

**MINUTES OF THE MEETING OF THE
BOARD OF REGENTS OF THE UNIVERSITY SYSTEM OF GEORGIA
HELD AT
270 Washington St., S.W.
Atlanta, Georgia
May 17 and 18, 2005**

CALL TO ORDER

The Board of Regents of the University System of Georgia met on Tuesday, May 17, and Wednesday, May 18, 2005, in the Board Room, room 7007, 270 Washington St., S.W., seventh floor. The Chair of the Board, Regent Joel O. Wooten, Jr., called the meeting to order at 1:00 p.m. on Tuesday, May 17, 2005. Present on Tuesday, in addition to Chair Wooten, were Vice Chair J. Timothy Shelnut and Regents Hugh A. Carter, Jr., Connie Cater, William H. Cleveland, Michael J. Coles, Joe Frank Harris, Julie Hunt, W. Mansfield Jennings, Jr., James R. Jolly, Donald M. Leebern, Jr., Elridge W. McMillan, Martin W. NeSmith, Patrick S. Pittard, Doreen Stiles Poitevint, Wanda Yancey Rodwell, and Allan Vigil.

ATTENDANCE REPORT

The attendance report was read on Tuesday, May 17, 2005, by Secretary Gail S. Weber, who announced that Regent Richard L. Tucker had asked for and been given permission to be absent on that day.

APPROVAL OF MINUTES

Motion properly made and duly seconded, the minutes of the Board of Regents meeting held on April 19 and 20, 2005, were unanimously approved as distributed.

Chair Wooten called upon Regent Michael J. Coles to make a special announcement.

Regent Coles reminded the Regents that they were invited to dinner at the Coles' home that evening.

REGENT TOUR OF OSSABAW ISLAND

Chair Wooten said that many Regents had visited Ossabaw Island on April 16, 2005. He said that Dr. Karen A. Payne, Associate Director of the University of Georgia Marine Extension Service in Savannah, had prepared a DVD of photographs of the tour, which was then played for the Regents. Chair Wooten asked Dr. William L. Megathlin, Assistant to the President for Strategic Initiatives at Armstrong Atlantic State University, to deliver a resolution of appreciation to Mrs. West on behalf of the Board. He noted that in and around the Board Room, there were photographs of Ossabaw Island by Paula Kaye Eubanks, Associate Professor of Art Education in the Ernest G. Welch School of Art and Design at Georgia State University. The Secretary to the Board, Gail S. Weber would be coordinating another visit to the island in the near future.

COMMITTEE ON ACADEMIC AFFAIRS, “COMMITTEE OF THE WHOLE”

Chair Wooten convened the Committee on Academic Affairs as a Committee of the Whole and turned the Chairmanship of the meeting over to Regent Cleveland, the Chair of the Committee.

Chair Cleveland said that over the past several years, the cost of textbooks has become an issue of great concern for a host of interested people ranging from students and parents to Regents and legislators. In September 2004, Chancellor Meredith commissioned a task force to identify and describe the root causes of textbook price escalation and to offer options that the Board and institutions within the University System could consider to help mitigate costs to students. In November 2004, the Vice Chancellor for Fiscal Affairs, William R. Bowes, presented to the Board the report of the task force. Since then, Mr. Bowes has organized four forums around the state on textbook costs. Combining the task force’s report with the results of the forums, Mr. Bowes would at this meeting make a presentation regarding textbook costs. As part of the presentation, Mr. Bowes would propose a new Board policy on textbook pricing, which would be included on the agenda of the Committee on Academic Affairs later in the day for a formal vote. Chair Cleveland asked the Senior Vice Chancellor for Academics and Fiscal Affairs, Daniel S. Papp, to introduce this presentation.

Dr. Papp said that the presentation Mr. Bowes was about to make on textbook pricing explores an incredibly complex issue that has diverse academic, financial, and political dimensions. He noted that Mr. Bowes’ presentation and the recommendation of a new Board policy are the culmination of excellent collaboration between the institutions and the University System Office among divisions of business and finance, academic affairs, and student affairs. Dr. Papp then turned the presentation over to Mr. Bowes.

Mr. Bowes said that at this meeting, he would recap some of the major points raised in his November 2004 presentation, but he would focus more on what has happened since then with the forums across the state. He said that at the November meeting, he had noted that student expenses for books and supplies were increasing at a much faster rate than inflation. In fact, in 2002, the Producer Price Index (“PPI”) for college textbooks increased 6.5%, while the core PPI was only 0.1%. Moreover, textbook costs can account for as much as 20% of total educational costs. Three-quarters of textbook editions are changed every three to four years; on average, editions change every 3.8 years. College bookstores earn more on used texts than they do on new texts. For every dollar spent on new textbooks, the net average income to college bookstores is approximately 4.1 cents, most of which is used to cover operating expenses. New texts account for the majority of textbook sales, followed by used books. Despite growth, online sales account for a relatively small portion of the college textbook market.

Mr. Bowes said there are a number of major factors that contribute to textbook costs. Modern textbooks include more graphics, color, and technology. New textbooks are often “bundled” with supplementary materials, such as study aids, CD-ROMs, and Web site support. The use of customized editions may disallow acquisition of textbooks over the Internet at lower cost and limit book resales and opportunities for students to obtain used books. Textbooks are published in new

editions more frequently today. Faculty may abandon adopted textbooks after a relatively short time period. Textbooks are much less expensive outside the U.S. which leads to the perception that students are being “gouged.” Textbooks cost more to produce than popular best sellers in terms of content cost and reach a smaller market.

Mr. Bowes next presented the preliminary findings of the task force. He stated that four textbook forums were held during February and April 2005 at Abraham Baldwin Agricultural College (“ABAC”), Georgia Southern University (“GSOU”), Georgia State University (“GSU”), and the University of Georgia (“UGA”). The invited panelists represented the four major groups impacted by textbook costs: students, college bookstore managers, faculty, and publishers. Each panelist made a brief presentation reflecting the views of the group he/she represented followed by a question and answer period. Mr. Bowes said that it is difficult to summarize everything that was said at these forums, but there were certainly some major themes that emerged. He noted that students are not of one mind on this issue. Certainly, they are concerned about the high cost of textbooks, but not all students want to purchase used texts, resell their texts, or order books online. So, for students, options are most important. One student complaint is that when it comes to acquiring certain textbooks, they do not have the options they would like to have. Students also complained that sometimes, textbooks assigned by faculty are not actually used in class, an issue to which Mr. Bowes would return. Another complaint was the rapid turnover in editions that limits resale opportunities and the opportunity to purchase used texts.

Bookstore managers were primarily concerned with the bottom line. Because bookstores are self-sustaining enterprises that do not receive state appropriations, they simply must break even. The used textbook market is more profitable, so there is some incentive to increase sales of used textbooks over new books. Because bookstore managers are in the middle of students, faculty, and publishers, they want to work cooperatively with all parties, but especially the students and faculty, to promote more options for students. They also want to get book orders sooner to help students.

Publishers stressed the fact that the textbook market is highly competitive. Mr. Bowes reiterated that textbooks generally cost more to produce and market. Therefore, the sale of 40,000 books is considered good in textbook market. For the most part, publishers work directly with faculty, who generally require textbooks and want them to be current. There was a bit of dispute among the faculty about whether they want new editions or whether they even know a new edition exists when they place their textbook orders. Publishers also point to the new market in terms of students’ needs and demands.

Faculty are primarily concerned with using the best teaching tools available because student success is critical to them. Texts are but one source of learning in the opinion of most faculty. Moreover, faculty generally do not want to commit to a single text over several semesters because they do not want to find themselves stuck with texts that are not effective teaching tools. Finally, faculty said that if they knew the cost of a textbook, it would help them in the textbook selection process.

Mr. Bowes said that the staff performed research of this issue in other states. He noted that Virginia recently passed legislation directing the state coordinating board to develop policies on textbooks

that, among other things, would restrict publisher incentives to faculty. New York is also considering measures to eliminate publisher incentives. Connecticut and West Virginia are considering legislation that would disallow bundling of textbooks with supplemental materials. California has already passed legislation that urges textbook publishers to stop bundling textbooks. Illinois, New York, Texas, Utah, and Vermont have introduced measures to eliminate sales tax on textbooks in the 2005 legislative sessions. There are nine states that currently exempt sales tax on the sale of textbooks. Maryland is looking at a bill that would create a consortium of the state's public universities that would enable them to receive a volume discount. The Illinois Board of Higher Education recommended raising faculty awareness of cost-saving options. Textbook rental programs have been adopted by institutions in Wisconsin, Illinois, and Missouri.

Next, Mr. Bowes presented the preliminary recommendations of the task force, which were as follows:

- Faculty should provide explanations to students at the start of the course as to why every required textbook is needed and how it will be used.
- Faculty should distinguish between texts that are required and those that are recommended.
- Institutions should establish adoption guidelines for texts that give students sufficient time to explore different options for acquiring the textbook
- The college bookstore should supply textbook cost information to faculty prior to textbook adoption so that faculty can use that information to assist in selecting texts.
- Institutions should educate students as to the options they have in acquiring texts and the role of textbooks in the educational process as part of the freshman orientation process.
- Faculty should inform students that texts may be purchased bundled or unbundled, if that option is available.
- College and university bookstores should provide information to students as to how texts may be purchased online and consider providing that option on site to students.
- Institutions should conduct a regular review of bookstore operations to determine if the bookstore is offering students textbooks at the lowest possible prices.
- Institutions should establish a third-party review process for determining whether faculty may use self-authored texts in their classroom. (Some System institutions already have such a process in place.)
- Faculty should be prohibited from reselling sample textbooks they are provided by the publishers.

Mr. Bowes said that at this meeting, he was recommending on behalf of the textbook task force that the aforementioned recommendations be addressed by a proposed policy that directs the Chancellor to establish guidelines for textbook designation and use. (The recommended policy appears as Item 3 on the agenda of the Committee on Academic Affairs. See pages 26 to 28.) To assist in the implementation of the policy and guidelines, he further recommended that a task force be created to develop means for implementing recommendations across the University System of Georgia. He said that there are some very good existing models to consider.

The task force was also making two additional recommendations, as follows:

- The Board of Regents should explore using the University System of Georgia's purchasing power to leverage lower prices with national publishers, perhaps in collaboration with other state higher education systems.
- The Board of Regents should seek legislative assistance in helping to reduce the overall cost of textbooks through sales tax exemptions.

In summary, Mr. Bowes said that the objective of these recommendations is to increase options available to students to acquire textbooks. This can best be achieved by increasing communication between and among students, faculty, bookstore managers, and publishers.

In closing, Mr. Bowes recognized the following members of the task force:

- Dr. Delmer D. Dunn, Vice President for Instruction and Associate Provost, University of Georgia
- Jerry Turner, Vice President for Business Affairs, Gordon College
- Joseph Franklin, Interim Vice President for Business and Finance, Georgia Southern University
- Wayne E. Reed, Assistant Vice President for Auxiliary and Support Services, Georgia State University
- Wendy Hagins, Director of Stores and Shops, Georgia Southern University
- Faye Silverman, Director of Bookstore and Auxiliary Services, Kennesaw State University
- Tommye Miller, Director of University Stores, Valdosta State University

He also thanked the Assistant Vice Chancellor for Fiscal Affairs and Special Assistant to the Chancellor, Usha Ramachandran, as well as the student, faculty, bookstore, and publisher participants in the forums, and the University System Office fiscal affairs staff. He also thanked Dr. Papp for presenting at each of the forums, and the Special Assistant to the Chief Information Officer, Jim Flowers, who moderated the discussions.

