Health and Human Sciences Building, Georgia Southwestern State University**

The Board appointed the first-named construction management firm listed below for the identified project and authorized the execution of a contract with the identified firm. Should it not be possible to execute a contract with the top-ranked firm, staff will then attempt to execute a contract with the other listed firms in rank order.

Following public advertisement, a qualifications-based selection process was held in accordance with Board of Regents procedures. The following recommendation is made:

**Project No. J-168, Health and Human Sciences Building, Georgia Southwestern State University**

Project Description: This project was authorized by the Board in August 2008. An architectural firm was appointed in August 2009. A program management firm was appointed in October 2009. The approximately 71,000-square-foot Health and Human Sciences Building will include general classrooms, wet and dry laboratories, offices, student study space, common use medical library, computer laboratories, student lounge, and general use space for the nursing program, the Rosalynn Carter Institute, and the Psychology and Sociology Departments.

The project design will be funded from Fiscal Year 2010 General Obligation Bonds.

Total Project Cost:	\$16,800,000
Construction Cost (Stated Cost Limitation):	\$12,950,000

Number of Construction Management firms that applied for this commission: 26

Firms in rank order:

- 1) Allstate Construction, Inc., Americus
- 2) Peter R. Brown Construction, Inc., Warner Robins
- 3) Batson-Cook Company, West Point
- 4) Choate Construction Company, Atlanta

**11. Rental Agreement, 3495 Campus Loop Road, NW, Kennesaw, Kennesaw State University**

The Board authorized the execution of a rental agreement between Kennesaw State University Foundation, Inc. (the “Foundation”), Landlord, and the Board of Regents, Tenant, for approximately 3,179 square feet located at 3495 Campus Loop Road for the period January 1, 2010, through June 30, 2010, at a monthly rent of \$1,452 (\$17,424 per year annualized/\$5.48 per square foot per year) with options to renew on a year-to-year basis for twenty-nine (29) consecutive one-year periods at the same rent rate for the use of Kennesaw State University (“KSU”).

Understandings: This real property is improved with a two-story single family residence constructed in 2002. The space will be used by the Cox Family Enterprise Center, a unit of the Coles College of Business, which provides research, education, recognition, and expertise to family owned and operated businesses in Georgia and around the globe.

The Foundation acquired the real property in December 2008 for \$240,000. Operating expenses, including insurance, taxes, repair and maintenance are estimated to be \$17,397 per year annualized. KSU will pay additional monthly rent equal to \$200 (\$2,400 per year) toward a replacement reserve fund. At the end of the term of the rental agreement, the land and all improvements will become the property of the Board of Regents.

**12. Approval of Air Rights Lease and Rental Agreement, Parker H. Petit Science Teaching Laboratory, Georgia State University**

The Board declared the air rights above a certain elevation over approximately 3.163 acres of real property on the campus of Georgia State University (“GSU”), no longer advantageously useful to GSU or other units of the University System of Georgia but only to the extent and for the purpose of allowing these air rights to be leased to Science Park, LLC (the “LLC”) for floors 5, 6, 7, 8, 9 and penthouse in the Parker H. Petit Science Teaching Laboratory (the “Petit Building”).

The Board authorized the execution of an air rights lease between the Board of Regents, Lessor, and the LLC, Lessee, for the above-referenced air rights on the campus of GSU, for a period not to exceed 33 years (not to exceed 30 years from the date the LLC obtains a certificate of occupancy and providing a construction period of not more than three years), with an option to renew for up to an additional 5 years should there be debt outstanding at the end of the original air rights lease term.

The Board authorized the execution of a rental agreement between the LLC, Landlord, and the Board of Regents, Tenant, for floors 5, 6, 7, 8, 9 and penthouse in the Petit Building for the period commencing on the first day of the first month after the LLC obtains a certificate of occupancy and ending the following June 30 at a rent not to exceed \$6,100,000.00 per year with options to renew on a year-to-year basis for up to 30 consecutive one-year periods (the total not to exceed 30 years from the date of the certificate of occupancy) with rent increasing no more than 3% for each option period exercised.

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

Understandings: In April 2005, the Board authorized the naming for Parker H. Petit. In February 2006, the Board received information about the Petit Building. In May 2006, the Board received information about the Petit Building and the appointment by GSFIC of an architectural / engineering firm and a program management firm. In March 2007, the Board adopted the resolution for the issuance of General Obligations Bonds by GSFIC, including \$27,500,000 for the Petit Building. In November 2007, the Board approved an air rights lease, easement and operating agreement, agreement for development, and rental agreement for the Petit Building. In June 2009, the Board authorized a budget modification to add \$8,759,277 to the Petit Building.

This approval clarifies and refines the premises to be included in the air rights lease and the rental agreement.

**13. Authorization of Projects Funded by American Recovery and Reinvestment Act**

The Board authorized projects to be funded by the American Recovery and Reinvestment Act (the “ARRA”).

Understandings: This approval is for projects to be presented to the Committee.

Should ARRA funding not be available, these projects will not proceed.

Should full ARRA funding not be obtained, these projects will be reprogrammed within available funding, or supplemental funding will be provided. If alternative funding is provided to supplement the ARRA funding then further Board authorization will be obtained.

