

**MINUTES OF THE MEETING OF THE  
BOARD OF REGENTS OF THE UNIVERSITY SYSTEM OF GEORGIA  
HELD AT  
Abraham Baldwin Agricultural College  
Tifton, Georgia  
October 8 and 9, 2002**

**CALL TO ORDER**

The Board of Regents of the University System of Georgia met on Tuesday, October 8 and Wednesday, October 9, 2002, in Cordell Conference Room A of the Carlton Center on the campus of Abraham Baldwin Agricultural College. The Chair of the Board, Regent Joe Frank Harris, called the meeting to order at 1:00 p.m. on Tuesday, October 8. Present on Tuesday, in addition to Chair Harris, were Vice Chair James D. Yancey and Regents Hugh A. Carter, Jr., Connie Cater, William H. Cleveland, Michael J. Coles, George M. D. (John) Hunt III, Donald M. Leebern, Jr., Allene H. Magill, Elridge W. McMillan, Martin W. NeSmith, Wanda Yancey Rodwell, Glenn S. White, and Joel O. Wooten, Jr.

Chair Harris thanked President Michael F. Vollmer for inviting the Board of Regents to the campus of Abraham Baldwin Agricultural College for this meeting. He remarked that it was also a pleasure to be in the home community of Regent and Mrs. Hunt. He thanked them for their hospitality.

Chair Harris recognized Senator Rooney L. Bowen of Cordele (District 13) and Representative Newt Hudson of Rochelle (District 156). He thanked them for their support.

**ATTENDANCE REPORT**

The attendance report was read on Tuesday, October 8 by Secretary Gail S. Weber, who announced that Regents Hilton H. Howell, Jr. and J. Timothy Shelnut 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 September 10 and 11, 2002, were unanimously approved as distributed.

## **PRESENTATION ON ABRAHAM BALDWIN AGRICULTURAL COLLEGE**

Chair Harris called upon President Michael F. Vollmer to make a special presentation to the Board.

President Vollmer said that at this Board meeting, the Regents would meet students and see the results of the Board's investments in programs and facilities at Abraham Baldwin Agricultural College ("ABAC"). President Vollmer noted that about 28% of ABAC students are studying agriculture-related disciplines. All of ABAC's areas of focus are growing except nursing, which is nonetheless experiencing a remarkable turnaround. ABAC's students come from 146 of Georgia's 159 counties and from over 20 countries and 19 states. ABAC is now more diverse than ever. In 2001, 3% of the student body was Hispanic. However, that number has increased this year because of two programs on campus. In one program, students of migrant laborers can earn a high school equivalency diploma. In the second program, they can earn a college degree. The federal government funds both of these programs, and right now, 60 students from migrant families are enrolled in each of these programs.

Next, President Vollmer discussed the ABAC's efforts to meet the Board's strategic planning goals. The Board's first goal is to develop graduates with defined skills and knowledge, and this is ABAC's primary objective, both in college and in real life. Technology is available to all students, and the Regents would momentarily have a demonstration on new personal digital assistants ("PDAs") that the Board funded last year for all full-time teaching faculty and over 100 students to see the impact this will have on learning. Model technology classrooms equipped with projectors and computers have been established in all classroom buildings, and learning labs enable instructors to teach in real-life situations. For example, ABAC has a golf course on which students study turf grass, horticulture, wildlife, and forestry. The pedestrian mall showcases all varieties of Georgia plants and is also a learning lab.

President Vollmer then discussed the Board's second goal of increasing participation by increasing access. At the Board's August 2002 meeting, it authorized Valdosta State University to establish its existing major in Early Childhood Education under the Bachelor of Science in Education as an external degree at ABAC. Currently, 40 nontraditional students are enrolled in this program at ABAC. Macon State College offers a Bachelor of Science in Information Technology program at ABAC, in which about 20 students are currently enrolled. In August 2002, the Board authorized the University of Georgia ("UGA") to establish the major in Agriscience and Environmental Systems under the existing Bachelor of Science in Agriculture on its Tifton campus. The program will begin in fall 2003 and will be the only degree of its type in the Southeast. With the establishment of this program, ABAC hopes to attract students from throughout the Southeast. Additionally, Albany State University offers a Master of Business Administration at ABAC, and Georgia Southwestern State University offers a Bachelor of Science in Business Administration.

Academic productivity and success are at the heart of the Board's fourth goal, said President Vollmer. In spring 2000, the results of the Criterion-Reference Competency Tests for eighth grade students in mathematics showed that 48% of students did not have basic math skills. Those students are now in the tenth and eleventh grade, and they will soon be headed to the University System of Georgia. About one-third of students coming to schools like ABAC will need some kind of learning support in math, English, or reading. ABAC retains about 61% of the full-time students in their sophomore year; 67% stay within the University System. There are two major items President Vollmer said should be addressed at ABAC and at the two-year college level: study skills and time management. ABAC is experimenting with creating a learning-living environment. This year, about 30 men, 30 women, and 30 honor students are taking common courses, living in common areas, and experiencing common academic support. The progress of these students will be monitored to see if this makes an impact on their success.