Chair Cleveland thanked Mr. Bowes for this informative report and asked whether the Regents had any questions or comments.

Regent Jennings asked how much of each textbook sale went to the publisher, the author, etc.

Mr. Bowes responded that for each dollar spent on new textbooks, approximately \$0.78 is returned to the publisher, of which approximately \$0.12 represents the author's income paid by the publisher. The net income to the college bookstore represents about \$0.041 on the dollar.

Regent Shelnut asked what will happen next with regard to this matter.

Mr. Bowes replied that at this point, the Committee on Academic Affairs and then the full Board

would consider adoption of new policy 310, Academic Textbooks. Once it is approved, the staff would draft guidelines to be distributed to each of the institutions. The staff would review the feasibility of entering a consortial arrangement or collaboration on textbook acquisition. The staff would also put together a legislative proposal regarding sales tax exemption for the fiscal year 2007 General Assembly session.

Seeing there were no further questions or comments, Chair Cleveland thanked Mr. Bowes for this presentation and adjourned the Committee meeting.

At approximately 1:40 p.m., Chair Wooten adjourned the Regents into their regular Committee meetings.

CALL TO ORDER

The Board of Regents of the University System of Georgia met again on Wednesday, May 18, 2005, in the Board Room, room 7007, 270 Washington St., S.W., seventh floor. The Chair of the Board, Regent Joel O. Wooten, Jr., called the meeting to order at 9:00 a.m. Present on Wednesday, in addition to Chair Wooten, were Vice Chair J. Timothy Shelnut and Regents Hugh A. Carter, Jr., Connie Cater, William H. Cleveland, Michael J. Coles, Joe Frank Harris, Julie Hunt, W. Mansfield Jennings, Jr., James R. Jolly, Donald M. Leebern, Jr., Elridge W. McMillan, Martin W. NeSmith, Patrick S. Pittard, Doreen Stiles Poitevint, Wanda Yancey Rodwell, and Allan Vigil.

INVOCATION

The invocation was given on Wednesday, May 18, 2005, by Regent Patrick S. Pittard.

ATTENDANCE REPORT

The attendance report was read on Wednesday, May 18, 2005, by Secretary Gail S. Weber, who announced that Regent Richard L. Tucker had asked for and been given permission to be absent on that day. He later joined the Executive Session via teleconference.

Chair Wooten next called for the Committee reports.

EXECUTIVE AND COMPENSATION COMMITTEE

The Executive and Compensation Committee met on Tuesday, May 17, 2005, at approximately 9:30 a.m. in the room 7010, the Chancellor's Dining Room. Committee members in attendance were Chair Joel O. Wooten, Jr., Vice Chair J. Timothy Shelnut, and Regents Joe Frank Harris, Donald M. Leebern, Jr., Elridge W. McMillan, Patrick S. Pittard, and Doreen Stiles Poitevint. Regent Hugh A. Carter, Jr. was also in attendance. Chair Wooten reported to the Board on Wednesday that the Committee had reviewed one item, which did not require action. With motion properly made, seconded, and unanimously adopted, the Board approved and authorized the following:

1. Executive Session: Personnel and Compensation Issues

At approximately 9:30 a.m. on Tuesday, May 17, 2005, Chair Joel O. Wooten, Jr. called for an Executive Session for the purpose of discussing personnel and compensation issues. 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 Joel O. Wooten, Jr., Vice Chair J. Timothy Shelnut, and Regents Joe Frank Harris, Donald M. Leebern, Jr., Elridge W. McMillan, Patrick S. Pittard, and Doreen Stiles Poitevint. Regent Hugh A. Carter, Jr. was also in attendance. 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 11:00 a.m., Chair Wooten reconvened the Committee meeting in its regular session and announced that no actions were taken in Executive Session.

AUDIT COMMITTEE

The Audit Committee met jointly with the Committee on Finance and Business Operations on Tuesday, May 17, 2005, at approximately 1:40 p.m. in the Board Room, room 7007. Audit Committee members in attendance were Chair Connie Cater, Vice Chair W. Mansfield Jennings, Jr., and Regents William H. Cleveland, Julie Hunt, James R. Jolly, Martin W. NeSmith, and Allan Vigil. Committee on Finance and Business Operations members in attendance were Chair Patrick S. Pittard, Vice Chair Hugh A. Carter, Jr., and Regents William H. Cleveland, Michael J. Coles, James R. Jolly, Donald M. Leebern, Jr., Doreen Stiles Poitevint, and J. Timothy Shelnut. Also in attendance were Chancellor Thomas C. Meredith, Board Chair Joel O. Wooten, Jr., and Regents Joe Frank Harris, Elridge W. McMillan, and Wanda Yancey Rodwell. Chair Cater reported to the full Board on Wednesday that the Committee had reviewed one item, which did not require action. That item was as follows:

1. Information Item: Annual Financial Report (Joint Meeting With Committee on Finance and Business Operations)

The Vice Chancellor for Fiscal Affairs, William R. Bowes; the Associate Vice Chancellor for Internal Audits, Ronald B. Stark; and the Executive Director for Business and Financial Affairs, Debbie J. Lasher, discussed the annual financial report of the University System of Georgia. The

report highlighted changes between fiscal years 2003 and 2004. This report is on file with the Office of Fiscal Affairs.

COMMITTEE ON FINANCE AND BUSINESS OPERATIONS

The Committee on Finance and Business Operations met jointly with the Audit Committee on Tuesday, May 17, 2005, at approximately 1:40 p.m. in the Board Room. Committee on Finance and Business Operations members in attendance were Chair Patrick S. Pittard, Vice Chair Hugh A. Carter, Jr., and Regents William H. Cleveland, Michael J. Coles, James R. Jolly, Donald M. Leebern, Jr., Doreen Stiles Poitevint, and J. Timothy Shelnut. Audit Committee members in attendance were Chair Connie Cater, Vice Chair W. Mansfield Jennings, Jr., and Regents William H. Cleveland, Julie Hunt, James R. Jolly, Martin W. NeSmith, and Allan Vigil. Also in attendance were Chancellor Thomas C. Meredith, Board Chair Joel O. Wooten, Jr., and Regents Joe Frank Harris, Elridge W. McMillan, and Wanda Yancey Rodwell. After the joint Committee meeting, at approximately 2:10 p.m., the Committee on Finance and Business Operations met in the Board Room with the same attendance. Chair Pittard reported to the Board on Wednesday that the Committee had reviewed three items, none of which required action. Those items were as follows:

1. Information Item: Annual Financial Report (Joint Meeting With Audit Committee)

The Vice Chancellor for Fiscal Affairs, William R. Bowes; the Associate Vice Chancellor for Internal Audits, Ronald B. Stark; and the Executive Director for Business and Financial Affairs, Debbie J. Lasher, discussed the annual financial report of the University System of Georgia. The report highlighted changes between fiscal years 2003 and 2004. This report is on file with the Office of Fiscal Affairs.

2. Information Item: Second Quarter Revenue and Expenditure Report, Fiscal Year 2005

The Vice Chancellor for Fiscal Affairs, William R. Bowes, provided a report on the University System of Georgia's second quarter revenue and expenditures for fiscal year 2005. The report covered all revenue and expenditures for the period ending September 30, 2004, and is on file with the Office of Fiscal Affairs.

3. Information Item: Report on Implementation of Senate Bill 73

The Vice Chancellor for Fiscal Affairs, William R. Bowes, provided a report on the implementation of Senate Bill 73. The report addressed specifically the provision of the bill that allows for the carryforward of indirect cost recovery funds, technology fee revenues, and continuing education fee revenues.

COMMITTEE ON REAL ESTATE AND FACILITIES

The Committee on Real Estate and Facilities met on Tuesday, May 17, 2005, at approximately 2:15 p.m. in the Board Room. Committee members in attendance were Chair Martin W. NeSmith, Vice Chair Allan Vigil, and Regents Connie Cater, Michael J. Coles, Julie Hunt, W. Mansfield Jennings, Jr., and Donald M. Leebern, Jr. Also in attendance were Chancellor Thomas C. Meredith, Board Chair Joel O. Wooten, Jr., and Regents Hugh A. Carter, Jr., William H. Cleveland, Joe Frank Harris, James R. Jolly, Elridge W. McMillan, Patrick S. Pittard, Doreen Stiles Poitevint, Wanda Yancey Rodwell, and J. Timothy Shelnut. Chair NeSmith reported to the Board on Wednesday that the Committee had reviewed 15 items, 10 of which required action. Item 10 was withdrawn prior to the Committee meeting. With motion properly made, seconded, and unanimously adopted, the Board approved and authorized the following:

1. Authorization of Project, “Rock Eagle Dining Hall,” Putnam County, University of Georgia

Approved: The Board authorized Project No. BR-10-0601, “Rock Eagle Dining Hall,” University of Georgia (“UGA”), with a total project budget of approximately \$7,515,000 to be funded from General Obligation Bonds.

Understandings: Rock Eagle 4-H Center (“Rock Eagle”) is the flagship 4-H center in Georgia and is a very important component of UGA’s public service mission. 4-H programs currently involve more than 172,000 young people in Georgia, many of them rural and minority students, through youth development and educational programs. Rock Eagle serves over 70,000 people per year and has been very influential in shaping the lives of many Georgians during its 50-year history.

A study was commissioned in 2002 that indicated a new dining facility would be more cost-effective and less disruptive than renovating and adding on to the existing facility. Decades of continuous use and the existing facility’s limited capacity indicate that it is no longer able to support the programs and growth of the center adequately.

A new dining facility will enable Rock Eagle to improve its services to guests and students and will allow the educational programs to expand and provide a positive influence in the lives of Georgia’s youths.

The total project budget is \$7,515,000. The construction and equipment cost is \$6,650,000. The Georgia legislature appropriated \$1,515,000 in 2004 for planning and \$6,500,000 in 2005.

The University System Office staff and UGA will proceed with the selection of appropriate professional consultants.

2. Amendments to Rental Agreements, Technology Square, Atlanta, Georgia Institute of Technology

Approved: The Board concurred with the assignment by Georgia Tech Foundation Funding Corporation, Landlord, to Technology Square, LLC of rental agreements for the Management Complex/Interdisciplinary Center, the Global Learning & Conference Center, the Economic Development Institute, a parking structure, a bookstore, and auxiliary services approved by the Board in May 2001.

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

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

Understandings: On May 9, 2001, the Board approved the execution of six rental agreements for the Management Complex/Interdisciplinary Center, the Global Learning & Conference Center, the Economic Development Institute, a parking structure, a bookstore, and auxiliary services.

These six amendments will permit assignment of the six rental agreements.