These projects are included in the respective campus' Capital Implementation Plan (the "CIP"), however none are currently contemplated for State General Obligation Bond funding within the rolling six-year CIP.

**13.a. Site License, Carbon-Neutral Energy Solutions Laboratory, Georgia Institute of Technology**

The Board granted a site license to Georgia Tech Facilities, Inc. (the "GTFI") to access approximately 2.62 acres of real property on the campus of Georgia Institute of Technology ("GIT") to perform all necessary due diligence in support of the Carbon-Neutral Energy Solutions Laboratory (the "C-NES") project for GIT.

Understandings: The proposed approximately 45,000-square-foot C-NES facility will include laboratory space, support space, and office space. The C-NES facility will provide space for translational and pre-commercialization research in carbon-neutral energy conversion technologies. Areas of focus include but are not limited to: (1) combustion, (2) gasification, (3) biochemical-enzymatic conversion of biomass, and (4) carbon dioxide capture. The C-NES facility is to be located at GIT's North Avenue Research Area (the "NARA").

The project is consistent with GIT's NARA Sector Plan as documented in the Campus Master Plan.

The total project budget is approximately \$24 million. \$12 million will be funded from the American Recovery and Reinvestment Act (the "ARRA"). GIT has applied for the ARRA funding as a federal grant through the National Institute of Standards and Technology. This will be a matching grant. GTFI will construct the facility and finance the matching portion as a Public Private Venture bond issuance.

*Further action will be requested by the Board for any necessary agreements potentially to include a ground lease and rental agreement.* The source of funds for the rental agreement will be from GIT funds, including research awards and contracts. Rent will include a capital reserve.

If ARRA funding is received, access to the site is needed by February 1, 2010 with a target to complete the project by March 2011.

**14. Ratification of Chancellor's Actions: Authorization of Project Budget Modification, Project No. BR-70-1001, Classroom/Lecture Hall Addition, Valdosta State University**

The Board ratified Chancellor Erroll B. Davis' actions which were approved in accordance with the authority delegated by the Board of Regents at the November 2009 meeting for Chancellor Davis to take any actions necessary on behalf of the Board between the November 2009 meeting and the January 2010 meeting with such actions to be ratified by the Board at the January meeting. This ratification is for items to be presented to the committee and supports action taken by the Chancellor during this period.

The Chancellor administratively authorized the budget modification of Project No. BR-70-1001, Classroom/Lecture Hall Addition, Valdosta State University ("VSU"), to increase the total project budget from \$ 2.1 million to \$ 2.6 million.

Understandings: The Classroom/Lecture Hall Addition project, approved by the Board in November 2009, is ready to begin construction. The project has been designed and bids opened, with the low bid being \$2.4 million. The Stated Cost Limitation will increase from \$1.9 million to \$2.4 million.

**15. Executive Session**

At approximately 12:20 p.m. on Tuesday, January 12, 2010, Chair James R. Jolly, called for an executive session for the purpose of discussing potential property acquisition. With motion properly made and variously seconded, the Committee members who were presented voted unanimously to go into executive session. Those Regents were James A. Bishop, Felton Jenkins, W. Mansfield Jennings, Jr., Donald M. Leebern, Jr., Kessel D. Stelling, and Allan Vigil. 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 Office of the Secretary of the Board.

Also in attendance was the Chair of Board, Robert F. Hatcher, the Vice Chancellor for Facilities, Linda M. Daniels, members of the Vice Chancellor's staff, members of the Chancellor's staff, and various institutional representatives.

At approximately 12:29 p.m. the Committee members voted unanimously to adjourn the executive session and returned to open session. Chair Jolly reported that the Committee approved the acquisition of real property during the executive session.

The committee meeting was adjourned at approximately 12:30 p.m.

**UNFINISHED BUSINESS**

There was none.

## **NEW BUSINESS**

The Board approved President Daniel S. Papp's request that Kennesaw State University be authorized to award an honorary degree to Mr. Jodie Hill.

## **PETITIONS AND COMMUNICATIONS**

The Secretary to the Board noted the passing of Former Regent Shannon Amos at the age of 59 and Senior U.S. District Court Judge Anthony Alaimo, a personal friend and mentor of Regent James A. Bishop. Judge Alaimo was 89 years old.

Mr. Newsome also reminded the Regents of two upcoming events: the Governor's State of the State Address and the February Board meeting.

## **EXECUTIVE SESSION**

At approximately 2:10 p.m. on Tuesday, January 12, 2010 Chair Robert F. Hatcher called for an executive session for the purpose of discussing personnel matters. With motion properly made and variously seconded, the Regents who were present voted unanimously to go into executive session. Those Regents are listed above. 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 Office of the Secretary of the Board.

At approximately 2:44 p.m., Chair Hatcher reconvened the Board meeting in its regular session and announced that no actions were taken during the executive session.

## **ADJOURNMENT**

There being no further business to come before the Board, the meeting was adjourned at approximately 2:45 p.m. on Tuesday, January 12, 2010.

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J. Burns Newsome  
Secretary to the Board  
University System of Georgia

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Robert F. Hatcher  
Chair, Board of Regents  
University System of Georgia