Note: This item generated much discussion. The Vice Chancellor for Facilities, Linda M. Daniels introduced several slides to show the Georgia Tech Foundation, Inc. (the “Foundation”) and other related 501(c)(3)s and spin-off limited liability companies (“LLCs”) associated with Georgia Institute of Technology (“GIT”) real estate and facilities projects. Ms. Daniels provided background information on the item relating that, in May 2001, the Board approved six rental agreements with the Foundation. At the time of the original action, Board approval included certain follow-up amendments to address technicalities.

Ms. Daniels clarified that in the course of processing the anticipated amendments, it came to the staff’s attention that the Foundation had assigned these agreements to Technology Square, LLC. The use of LLCs to insulate, protect, and isolate the project’s assets (as well as the parent Foundation) and often to enhance financing is now common practice. Typically, public-private venture projects now come to the Board under the auspices of their separate LLC for initial action. Ms. Daniels highlighted the appropriateness of bringing the assignment of these agreements to the Board’s attention so that annual renewals can be signed in good faith based upon Board action.

Chair Nesmith commended the Foundation for its innovative work.

Regent Leebern brought up the issue of reversion and asked, “When projects are assigned, when does reversion to the Board of Regents happen?”

2. Amendments to Rental Agreements, Technology Square, Atlanta, Georgia Institute of Technology (Continued)

Ms. Daniels responded that reversion of a project to the Board must be addressed on a case-by-case basis.

Chair Nesmith identified that multiple options are available and suggested that reversion of the project should be decided by the staff and institution based upon the particular circumstances.

Regent Leebern reiterated the importance of reversion of the property.

Ms. Daniels stated her understanding that the agenda item in question did include reversion to the Board of Regents.

President G. Wayne Clough verified that these projects revert at the end of their payment schedule.

Chair Nesmith sought clarification from President Clough that “anything that comes under the Foundation, under any of these entities, comes back to the University System.”

Upon confirmation from President Clough, there were no further questions or discussion and the item was approved.

3. Rental Agreement, Technology Enterprise Park, 395 North Avenue, Atlanta, Georgia Institute of Technology

Approved: The Board authorized the execution of a rental agreement between VLP3, LLC, Landlord, and the Board of Regents of the University System of Georgia, Tenant, covering approximately 14,175 square feet of high-bay research space, located at 395 North Avenue, Atlanta, Georgia, for the period October 10, 2005, through June 30, 2006, at a monthly rent of \$25,774.87 (\$309,298.44 per year annualized/\$21.82 per square foot per year), with options to renew on a year to year basis for 15 consecutive one-year periods with rent increasing 3% for each option period exercised for the use of the Georgia Institute of Technology.

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

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

3. Rental Agreement, Technology Enterprise Park, 395 North Avenue, Atlanta, Georgia Institute of Technology (Continued)

Understandings: This rental agreement will provide space for the Georgia Tech Research Institute (“GTRI”) programs currently located in the Electronics Research Building (ERB) on Ferst Drive. The ERB is scheduled for demolition in September in order to begin construction of the Nanotechnology Research Center Building (“NRCB”). The space within Technology Park at 395 North Avenue can accommodate the specific high-bay research programs currently located at the ERB.

The rent amount includes \$14.33 per square foot per year for tenant improvements.

Operating expenses, including landlord insurance, repairs, janitorial services, rubbish removal, pest control, utilities, taxes, and assessments, are estimated to be \$92,138 per year.

4. Rental Agreement, 2970 Presidential Drive, Fairborn, Ohio, Georgia Institute of Technology

Approved: The Board authorized the execution of a rental agreement between the Georgia Tech Research Corporation, Landlord, and the Board of Regents of the University System of Georgia, Tenant, covering approximately 10,603 square feet of office space located at the Wright Executive Center, 2970 Presidential Drive, Suites 310, 320, and 340, Fairborn, Ohio, for the period July 1, 2005, through June 30, 2006, at a monthly rent of \$15,462.71 (\$185,552.50 per year/\$17.50 per square foot per year) with options to renew on a year-to-year basis for five consecutive one-year periods with rent increasing \$0.50 per square foot for each option period exercised for the use of the Georgia Institute of Technology.

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

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

Understandings: This Georgia Tech Research Institute (“GTRI”) field office offers a variety of services to the customers in the vicinity of Wright-Patterson Air Force Base in Dayton, Ohio. The GTRI Dayton field office supports programs in the Aeronautical Systems Center and the Air Force research laboratory. Research specialties include electronic warfare, human factors, modeling and simulation, system analysis/testing, and radar, particularly projects requiring special security clearances.

4. Rental Agreement, 2970 Presidential Drive, Fairborn, Ohio, Georgia Institute of Technology (Continued)

The Board approved renting 5,947 square feet in May 2000. The last option period has been exercised. This rental agreement will increase the research space to 10,603 square feet. Rent is fully funded by grants underwriting the research programs.

All operating expenses are included in the rental rate.

5. Rental Agreement, 305 Fifth Avenue, Quantico, Virginia, Georgia Institute of Technology

Approved: The Board authorized the execution of a rental agreement between Humston & Associates, Landlord, and the Board of Regents of the University System of Georgia, Tenant, covering approximately 5,280 square feet of office space located at 305 Fifth Avenue, Quantico, Virginia, for the period July 1, 2005, through June 30, 2006, at a monthly rent of \$9,240 (\$110,880

per year/\$21 per square foot per year), with options to renew on a year-to-year basis for four consecutive one-year periods with rent increasing 5% for each option period exercised for the use of the Georgia Institute of Technology.

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

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

Understandings: This Georgia Tech Research Institute (“GTRI”) field office offers a variety of services to the customers in the vicinity of the U.S. Marine Corps Base in Quantico, Virginia. The GTRI Quantico field office houses research activities, including the Realistic Operational Communication Scenarios Capability developed by GTRI.

The Board approved renting this facility for research in April 2000. The last option period has been exercised.

Operating expenses, including utilities, janitorial services, and trash removal, are estimated to be \$12,279 per year.

6. Subrental Agreement, Fifth Floor, 75 5th Street, Atlanta, Georgia Institute of Technology

Approved: The Board authorized the execution of a subrental agreement between the Georgia Advanced Technology Ventures, Inc. (“GATV”), Sublessor, and the Board of Regents, Sublessee, for approximately 48,790 square feet of office space at Centergy One Building, 75 5th Street, Atlanta, Georgia, for the period April 1, 2005, through June 30, 2005, at a monthly rent of ~~\$112,705 (\$1,352,460 per year/\$27.72 per square foot per year)~~ **\$110,672 (\$1,328,064 per year/\$27.22 per square foot per year)** with options to renew on a year-to-year basis for ten consecutive one-year periods with rent increasing 3% per year for the use of the Georgia Institute of Technology (“GIT”).

Modified: This item was modified prior to the Committee meeting to reduce the amount of rent. This modification is presented above with deleted text stricken and modified text in bold and highlighted.

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

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

Understandings: The School of Electrical and Computer Engineering (“ECE”) and the College of Computing (“CoC”) are being displaced from the Georgia Center for Advanced Telecommunications Technology (“GCATT”) facility by the Georgia Tech Research Institute (“GTRI”). GTRI will be relocated from the Electrical Research Building (“ERB”) to the GCATT

building to provide a site for the Nanotechnology Research Center Building. This facility, located adjacent to Technology Square Research Building, will create a research cluster for ECE and CoC.

A special rent assessment for improvements during the option periods will be \$181,500 per year/\$3.72 per square foot per year. All operating expenses are included in the rent rate.

Note: This item was modified prior to the Board meeting. After reading the agenda item Understandings, the Vice Chancellor for Facilities, Linda M. Daniels, stated that GATV was the sublessor to the Board of Regents. GATV operates floors 1-5 at the Centergy One Building. University System Office staff were not comfortable with the rent amount in the Board's advance agenda materials but kept the item on the agenda as a place holder. Staff had been working with GIT for some time to get the rent amount reduced for this space. Last month, Chair Nesmith asked President G. Wayne Clough to personally intercede to get a reduction in the rent. President Clough achieved a reduced amount, which was reflected in the modified agenda item presented to the Board.

7. Rental Agreement, ~~Fifth Floor~~, 75 5th Street, Atlanta, Office of Economic Development, Board of Regents

Approved: The Board authorized the execution of a rental agreement between Centergy One Associates, LLC, Landlord, and the Board of Regents of the University System of Georgia, Tenant, for approximately 2,651 square feet located at 75 5th Street, Atlanta, Georgia, for the period July 1, 2005, through June 30, 2006, at a monthly rent of \$5,065.62 (\$60,787.43 per year annualized/\$22.93 per square foot per year) with options to renew on a year-to-year basis for nine consecutive one-year periods with rent increasing \$1.67 per square foot per year for option periods one and two, increasing 4% per year for option period three and four, and then increasing 3% per year for the use of the Board of Regents's Office of Economic Development.

Corrected: This item was corrected as stricken in the item description to reflect that this office is not on the fifth floor.

Regent Leebern opposed this motion.

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

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

Understandings: This facility houses the State of Georgia's economic development cluster of public and private entities including the Georgia Department of Economic Development, QuickStart program of the Department of Technical and Adult Education, U.S. Department of Commerce, economic development offices of major utility companies, and the Georgia Institute of Technology's Economic Development Institute, Advanced Technology Development Center, Georgia Electronic Design Center, and VentureLab.

The key role that the Board of Regents has in the State of Georgia’s economic development initiatives requires that the Board’s Economic Development Office be co-located with all other statewide partners in economic development.

8. Conveyance of Real Property, Herman Street, Athens, University of Georgia

Approved: The Board declared approximately 0.2 acre of real property located on Herman Street, Athens-Clarke County, Georgia, to be no longer advantageously useful to the University of Georgia (“UGA”) or other units of the University System of Georgia but only to the extent and for the purpose of allowing the sale of this real property for the benefit of UGA.

The Board authorized the sale of the above-referenced real property to Keane Properties, L.L.C. for \$25,500 (\$127,500 per acre).

The legal details involved with this sale of the above-referenced real property will be handled by the Office of the Attorney General.

Understandings: The property was acquired by the Board of Regents by gift in February 1981.

The property is unimproved and located in a residential neighborhood near, but not adjacent to, the UGA Physical Plant complex. This property cannot be used for expansion of that complex due to its size and location among other residential lots. It is also not located in the areas of potential expansion indicated by the UGA physical master plan.

A Georgia Environmental Policy Act assessment has been completed and indicates no significant adverse effects from this sale.

The purchaser has agreed to pay \$25,500, or \$127,500 per acre, for the property.

Three independent appraisals were preformed as follows:

<u>Appraiser</u>	<u>Appraised Value</u>	<u>Average</u>
James L. Lee, MAI, Alpharetta	\$14,000	
James T. Boswell, CCIM, Athens	\$35,000	\$25,500
Robert A. Jaeger, MAI, Gainesville	\$27,500	

The proceeds from the sale will be used to benefit the general operations of UGA.

9. Acquisition of Real Property, New Jimmie Daniel Road, Bogart, University of Georgia

Approved: The Board authorized the purchase of approximately 7.216 acres of unimproved real property located at New Jimmie Daniel Road at a purchase price of \$672,374 from the UGAREF Cole Business Park, LLC (the “LLC”) for the use of the University of Georgia (“UGA”).

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

Understandings: Acquisition of this approximately 7.216 acres of real property will permit expansion of the central receiving and other warehouse functions. The Administrative Services Warehouse is located adjacent to this site.

Three independent appraisals of the real property are as follows:

<u>Appraiser</u>	<u>Appraised Value</u>	<u>Average</u>
Metro Appraisers, Inc., Gainesville, GA	\$800,000	
Brian Bannister, Athens, GA	\$685,000	\$711,667
J.L. Lee & Assoc., Alpharetta, GA	\$650,000	

This real property was acquired by the LLC in 2002 for \$672,374.

This acquisition is consistent with the UGA facilities master plan. Funding for the acquisition will be from UGA auxiliary reserve funds.

10. Acquisition of Real Property, 251-287 West Broad Street, Athens, University of Georgia

Withdrawn: This item was withdrawn by the University of Georgia prior to the Committee meeting.

11. Appointment of Architect, Library Transformation Project, Georgia State University

Approved: The Board appointed the first-named architectural firm listed below for the identified project and authorize 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 for an architectural firm was held in accordance with Board of Regents procedures. The following recommendation is made:

Project No. BR-50-0503, “Library Transformation Project,” Georgia State University
Project Description: This project is a comprehensive interior renovation of Georgia State University’s two existing library facilities: Library North, approximately 150,000 square feet constructed in 1966, and Library South, approximately 125,000 square feet constructed in 1984. This renovation project will allow reorganization of departments, centralization of services, and strengthening of the relationship between Library North and Library South. The project is to be funded from student fees, campus funds, and private donations.

Total Project Cost	\$20,000,000
Construction Cost (Stated Cost Limitation)	\$15,900,000
Architectural Firm Fee (Basic Services)	\$ 1,272,000

Number of firms that applied for this commission: 17

Recommended firms in rank order:

- 1) Leo A. Daly Company, Atlanta, Georgia
- 2) Rosser International, Inc., Atlanta, Georgia
- 3) Hellmuth, Obata & Kassabaum, Inc., Atlanta, Georgia
- 4) Cooper Carry, Inc., Atlanta, Georgia

12. Information Item: Master Plan, Georgia College & State University

President Dorothy Leland of Georgia College & State University (“GCSU”) presented information to the Committee concerning GCSU’s new master plan. She was assisted by Mr. Richard Galehouse of Sasaki Associates. They described distinguishing features and highlights of this master plan. The new plan is an outgrowth of a strategic decision made by the Board of Regents in 1996 to establish a new mission for GCSU as Georgia’s public liberal arts university. The new master plan was funded by the Campus Heritage Preservation Program of the Getty Foundation and will serve as a pilot for the University System in terms of integrating historic preservation planning principles into the master planning process for the entire System. Enhancement of the physical environment of the campus is a reflection of the liberal arts mission and reemphasizes the main campus square as the central core of the campus. The future growth on the Milledgeville campus will be of a controlled nature, as follows:

- Existing and future space shortages will be met through new, vibrant adaptation of existing structures such as Ennis Hall, Terrell Hall, the old Baldwin County Courthouse, and Mayfair Hall.
- There will be continued use of public-private initiatives to meet needs such as performance space, continuing education space, and a bookstore location.
- There will be no major new construction on the main campus square.
- The restoration and nurture of historic landscapes will be consistent with resolving existing water drainage problems;.
- Improved parking and enhanced pedestrian safety will be primary foci of the new plan.

13. Information Item: Housing Plan Update, Armstrong Atlantic State University

President Thomas Z. Jones of Armstrong Atlantic State University (“AASU”) presented the institution’s student housing plan. He noted that AASU’s updated student housing plan was developed in congruence with the university’s strategic plan and campus master plan. The housing plan calls for three phases of student housing development, as follows:

- Phase I provides housing capacity for 5% of headcount enrollment.
- Phase II provides an additional 5% yielding a total of 10% of headcount enrollment.
- Phase III calls for an additional 5%, yielding a total of 15% of headcount enrollment.

President Jones reported that AASU's enrollment has increased by 29% over the past five years. AASU's campus master planners have advised university officials to expect enrollment growth to average about 6% to 6.5% and that this growth will continue for the next five to seven years.

Compass Point Phase I, a 288-bed apartment-style complex, opened in the fall of 2002. Compass Point Phase II, a 276-bed apartment-style complex, opened in the fall of 2003. As part of Phase II, the Armstrong Atlantic State University Educational Properties Foundation, Inc. ("EPFI") purchased and renovated a commercial apartment complex adjacent to campus that added 104 student beds to the inventory. This complex is called University Crossings at Compass Point. Since their opening, all of the residential complexes have been at 100% occupancy. EPFI is now negotiating a long-term lease for another commercial apartment complex also adjacent to campus. This complex will be called University Terrace at Compass Point and will add 96 beds for fall 2005. The owner of the complex will build to AASU's specifications an additional 96 beds. These beds are expected to be online for fall 2006. President Jones stated that enrollment will drive planning in reference to Phase III student housing for AASU.

14. Information Item: Public-Private Partnership Projects Update, Columbus State University

President Frank D. Brown of Columbus State University ("CSU") presented plans for the institution's public-private ventures. He reported that CSU desires approval from the Board of Regents to permit Foundation Properties, Inc. ("FPI") to obtain a ground lease of approximately 1.2 acres. This property is located adjacent to the Frank G. Lumpkin Center on the east side of the building. This agreement is needed in order for FPI to construct a parking deck for the specific use and benefit of CSU. FPI plans to seek tax-free bonds to finance the construction at a cost of approximately \$7 million. Once construction is completed, FPI will rent/lease the parking deck to the Board of Regents and CSU. The rental agreement will have an initial term of one year with 24 annual renewals. The initial annual lease rate is not to exceed \$600,000. CSU student leadership has approved a special fee for the purpose of funding the parking deck project. The initial student fee will not exceed \$39 per semester. A comparison of mandatory fees imposed by other System institutions reflects that the proposed fee increase will be within a relevant range of fees currently charged by the other colleges and universities. This parking deck will be the first of three included in CSU's master plan. Enrollment growth in recent years and limited green space are the predominant factors in CSU's decision to seek approval to construct a parking deck on the main campus.

As the result of a very successful capital campaign project, the Columbus State University Foundation, Inc. is funding the construction of the River Center for the Performing Arts (the "River Center"), previously approved by the Board of Regents. President Brown stated that the new complex will incorporate 57,425 square feet of new construction and the renovation of 84,224 square feet, which is the old Pillowtex Warehouse, to create a state-of-the-art theater and art

complex. This complex will provide 141,649 total square feet for classrooms, art studios, and the theater. The total cost, including new construction, renovation of the Pillowtex Warehouse, and related acquisition cost, is approximately \$30 million. This project was planned and developed and is being constructed based upon The University System of Georgia Office of Facilities Board of Regents Guidelines for Preplanning. Upon completion of the complex and receiving the certificate of occupancy, the facility will be gifted to the Board of Regents debt free.

President Brown stated that with the growth of CSU in the Uptown Columbus area, additional space will be needed to support the art/theatre complex. This will be provided at One Arsenal Place, which is located adjacent to the complex. This building, consisting of a total of 90,000 square feet, was acquired by FPI for \$7.2 million. However, CSU's initial needs for space can be accommodated with the 40,000 square feet on the ground floor. FPI's intent is to renovate the ground floor for CSU. The ground floor of One Arsenal Place will provide faculty offices, meeting rooms, and additional classroom space. CSU plans to seek Board approval to rent the ground floor from FPI at a nominal rate, which will be below market value. The terms of the lease provide space for the first year with 24 renewals. In subsequent years, if there is a need, CSU will be given priority for leasing additional space within this building. There will be no provision for the property to revert to the Board of Regents at the end of the lease; but, upon removal of the debt, a new lease can be negotiated with even more favorable terms.

President Brown reported that FPI has purchased four buildings on the northwest corner of Broad Street and 10th Street, which will be the site for the construction of a 240-bed student housing facility. This facility is being constructed primarily to accommodate students attending the music, art, and theatre programs in the River Center for the Performing Arts. This facility will be owned and operated by FPI. The estimated cost of the housing is \$10 million. Additionally, FPI, the City of Columbus, and W. C. Bradley Co. are in the process of constructing a parking deck with approximately 500 spaces. The parking deck will be a five-story facility. The three upper floors will be reserved for CSU students and will be connected to the new Uptown student housing. Total cost of this project is \$6 million. To provide enhanced security for CSU students, access to the upper floors of the parking deck will be with key card only. For higher visibility and protection, an Uptown university police precinct will be provided by CSU, to be located within the complex. FPI has made arrangements with the City of Columbus for the city to operate and maintain the parking deck.

15. Information Item: Tate Student Center Expansion Project, University of Georgia

President Michael F. Adams presented plans for the University of Georgia ("UGA") Tate Student Center expansion, a public-private venture. The Tate Student Center, which opened in 1983, currently encompasses some 100,000 square feet in the heart of the UGA campus. According to national guidelines, for the 33,405 students currently enrolled at UGA, there should be ten square feet of student union space per student. In March 2005, the students voted in favor of a \$25 per semester fee over the next 30 years for the expansion of the Tate Student Center. In April 2005, the Board of Regents approved this increase in student fees. The proposed expansion will add 100,000 square feet, doubling the amount of available student activity space. The project also calls for

renovating the existing Tate Student Center space. UGA is working with a student advisory board to help determine the types of services that will be available in the expanded facility. A proposed 550-space parking deck will be built beneath the Tate Student Center expansion.

This project consists of three major items totaling \$41 million: the Tate Student Center expansion (\$23 million), the Tate Student Center renovation (\$2 million), and the parking deck (\$16 million). Appropriate real estate documents (e.g., ground lease, facility lease, and leaseback) will be executed. The \$25 increase in the student fee (from \$50 to \$75) is expected to generate \$1.56 million annually. The parking deck will also generate revenue through the sale of parking permits, and the combination of those revenues will provide sufficient funds to cover the lease payments.

16. Information Item: Institute of Genetics Property Land Use Plan, Bartow County

The Assistant Vice Chancellor for Facilities (Real Property and Administration), Peter J. Hickey, presented information to the Committee concerning the potential impact of Georgia Department of Transportation road realignment proposals at the Institute of Genetics (“IG”) property in Bartow County, Georgia. When the IG dissolved in 1972, the Board of Regents acquired their assets, which included 300 acres of property in Cartersville on Highway 20 in the vicinity of Interstate 75 and Highway 411 about 40 miles north of Atlanta. In 1994, the Board sold 50 acres for private development. Remaining is 50 acres south of Highway 20 and 200 acres north of Highway 20. In December 1997, the Board approved the Bartow Center of Georgia Highlands College (formerly Floyd College) to be established on 50 acres of the IG property.

In 1998 and 1999, a land use plan was developed for the IG property. The land use plan that was developed included optimal siting of the Bartow Center on the eastern portion of the IG property north of Highway 20. It also included an array of mixed-use development that is intended to have a synergistic relation with the Bartow Center, retail components, and multifamily housing. All of this has been planned within a master plan context to have an overall campus feel. During the development of this land use plan, the Georgia Department of Transportation (the “DOT”) approached the Board of Regents concerning its planned realignment of Highway 20. The initial proposed alignment would greatly impact the northern tract by essentially going right through the middle. Working in a collaborative manner with DOT and Bartow County, staff were able to obtain a revised alignment that was an optimal solution for all constituencies and preserved the value of the Genetics property. As a result of this proposed realignment, lost acreage was minimized and better road frontage was obtained.

The DOT needs to connect Interstate 75 with Highway 411. It has reviewed several alternatives and has narrowed its alternatives to four. Three of the four would have potential impacts on the IG property north of Highway 20. The first alternative would be at grade and would widen existing right-of-way to six lanes and add right-of-way in the southwestern portion of the property. While being minimally invasive for the actual additional road right-of-way, this alignment would create parcels that cannot be developed, resulting in a significant loss of utility to the IG property. A second alternative would be limited access and would place the right-of-way directly across the IG property. This alternative would result in a most significant impact on the future development of the

IG property and would greatly impact the plan of development of the Bartow Center. A third alternative, a variation on the second alternative, would also be limited access and would place the right-of-way directly across the middle of the IG property and result in a significant impact on the future development of the IG property and greatly impact the plan of development of the Bartow Center. A fourth alternative would place the connector road north of the IG property and therefore have no impact.

Mr. Hickey stated that the challenges are significant. University System Office facilities staff have met with DOT and expressed concerns. The Vice Chancellor for Facilities, Linda M. Daniels, has drafted a letter and is prepared to send it to DOT expressing the concerns. The land use plan that was developed is now over five years old. With the opening of the Bartow Center in fall 2006, it is recommended that this plan be revisited. This is necessary to ensure that the Board of Regents can continue to be good stewards of this valuable land asset.

COMMITTEE ON ACADEMIC AFFAIRS

The Committee on Academic Affairs met as a Committee of the Whole in the Board Room, room 7007, on Tuesday, May 17, 2005, to discuss Item 3 of the Committee agenda. (See pages 2 to 6.) The Committee met again in its regular session at approximately 3:30 p.m. in the Board Room. Committee members in attendance were Chair William H. Cleveland, Vice Chair Wanda Yancey Rodwell, and Regents Hugh A. Carter, Jr., Joe Frank Harris, Martin W. Nesmith, J. Timothy Shelnut, and Allan Vigil. Also in attendance were Chancellor Thomas C. Meredith, Board Chair Joel O. Wooten, Jr., and Regents Connie Cater, Michael J. Coles, Julie Hunt, W. Mansfield Jennings, Jr., James R. Jolly, Donald M. Leebern, Jr., Elridge W. McMillan, Patrick S. Pittard, and Doreen Stiles Poitevint. Chair Cleveland reported to the Board that the Committee had reviewed seven items, six of which required action. Item 4 included 239 regular faculty appointments, which were reviewed by the Committee Chair and recommended for approval. With motion properly made, seconded, and unanimously adopted, the Board approved and authorized the following:

1. **Revision of Name Without Changing Institutional Mission or Sector, Clayton College & State University**

Approved: The Board approved the request of President Thomas K. Harden that Clayton College & State University (“CCSU”) be authorized to revise its institutional name, effective May 18, 2005.

Abstract: CCSU requested that the Board of Regents consider a name change of the institution from Clayton College & State University to Clayton State University. All relevant constituencies of the institution have been consulted concerning their preferences for the institutional name change, and all support this request.

The existing name is somewhat awkward and does not conform well to common nomenclature practice in higher education.

No mission or sector change is implied by this action.

Print material costs of the name change are to be absorbed by the institution as it develops new published materials as part of its regular cycles. Other costs will be covered by external, nonstate funds.

2. Ratification of Mission Statement, Skidaway Institute of Oceanography

Approved: The Board approved the request of Director James G. Sanders that the Skidaway Institute of Oceanography (“SkIO”) be authorized to ratify its mission statement, effective May 18, 2005.

Abstract: As a result of the need to enable SkIO to operate autonomously under the oversight of the Board of Regents, SkIO requests Board approval to ratify its existing mission statement. Through an administrative update of all Web-related documents it was determined that SkIO’s mission statement had not been recommended to the Board although it was established more than 30 years ago.

Mission Statement

The Skidaway Institute of Oceanography is a multidisciplinary research institution within the University System of Georgia dedicated to advancing the understanding of coastal and marine environments. The Institute:

- Conducts leading-edge research on marine and coastal systems;
- Helps train tomorrow’s marine scientists;
- Serves as a gateway to marine environments; and
- Integrates University System marine programs.

The Skidaway Institute of Oceanography is not a degree-granting institution, but its faculty hold joint appointments at University System institutions, serving as mentors and advisors for undergraduate and graduate students. The Institute provides Georgia with a nationally and internationally recognized center of research, educational, and service excellence in marine science. This is achieved through the development of strong programs across a broad range of sub-disciplines, ranging from local economic and environmental issues to global processes and phenomena.

Committed to excellence in research, education, and public service, the Institute strives to create a more knowledgeable citizen capable of promoting sound utilization of natural coastal and marine resources while capitalizing on coastal economic opportunities.

3. Addition to The Policy Manual, Section 310, Academic Textbooks

Approved: The Board of Regents approved a new policy concerning academic textbook costs as described below.

The Board of Regents directed the Chancellor to explore the feasibility of 1) obtaining a sales tax exemption on textbooks through the legislative process and 2) leveraging the University System of Georgia's purchasing power, perhaps in conjunction with other state higher education systems to lower textbook prices.

This item was discussed in full by the Committee on Academic Affairs as a Committee of the Whole. (See pages 2 to 6.)

Background: Across the country and within the State of Georgia and the University System of Georgia, the issue of textbook costs has gained the full attention of legislators, administrators, and faculty who recognize its growing impact on college affordability. In recent years, textbook cost increases have exceeded increases in the consumer price index by substantial margins leading the cost of textbooks to become a significant part of the overall cost of higher education.

In September 2004, Chancellor Thomas C. Meredith commissioned a task force to identify and describe the root causes of textbook price escalation and to develop recommendations to help mitigate costs to students. Among the several preliminary recommendations offered by this task force in its report to the Board in November 2004 was a recommendation that the University System of Georgia bring together in a public forum students, faculty, college bookstore managers, and publishers to discuss the salient issues. In response to this recommendation, four public forums were held at Georgia State University, Georgia Southern University, the University of Georgia, and Abraham Baldwin Agricultural College in the months of February and April 2005 offering students, state elected officials, members of the University System of Georgia community, and the public at large the opportunity to hear about the issues and raise questions of the assembled panelists.

At this meeting, the Senior Vice Chancellor for Academics and Fiscal Affairs, Daniel S. Papp, and the Vice Chancellor for Fiscal Affairs, William R. Bowes, presented a report on the forums, recapping the issues presented last November and the recommendations that will form the basis of institutional guidelines under a new policy. (See pages 2 to 6.) The recommendations had been presented to and reviewed by members of the tuition task force, the 16 panelists that participated in the textbook forums, and the University System of Georgia vice presidents for academic affairs.

New Policy

310 ACADEMIC TEXTBOOKS

The Chancellor shall establish guidelines concerning the designation and sale of textbooks required for coursework at University System of Georgia institutions. Minimally, the guidelines shall include provisions that:

1. Promote increased communication between and among students, faculty, and college bookstores concerning the use of textbooks in the classroom, the designation of required versus recommended texts, textbook costs, textbook adoption schedules, alternative

acquisition methods, and other factors affecting the designation and sale of textbooks in order to increase the options available to students in meeting their cost of education.

2. Ensure that bookstore operations, whether managed internally or outsourced to private vendors, offer the best value to students in acquiring textbooks and actively promote alternative options to help minimize student cost.
3. Require a third-party review process at the institution for determining if faculty may use self-authored texts in their classroom, and disallow faculty to resell sample texts provided by publishers or to take advantage of any financial incentives offered by publishers in the assignment of specific texts.

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

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

5. Termination of the Major in Technology Under the Bachelor of Applied Science, Georgia Southern University

Approved: The Board approved the request of President Bruce F. Grube that Georgia Southern University (“GSOU”) be authorized to terminate the major in Technology under the Bachelor of Applied Science degree, effective summer 2006.

Abstract: GSOU completed its review of the viability of the Bachelor of Applied Science with a major in Technology and requested that the Board formally terminate the program. The rationale for this termination is due in part to the problems associated with administering the program. In addition, the curriculum for the Bachelor of Applied Science with a major in Technology was based upon GSOU’s existing Bachelor of Science in Manufacturing with a major in Industrial Management. Offering the Bachelor of Applied Science required no additional faculty resources. Termination of the program will not have an adverse impact on students or faculty. Demand for the program has been modest with enrollment maximized to no more than eight students in a given term. During the entire period for which the Bachelor of Applied Science was offered, the program graduated fewer than ten students. Termination of the Bachelor of Applied Science program will only result in smaller class sizes.

6. 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:

University of Georgia

Atlanta Regional Commission Poll 800 Atlanta region residents on public attitudes and behavior and provide tables and graphics representing regional picture.	4/1/05 – 8/31/05	\$20,755
Georgia Commodity Commission for Corn Support extension education programs in corn, including emphasis on best management practices for profitable corn production (irrigated and dryland), demonstration of conservation tillage and benefits of water-use efficiency and comparisons of different cover crops, preharvest reduction of aflatoxin, and comparison of transgenic hybrids with traditional hybrids.	1/1/05- 12/31/05	\$9,250
Georgia Commodity Commission for Corn Provide salary support for projects conducted by the extension agronomist, seed scientist, plant pathologist, engineer, soil/water specialist, research entomologist, and Georgia's hybrid evaluation program.	1/1/05 – 12/31/05	\$39,300
Georgia Commodity Commission for Corn Expose different lots of insect-contaminated corn to various temperature regimes simulating recommended drying conditions for known periods of time and determine the subsequent emergence of adult weevils from that corn.	1/1/05 – 12/31/05	\$37,000
Georgia Commodity Commission for Corn Promote value-added corn production by reducing insect damage as well as aflatoxin contamination in field as well as storage facilities.	1/1/05 – 12/31/05	\$14,500
Georgia Commodity Commission for Pecans Determine effectiveness of an irrigation scheduling tool in orchards and compare amount and frequency of irrigation applications for normal grower schedules.	7/1/04 – 6/30/05	\$1,500
Georgia Department of Community Affairs Provide consulting services that will enable the department to better deliver downtown development design services to cities around the state.	7/1/04 – 6/30/05	\$90,000
Georgia Department of Human Resources Develop understanding of soil, landscape, and biomaterial characteristics that influence performance of on-site waste treatment systems.	4/1/04 – 6/30/05	\$8,672
Georgia Department of Natural Resources Facilitate and assemble a stakeholder group to assist with development of draft standards for permitting marinas and community docks for presentation and recommendation to the Coastal Marshlands Protection Committee.	4/1/05 – 3/31/06	\$48,541
Georgia Department of Natural Resources Coordinate workshops for formal and informal educators of K-12	1/1/05 – 12/31/07	\$200,000

students and facilitators who conduct a minimum of one educator workshop for adults each year.		
Georgia Department of Transportation Provide a more thorough understanding of the physiological processes driving deer behavior which may aid in successful development and implementation of technologies designed to minimize incidence of deer-vehicle collisions.	2/4/05 – 2/3/07	\$98,494
Georgia Forestry Commission Develop a community and urban forestry training module targeted at master gardeners and provide a facilitation workshop for the University of Georgia County Extension Service faculty in how to utilize the module.	1/12/05 – 8/31/05	\$20,000

Georgia Southern University

Georgia Department of Natural Resources Determine effects of white-tailed deer herbivory and encroachment by <i>Lonicera japonica</i> on the population dynamics of <i>Trillium reliquum</i> .	1/1/05 – 9/30/06	\$12,000
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TOTAL AMOUNT - May	\$ 420,012
TOTAL AMOUNT FY 2005 TO DATE	\$ 24,578,585
TOTAL AMOUNT FY 2004 TO MAY	\$ 129,854,068
TOTAL AMOUNT FY 2004*	\$ 131,651,016

*The large income from service agreements last year was due primarily to a \$106 million agreement between the Medical College of Georgia and the Department of Corrections for inmates' healthcare.

7. Information Item: Academic Program Review Process

The Vice Chancellor for Academic, Faculty, and Student Affairs, Frank A. Butler, presented an overview of the process by which new programs are reviewed and, when appropriate, presented to the Board of Regents for approval. Consistent with Board policy, the staff are charged with thoroughly reviewing all academic degree programs, at every degree level, so that when the Board approves them, they will have confidence that all the parameters have been carefully investigated. As for certificates, the staff review them rigorously for final approval by the Chancellor. Dr. Butler noted that by far, the largest numbers of academic program requests originate at the institutional level. However, on occasion, the program review staff will see a need, either statewide or locally, and suggest that particular institutions assess their interest in developing a proposal.

Programs must have certain basic underpinnings that include consistency with mission, a fit with institution plans and priorities and the financial means to mount a quality program. Funding may be

provided from internal redirection, external sources, or new state funds as part of an institution's annual budget request. The process for requesting a new program is clearly defined in the Academic Affairs Handbook. It consists of two stages: The first stage requires a letter of intent, and the second stage requires a full formal proposal. In the letter of intent, institutions briefly summarize such things as need and demand, budget, enrollment projections, curriculum, etc. The staff review the letter of intent, usually within 30 days. If the institution is supported for the second stage, the institution is invited to submit a formal proposal. Major factors that go into this decision include appropriateness of the degree, sufficiency and persuasiveness of information, and satisfactory responses to questions asked of the institution. The formal proposal is robust. Some key factors to be addressed include program objectives, justification of need and demand, a detailed curriculum, and usually a grid of course delivery cycles. The elements of the proposal are reviewed very carefully. Among these are faculty credentials, outstanding programs either inside or outside Georgia, library, technology, students targeted (traditional or nontraditional), and facilities. Furthermore, all programs must have an assessment plan, and financial viability is absolutely key to the approval process.

Teams of two or three staff members study the proposals followed by meeting discussions with the entire program review staff. At this point, the staff also take into account feedback from other System institutions and, for doctoral programs, the analysis of a review by an outside institution considered as a national leader for the particular doctoral degree under consideration. Throughout the entire process, a Web presence allows institutions to track their own proposals as well as those of other institutions. If there is the possibility that there will be duplication or conflicts with other institutions, the staff ask the proposing institutions to send copies of the proposal to the other institutions. Enrollments and numbers of graduates are required in the proposal, and the staff perform research from time to time to see how well the institutions' predictions track the actual results. As a part of regular comprehensive reviews, the staff ask institutions to add new programs to their cycle of comprehensive review so that they will be reviewed in about three years from initial startup. The system comprehensive review emphasizes productivity, viability, and, most importantly, quality.

In closing, Dr. Butler recognized in appreciation the integral role that the Director of Academic Program Coordination, Marci M. Middleton, serves throughout the academic program review process and highlighted her contributions to the Office of Academic Affairs. He also recognized the other University System Office staff members who actively participate in the academic program review process, as follows:

- Sara Connor, Senior Executive Director of P-16 Special Initiatives & Operations
- Dr. Catherine Finnegan, Associate Director, Assessment & Public Information, Advanced Learning Technologies, Office of Information and Instructional
- Dr. Cathie Mayes Hudson, Associate Vice Chancellor for Strategic Research and Analysis
- Dr. Jan Kettlewell, Associate Vice Chancellor for Academic Affairs and Co-Facilitator of the Georgia P-16 Initiatives
- Dr. Judith Monsaas, Director of P-16 Assessment and Evaluation
- Dr. Jessica Somers, Executive Director, Academic Innovation, Advanced Learning Technologies

- Dr. Richard C. Sutton, Senior Advisor for Academic Affairs and Director of International Programs
- Dr. John T. Wolfe, Jr., Associate Vice Chancellor for Faculty Affairs
- Dr. Dorothy Zinsmeister, Assistant Vice Chancellor for Academic Affairs and Associate Director for Higher Education PRISM Initiative

COMMITTEE ON ORGANIZATION AND LAW

The Committee on Organization and Law met on Tuesday, May 17, 2005, at approximately 3:40 p.m. in room 7019, the Chancellor's Conference Room. Committee members in attendance were Chair James R. Jolly and Regents Connie Cater, William H. Cleveland, W. Mansfield Jennings, Jr., Elridge W. McMillan, and Doreen Stiles Poitevint. Chair Jolly reported to the Board on Wednesday that the Committee had nine applications for review; eight of these were denied, and one was continued. 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. With motion properly made, seconded, and unanimously adopted, the Board approved and authorized the following:

1. Applications for Review

- a. In the matter of file no. 1757 at Georgia State University, concerning denial of request for "hardship withdrawal," the application for review was denied.
- b. In the matter of file no. 1758 at the Georgia Institute of Technology, concerning alleged sexual harassment charges and one semester suspension, the application for review was denied. Regents Cleveland and McMillan abstained from voting on this appeal.
- c. In the matter of file no. 1759 at the University of Georgia, concerning a request for reinstatement to the university to complete a doctoral degree in Speech Communication, the application for review was denied.
- d. In the matter of Dennis Sterling at the Skidaway Institute of Oceanography, concerning a 60-day probation, the application for review was denied.
- e. In the matter of Dr. Arnold Odio at Albany State University, concerning requirement to undergo a second post-tenure review for the current academic year, the application for review was denied.
- f. In the matter of Dr. Ghunaym M. Ghunyam at Albany State University, concerning suspension for one semester, the application for review was denied.
- g. In the matter of file no. 1763 at the Medical College of Georgia, concerning dismissal from the Physical Therapy program in the School of Allied Health Sciences, the application for review was denied.

- h. In the matter of file no. 1764 at Fort Valley State University, concerning the alleged violation of university codes (illegal substances) and probation of one year with a \$250 fine, the application for review was denied.
- i. In the matter of Dr. Modibo Kadalie at Savannah State University, concerning denial of a leave of absence to attend a fellowship program in South Africa, the application for review was continued for further consideration.

CHANCELLOR'S REPORT TO THE BOARD

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

Everything now has been signed by the Governor as it relates to legislation affecting the University System. We are now “official” on our fiscal year 2006 appropriations and Senate Resolution 33, which will let us create a new state college in Gwinnett County. We are off and running. In fact, we already are working on next year’s budget request.

You don’t have to listen very closely to know my heart rests with the students we serve. Of course, ultimately we all are working on behalf of students – and their success. The ultimate test of our work is not in the numbers of students enrolled, or even in the number retained, but the number who graduate from our 34 institutions. For these graduates, they can expect greater opportunities and improved quality of life. The more success our students have in graduating, the more successful we are as a System and as a state.

What I want to do is spend a few moments with you today sharing some information about this year’s graduates. Graduation is more than a simple accounting of the number of degrees awarded. It also is a time for the realization of hopes and dreams. It is the culmination of years of hard work and sacrifice by many, including students, parents, spouses, employers, friends, and even children. So, commencement is a milestone in the lives of our graduating students.

Our institutions have been busy holding commencements. Just last Friday, I spoke at the Medical College of Georgia’s commencement. And I know that as regents many of you are called upon to participate in graduation exercises. Regent Shelnut had double duty as the commencement speaker at both Augusta State University and Georgia College & State University. Regent Jennings gave the remarks at Middle Georgia College. I know these campuses appreciated your involvement. I urge each of you to participate in some capacity at one of our commencements. It is a strong reminder of what we are about: creating a more educated Georgia.

So, to continue the focus on student success by analyzing the degrees we confer, my report today will look at our class of 2005. First, a disclaimer: Some of the figures I’m about to provide are preliminary numbers, but they are a good indicator of how we are doing as a System in terms of the size and scope of the graduates we are producing. Let’s start at the top – overall graduates. The University System will hand out 44,914 diplomas of all types in the current fiscal year. I noted when I came to Georgia we awarded 35,000 degrees and had 35,000 employees. Now, we award almost 45,000 degrees and have 38,000 employees. This represents a 6.6% increase in degrees awarded over last year. Of this total, 787 were certificates, 6,158 students earned associate degrees, and 26,158 baccalaureate degrees were awarded. Also, 832 students earned education specialist degrees. There were 9,189 master’s degrees and 964 doctorates earned. There were a total of 826 first professional degrees

awarded. Our institutions produced 385 new lawyers, 171 new doctors, 119 pharmacists, 84 veterinarians, and 67 dentists. The next step for these graduates is to pass the various licensure exams before starting to serve Georgia citizens in their professions.

For 15 of our institutions, 2005 is the largest graduating class ever. The following institutions saw record numbers of degrees conferred: Abraham Baldwin Agricultural College, Albany State University, Armstrong Atlantic State University, Bainbridge College, Clayton College & State University, Coastal Georgia Community College, Columbus State University, Darton College, East Georgia College, Gainesville College, the Georgia Institute of Technology (“GIT”), Georgia Southern University (“GSOU”), Kennesaw State University (“KSU”), Macon State College, and Valdosta State University. As expected, the big five in terms of the number of total graduates are the University of Georgia with 8,633, Georgia State University with 5,847; GIT with 4,364; GSOU with 2,793; and KSU with 2,772.

While we don’t have the breakdown yet for 2005, looking at 2004 gives us some insight into who is earning what degrees. These percentages will not vary a great deal from year to year. We expect that women will earn approximately 60% of the all degrees awarded, which corresponds to the significant shift in recent years to a female dominance of the student body. However, while women will earn around 59% of the bachelor’s degrees, that drops to 45% for doctoral degrees and is slightly higher at 49% for professional degrees. We still need women earning a greater percentage of doctoral degrees. By race, whites will earn approximately 70% of the diplomas, African-Americans just over 18%, Asians and other races 9%, and Hispanics 2%. We must focus on helping more of our minority students succeed to graduation.

Our graduates represent virtually every county in Georgia, every state in the Union, and many foreign countries. For example, in fiscal year 2004, Cobb County had the most University System graduates, with Fulton County in second, Gwinnett County in third, and DeKalb County fourth. Chatham County was fifth. Other than Georgia, Florida was the state with the most graduates in our System in fiscal year 2004. Surprisingly, New York was fifth. International students will claim approximately 9% of the total degrees awarded. The countries of India, China, the Republic of Korea, France, and then Canada had the highest numbers of international graduates.

Let’s look at degrees awarded to traditional and nontraditional students. In fiscal year 2004, nontraditional students represented 5.1% of all graduates. These figures signify the continued role and importance of our two-year colleges as a key access point to higher education for a broad spectrum of society. If we are serious about creating a more educated Georgia, then we must reach out to the sizeable population of Georgians who didn’t automatically move on to college straight from high school. Our two-year colleges are giving these individuals this opportunity, and the citizens are taking advantage and being successful in their educational pursuits. This serves as another marker that we must continue to evaluate our policies and programs with nontraditional students in mind.

What are our students studying? There are no big surprises here: The most popular undergraduate degree majors continue to be liberal arts and sciences, business administration, teacher education, nursing, psychology, marketing, computer and information sciences, accounting, and biology. However, as we know from our statewide assessment and other studies, we must continue to monitor the state's developing workforce needs to ensure we have the right mix of degree offerings to meet these needs.

Regardless of the degree field a student chooses, or where home is, or the System institution they attend, graduation opens a new world. Regardless of where a graduate chooses to live, that choice enriches that community in many ways. And for first-generation graduates, we accomplish a critical task. The cycle of a family that does not attend college is forever broken. A new, more positive cycle is begun that will see that graduate's children and grandchildren attending college.

One of the points I've stressed is the need to make informed decisions. When you see our graduates sitting in a body, wearing caps and gowns, when you see them striding full of confidence across a stage, when you see them with family and friends posing for photos, you understand how important our decisions are and the effect they have on the future of so many individuals. In the Mays to come, as you and future Boards review this annual data, the results of the decisions we make and the policies you approve in the coming months should be evident in the faces of those who proudly accept a diploma. And we shouldn't forget that these college graduates strengthen our communities and the state in ways that go far beyond simply meeting workforce needs and earning a bigger paycheck. Study after study has found that college graduates lead healthier lives, vote at higher rates, use social services less, have higher rates of employment, and are more active in the community than those with just a high school diploma or less. So, please join me for a moment in saluting and congratulating the University System's class of 2005. Mr. Chairman, that concludes my report.

STRATEGIC PLANNING COMMITTEE, "COMMITTEE OF THE WHOLE"

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

Chair Leebern stated that at this meeting, the Senior Vice Chancellor for Academics and Fiscal Affairs, Daniel S. Papp, would educate the Regents on the meaning and the process of accreditation and certification in higher education.

Dr. Papp said that one of the most critical things that the University System of Georgia institutions face is accreditation and/or certification. The reason that he would present on this topic at this meeting was because it is a critically important part of being an institution. There is also a lot of confusion about their meaning about accreditation, certification, and licensing. The System has had some significant successes in this area, but it has also had some significant issues. So, the staff felt it would be wise to spend some time talking about the issues surrounding accreditation and certification. There is accreditation of institutions, and there is accreditation of professional and

specialized programs and degrees. There is certification also of some programs and degrees, which is where some confusion enters into the picture. There is also certification and licensure of individual skills as well.

Dr. Papp began by discussing institutional accreditation. He noted that Section 301 of The Policy Manual of the Board of Regents of the University System of Georgia states, “The Board shall expect each institution to be accredited by the Southern Association of Colleges and Schools.” He explained that institutions must be accredited in order to provide accountability and credibility to the degrees they offer. Throughout the United States, there are seven different regional accrediting bodies. The University System of Georgia institutions, for example, must be accredited by the Southern Association of Colleges and Schools (“SACS”). There are three different segments to SACS: the Commission on Colleges (“COC”), the Commission on Secondary and Middle Schools, and the Commission on Elementary and Middle Schools. The COC accredits 785 institutions in 11 Southern states and Latin America. Of these, 83 accredited institutions are in Georgia, and 47 of these are public institutions. All 34 University System of Georgia institutions are SACS accredited, and the other 13 accredited public institutions are within the Department of Technical and Adult Education (“DTAE”). Institutions go through a very complex reaccreditation process once every ten years. Dr. Papp noted that the Regents had been given copies of the COC’s Principles of Accreditation, which detail what each institution must go through during the reaccreditation process. Among these principles is that an institution must be given degree-granting authority from a governing agency, such as the Board of Regents. There can be no outside control of the governing board or the institution. He noted that Auburn University was put on probation by SACS because there was concern that certain of its alumni were exerting too much control on the institution. So, the COC is very serious about this issue. Every institution must go through a planning and evaluation process with regard to all of its programs and services. There are additional comprehensive standards as well. The University System of Georgia has been in the process of mission review over the course of the past few months. Dr. Papp stated that this is a requirement by COC. Every institution must not only

have a mission statement, but also be in compliance with its mission statement. Academic programs must be approved by the faculty and administration. Each institution must demonstrate that it has sufficient resources, financial stability, and audits. There are also a number of federal requirements, with which institutions must comply. If an institution does not comply with federal requirements, it may not get financial aid for its students.

Dr. Papp next discussed the accreditation process. He explained that approximately 15 months before an institution formally begins the reaccreditation process, it must submit a compliance certification document. This is a self-study document in which the administration, faculty, and staff perform a detailed self-assessment. It is a rather strenuous process, and many institutions begin this process a full two years before the 15-month deadline. Then, six weeks before the reaccreditation process begins, a visitation team comes to the campus and a quality enhancement plan must be submitted. The quality enhancement plan is drafted by the institution, and it points to specific areas of operation that the institution intends to improve. The process also includes an off-site peer review assessment. The COC assembles a team that will take a look at the compliance certification and the quality enhancement plan. That team will meet in an off-site location, usually at the COC

headquarters, and review all of the documentation that the institution has submitted. Soon thereafter, a different, on-site review team will go to the campus and go over everything that the off-site team has found.

At its June and December meetings, SACS considers a number of possible actions. For example, the Vice Chancellor for Academic, Student, and Faculty Affairs, Frank A. Butler, and the Senior Policy Analyst, Robert E. Watts, have already begun to meet with the COC to begin to move forward with accreditation for the new state college in Gwinnett County. They hope to move forward with its initial candidacy in December of this year. Initial accreditation and reaccreditation are approved by the Accreditation Committee. Two-year institutions that would like to move forward with offering bachelor's degrees must get accreditation at the higher degree level. Similarly, substantive change requires SACS approval. When an institution begins to move forward with new types of degree offerings, it must apply to SACS. A number of years ago, the University System of Georgia moved forward with Systemwide accreditation for online degree programs, thereby reducing the requirement that each institution had to do so. Also, institutional name changes must be approved by the COC. Mergers or consolidations of institutions must also be approved by SACS. Finally, the removal of accreditation or putting an institution on probation would also take place at a June or December SACS meeting. Since the University System of Georgia attained constitutional authority in 1943, all of its institutions have been accredited or reaccredited at the appropriate times. Dr. Papp said that one or two institutions have been put on warning on occasion, but the System has done generally very well.

Dr. Papp next discussed professional and specialized accreditation. He explained that the purpose of this kind of accreditation is to also provide credibility and accountability to the degrees granted by an institution. Institutions do this because in some professions and specialties, such as nursing and teaching, the University System of Georgia requires it. In other professions and specialties, such as business, the System strongly prefers it. In some areas, the professions and specialties themselves require accreditation. However, in many areas, particularly in the liberal arts, accreditation is not required or does not exist. In most cases, it is a mark of professional or specialty expertise, quality, or distinction. Dr. Papp listed the following professions or specialties and their respective accrediting agencies:

- Allied Health – Commission on Accreditation of Allied Health Education Programs
- Architecture – National Architectural Accrediting Board
- Business – Association to Advance Collegiate Schools of Business (“AACSB”)
- Chemistry – American Chemical Society
- Dentistry – Commission on Dental Accreditation, American Dental Association
- Engineering, Engineering Technology, and Computing – Accreditation Board for Engineering and Technology (“ABET”)
- Law – American Bar Association
- Library and Information Studies- Office for Accreditation, American Library Association
- Medicine – Liaison Committee on Medical Education, sponsored by American Medical Association and the Association of American Medical Colleges

- Music – National Association of Schools of Music
- Nursing – Commission on Collegiate Nursing Education
- Pharmacy – Accreditation Council for Pharmacy Education
- Physical Therapy – Commission on Accreditation in Physical Therapy Education, American Physical Therapy Association
- Psychology – Committee on Accreditation, American Psychological Association
- Public Health – Council on Education for Public Health
- Social Work – Council on Social Work Education
- Teacher Education – National Council for Accreditation of Teacher Education (“NCATE”)

Dr. Papp noted that sometimes changes in the accreditation requirements established by the associations have impacts upon the degree programs. For example, the professional requirement in the field of physical therapy is moving forward from a master’s in physical therapy (“M.P.T.”) to a doctorate in physical therapy (“D.P.T.”). As a result, two System institutions that were already offering the D.P.T., Georgia State University and the Medical College of Georgia, are collaborating with two institutions that offer the M.P.T., North Georgia College & State University and Armstrong Atlantic State University, to develop a collaborative D.P.T. as the American Physical Therapy Association increases its requirements so that all of these institutions will offer the D.P.T.

The University System of Georgia is doing well in terms of degree program accreditation, said Dr. Papp, though he stressed that it is not a situation in which every program must necessarily be accredited. For example, the fact that 7 of the System’s 15 chemistry programs are not accredited is not necessarily anything to be concerned about. Sometimes, a program is simply too small or does not offer enough specialties for national accreditation. In many areas, that is not of concern. In other areas, accreditation is essential, such as in allied health, dentistry, or engineering. Dr. Papp noted that the University System has added two new teacher education programs in the past few months at Dalton State College and Macon State College, and both of these programs are in the process of moving forward with NCATE accreditation. Meanwhile, the teacher education program at Fort Valley State University is on probation.

Dr. Papp next discussed the process for a business program to become accredited by AACSB as an example of the complexity of the accreditation process. He explained that this is a 16-step process and that Savannah State University (“SSU”) just recently gained AACSB accreditation, a process the institution began in 1999. SSU began by becoming a member of AACSB. Then, the institution submitted an eligibility application. The AACSB pre-accreditation committee then assigned a mentor to review this application. The mentor visited SSU to help in response to concern on eligibility application and to help prepare a gap analysis for accreditation plan. Then, an accreditation coordinating committee reviewed the eligibility application and rules on eligibility issues, such as diversity and excluded programs. SSU had to develop and submit an accreditation plan and strategic plan for its business school under its overall strategic plan. At that point, AACSB’s initial accreditation committee reviewed the accreditation plan and approved it, or suggested modification and re-reviewed it. The maintenance of accreditation committee reviewed and approved the strategic plan, or made suggestions for modification and re-reviewed. Then, SSU submitted annual reports on progress and delays. Its mentor worked with SSU for three years as SSU

implemented its accreditation plan. (The initial accreditation must be achieved in five years.) Two years before the accreditation review visit, a peer review team chair is appointed to monitor progress. SSU prepared a new self-evaluation report. Then, the initial accreditation committee appointed a full peer review team, which reviewed the self-evaluation report and sent the pre-visit letter. The visit occurred, and the team prepare its accreditation recommendation. The initial accreditation committee ratified the recommendation, and recommendations for accreditation were sent to the AACSB board for ratification. Dr. Papp commended SSU for its hard work to get through this very complex process, and he noted that other institutions are at various stages of this accreditation process as well.

Next, Dr. Papp discussed certification and licensing of programs, degrees, and specialties. He noted that in many areas, professions or specialties require certification or licensing. In some areas, state law requires certification or licensing. In other areas, employers prefer certification or licensing. In almost every case, certification or licensing is a mark of professional or specialty expertise, quality, or distinction. For example, the Professional Standards Commission (“PSC”) directs the preparation, certification, professional discipline, and recruitment of educators in Georgia. It was the PSC that first determined that the education program at FVSU was insufficient. The Georgia Board of Nursing similarly develops rules and regulations that set the standards for nursing practice and education and provide the minimum qualifications for licensure. The Accreditation Board for Engineering and Technology (“ABET”) accredits engineering programs and licenses professional engineers, though not all engineering graduates become professional engineers. Continuing education is a primary venue for moving forward with certification. Many continuing education operations at the institutions provide professional certifications in specific areas, including, but not limited to the following: Cisco IT networking, events planning, financial planning, landscape horticulture, medical billing, Microsoft IT, personal training, real estate sales, and veterinary assistant.

To illustrate the process of accreditation, certification, and licensing, Dr. Papp next highlighted what individual students could experience if their institutions and programs are not accredited or certified. For example, if an institution’s nursing program is denied SACS accreditation, then that student cannot get federal aid and may not get job upon graduation. If the nursing program is not authorized by the Board of Regents, then the student cannot get that degree. If the Georgia Board of Nursing does not approve the program, then the graduate of the program cannot practice nursing in the State of Georgia. Moreover, the Georgia Board of Nursing itself must meet the National Council of State Boards of Nursing standards. If it does not, then nursing graduates cannot practice outside of the State of Georgia. Finally, all nursing graduates must take and pass the national nursing exam, NCLEX, through the Georgia Board of Nursing in order to be licensed to practice in the State of Georgia.

In sum, Dr. Papp said that he had discussed accreditation of institutions, accreditation of professional and specialized programs and degrees, certification and licensure of programs and degrees, and certification and licensure of individuals as well. Every one of the University System of Georgia institutions engages in these processes on virtually a day-to-day basis. Many institutions begin the process of reaccreditation years in advance, and many degree programs do this on a

continual basis. In closing, he asked whether the Regents had any questions or comments.

Regent Vigil asked what happens to students at an institution that is not accredited.

Dr. Papp used Life University as an example. Life University lost both its chiropractic accreditation and its SACS accreditation. Students can still graduate from that institution, but upon graduation, those graduates cannot sit for the chiropractic examination. Students may earn other degrees as well, but the institution is not accredited and employers may not be willing to hire those graduates. So, it hurts the students when their institution is not accredited.

Regent Coles said that many students started at Life University when it was accredited. He asked whether the students have any recourse against an institution that loses its accreditation after they have already enrolled.

Dr. Papp responded that he did not know the answer to that question. Many Life University students transferred to other chiropractic schools or Kennesaw State University or Southern Polytechnic State University.

Regent McMillan asked whether it is true that a student who graduates from an education program that is not accredited by NCATE cannot be certified to teach in the State of Georgia.

Dr. Papp replied that it is his understanding that a student who graduates from an education program that is not accredited by NCATE and the PSC cannot sit for the PRAXIS test, which is required for teacher certification in the State of Georgia.

Regent Cater asked for clarification about the situation at FVSU.

Dr. Papp said that in the case of FVSU, the PSC has said that no new students may enter the teacher education programs at that institution. However, those students who are already enrolled in the program who complete the program before May 2006 may take the PRAXIS test and may be certified to teach. Other students will likely have to transfer to other teacher education programs. He stressed that loss of certification or accreditation is a very serious matter.

Regent NeSmith asked whether classroom space is one of the criteria that accrediting agencies consider in their evaluations of institutions.

Dr. Papp concurred that it is.

Regent NeSmith asked whether in light of the System's booming enrollments, any institutions are at risk of losing accreditation based upon class size.

Dr. Papp asked the Vice Chancellor for Facilities, Linda M. Daniels, to respond to this question.

Ms. Daniels responded that the major capital priorities proposals would be presented to the Board in

June 2005. In a number of previous such presentations, presidents have referenced SACS sightings. So, certainly, there are situations in which the institutions and the University System Office staff try to be very proactive to ensure that facilities issues do not pose an accreditation problem. However, with the enrollment growth in the System, unless they intend to cap enrollment, institutions must be careful not to overload classrooms. With its statewide capacity study, the Board of Regents has been proactive in this regard to avoid such a situation. She agreed the numbers are compelling, and the System must be careful.

Regent NeSmith noted that a number of major capital outlay projects were postponed by the legislature this year. He expressed his hope that the legislature will bear this in mind if the System is to continue to accommodate growing enrollments.

Dr. Papp added that one thing the System is doing to somewhat ameliorate the demand on space is offering online courses and programs and hybrid programs that include in-class and online teaching.

Chancellor Meredith noted that one of the real detriments to an institution losing its accreditation while students are enrolled is the loss of federal financial aid.

Chair Leebern remarked that the reaccreditation process sounds almost as arduous as the initial accreditation process.

Dr. Papp said that as an institution approaches the reaccreditation process, it examines very closely all of the requirements of reaccreditation and there is a palpable level of increased tension on the campus during the reaccreditation process.

Regent Jolly asked about the membership of SACS.

Dr. Papp responded that the COC is an association of its member accredited bodies. The 785 institutions that are accredited are the ones that reach consensus on the principles of accreditation. The off-site and on-site review teams consist of administrators and faculty members from around the country. The institutions have the opportunity to review the membership of those teams, but these are certainly professionals in the areas they will be investigating at the institutions.

Regent Jolly asked who works for COC.

Dr. Papp responded that there are 18 professional staff members of the COC, plus administrative support persons. The entire organization operates on a budget of approximately \$9 million per year, which is funded by the member institutions.

Seeing that there were no further questions or comments, Chair Leebern thanked Dr. Papp for this informative presentation and adjourned the Committee meeting.

At approximately 10:00 a.m., Chair Wooten called for a brief recess before beginning the Executive Session.

EXECUTIVE SESSION

At approximately 10:15 a.m. on Wednesday, May 18, 2005, Chair Joel O. Wooten, Jr. called for an Executive Session for the purpose of discussing personnel and compensation issues. 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 Joel O. Wooten, Jr., Vice Chair J. Timothy Shelnut, and Regents Hugh A. Carter, Jr., Connie Cater, William H. Cleveland, Michael J. Coles, Joe Frank Harris, Julie Hunt, W. Mansfield Jennings, Jr., James R. Jolly, Donald M. Leebern, Jr., Elridge W. McMillan, Martin W. NeSmith, Patrick S. Pittard, Doreen Stiles Poitevint, Wanda Yancey Rodwell, and Allan Vigil. Regent Richard L. Tucker attended this meeting via teleconference. Chancellor Thomas C. Meredith and the Secretary to the Board, Gail S. Weber, were in attendance for part of the meeting. 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 12:20 p.m., Chair Wooten reconvened the Board meeting in its regular session and announced that several items were discussed in Executive Session but no actions were taken in Executive Session. He then asked Regent Poitevint to make a motion regarding the presidency at Bainbridge College.

As Chair of the Special Regents' Committee for the Bainbridge College Presidential Search, Regent Poitevint made a motion that Dr. Thomas A. Wilkerson be appointed the new President of Bainbridge College, effective July 1, 2005. Dr. Wilkerson is currently Vice President for Academic Affairs at Spartanburg Methodist College. He has a long-standing affiliation with the University System of Georgia from 1968 to 1997. He served as Vice President for Academic Affairs at South Georgia College in Douglas from 1984 to 1997. He served as Chair of the Division of Humanities and on the faculty of Dalton State College. Before that, he was at Middle Georgia College in Cochran. He is a product of the University System of Georgia with a Bachelor of Science in Education from Georgia Southern University as well as a Master's of Fine Arts in Speech and Drama and a Doctorate in Speech Education from the University of Georgia. Because of Dr. Wilkerson's demonstrated experience and leadership, Regent Poitevint said that she was delighted to make this motion. The motion was seconded by Regent Rodwell and unanimously approved.

Chair Wooten next asked for a motion to renew the contract for Chancellor Thomas C. Meredith. Regent Coles made the motion, which was variously seconded and unanimously approved.

Chair Wooten then announced the formation of a new Special Regents' Committee for the Presidential Search for the new state college in Gwinnett County. He asked Regent Tucker to chair that Committee and Regents Carter and Pittard to serve on the Committee as well.

UNFINISHED BUSINESS

Chair Wooten called upon Regent Harris for the report of the Nominating Committee on recommendations for the fiscal year 2006 Chair and Vice Chair. He noted that Regents Cleveland, NeSmith, and Poitevint had also served on this year's Nominating Committee.

Regent Harris stated that the Committee recommended that Vice Chair J. Timothy Shelnut be elected as Chair of the Board of Regents and that Regent Patrick S. Pittard be elected as Vice Chair. On behalf of the Nominating Committee, Regent Harris submitted these recommendations for action at the June 2005 meeting of the Board of Regents.

Chair Wooten thanked Regents Harris, Cleveland, NeSmith, and Poitevint for serving on the Nominating Committee and making these recommendations. He noted that the Board would vote on these recommendations and any other nominations at its June 2005 meeting.

NEW BUSINESS

Chancellor Meredith reported that President Betty L. Siegel had announced her retirement at the end of this fiscal year. He commended her service to Kennesaw State University and the University System of Georgia.

Chair Wooten appointed Regent Coles to chair the Special Regents' Committee for the Kennesaw State University Presidential Search. He asked Regents Harris and Jolly to also serve on this Committee.

Chair Wooten thanked Regent and Mrs. Coles for their hospitality the previous night at a dinner they hosted for the Regents.

PETITIONS AND COMMUNICATIONS

Secretary Gail S. Weber announced that the next Board meeting would take place on Tuesday, June 7, and Wednesday, June 8, 2005, in the Board Room in Atlanta, Georgia. She reminded the Regents that the presidents would be proposing capital outlay projects at the June 2005 meeting and that the Regents must be in attendance to vote on these projects.

Chair Wooten thanked Regents for their hard work at this meeting.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at approximately 12:30 p.m. on May 18, 2005.

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

s/ _____
Joel O. Wooten, Jr.
Chair, Board of Regents
University System of Georgia