Economic development is the Board's fifth strategic goal, noted President Vollmer. He noted that through the Intellectual Capital Partnership Program ("ICAPP<sup>®</sup>") Health Care Professionals Initiative, ABAC has established a fast-track nursing program. Through this program, a licensed practicing nurse or a paramedic can become a registered nurse in one year. UGA's Technology Development Center is just across the street from ABAC. Because of its One Georgia grant, it will be an incubator for new businesses. Agribusiness in particular needs more four-year graduates. ABAC hopes to partner with UGA and the community to focus on technology industries, agribusinesses, and government offices. The idea is to keep graduates from moving north after they graduate.

The Board's seventh goal relates to seeking most effective business practices. President Vollmer said that the core mission of the University System of Georgia is academics, so in order to focus on also running the campus, more institutions like ABAC will be contracting for support services, such as food service, custodial services, and landscaping. Secondly, ABAC intends to provide a new level of student services. Soon, the college will open a one-stop office for students where they can go for admissions information, to register, and to apply for financial aid. Moreover, the Board has given ABAC approval to move forward with privatized student housing. President Vollmer stressed that ABAC is first and foremost about academics.

With regard to the goal of providing superior facilities, President Vollmer expressed his sincere appreciation for the support the Regents have given ABAC, a campus approaching 100 years of age. The Board has granted \$1 million in renovation funds for Howard Auditorium, will reopen in August 2003. The Board has also made an investment in Tift, Herring, and Lewis Halls, which constitute the original campus built in 1908. At this time, Tift Hall is the only building in operational condition, but the Regents' funding will help revitalize these facilities. President Vollmer noted that ABAC's enrollment has grown to over 3,000 students. In response to that growth, ABAC has opened a new athletic center thanks to a \$1 million private investment. He noted that this was a greatly appreciated community effort that provides all of the athletic teams state-of-the-art facilities. The pedestrian mall

learning lab will be completed in about 1.5 years. The \$7 million state-of-the-art agricultural sciences building, which is currently under construction, will open in January 2003. It will be able to use this new facility when UGA brings its Agriscience and Environmental Systems degree to Tifton. The Nursing program at ABAC is now delivered in a ranch home, but the Board has approved a \$5 million 19,000-square-foot health sciences building will greatly improve this situation. Finally, President Vollmer thanked the Board for helping ABAC seek a new way of housing students. There are 800 students living on campus at ABAC, and this needs to be expanded. If all goes well, new construction will be underway by next summer. In essence, the Board has allowed ABAC to make a \$45 million to \$50 million investment in its current infrastructure and new facilities, which will make a dramatic difference on campus. In about five to seven years, the campus will be a much better place to foster student learning. President Vollmer again thanked the Regents for their support and turned the floor over to Ms. Chrystle Ross, Executive Director, Office of Information Technology and Services at ABAC.

Ms. Ross explained that she would be discussing the impact that technology is having at ABAC. She thanked the Vice Chancellor for Information and Instructional Technology and Chief Information Officer, Randall A. Thursby, for the initial funding to develop the PDA project. She said that when she first learned of the opportunity to receive additional funding for PDAs, the staff decided to develop an application that would have an impact in the classroom. The staff found this with the Scantron Corp. (“Scantron”). Scantron has allowed the staff to take its classic bubble form and download it onto PDAs. A student can now download a quiz onto her PDA and beam the answers back to the instructor’s workstation, which is equipped with a small infrared device. The student receives feedback, and the instructor can get a feel for how the student is doing in the course. The staff realized that this would enable faculty to give immediate feedback, enabling them to keep better pace with students’ progress. The goal is to improve student learning by increasing feedback between the faculty and students. Faculty members who were enthusiastic about technology but were not in the field of technology were used in the pilot program. Three classes were selected: British Literature, Principles of Accounting, and American Government. The staff asked that these instructors be allowed to teach two of the same classes so that they could compare one class with the PDAs and one without. The staff requested 120 Compaq iPAQs with wireless expansion jackets and wireless network cards. These were supplied to the instructors, administrative cabinet, some information technology staff, and 75 students. At this point in time, ABAC has no hard data yet to report, but there are many excited students. They like the PDAs, and they enjoy being a part of this project. The faculty also enjoy being part of the project and working with the new technology. ABAC hopes that through outcomes assessment, instructors will be able to compare their results and see that the ease of getting feedback to both the students and instructors will have made a difference in the classroom. Results will be available at the end of the semester, and then, ABAC hopes to expand the project. Currently, College Algebra students are required to purchase a Texas Instruments (“TI”) graphing calculator that costs about \$120 and typically ends up in a drawer after the class is over. ABAC would rather have students purchase a PDA somewhere within the same price range. ABAC has found software for the PDA that is comparable to the TI calculator. While

the application is not perfect, it better suits ABAC's interests, and therefore, ABAC has become a beta testing site for this software. By fall 2003, it is quite possible that ABAC will migrate to the PDAs for not only College Algebra, but for many other courses as well.

Ms. Ross noted that all of the Regents had been given PDAs to use during their visit to ABAC. Each PDA has seven e-books, slides for art classes, voice recording capabilities for foreign language classes, and many other applications. The goal of the program is to put the technology into the hands of the students. At the time of purchase, ABAC was the only institution in the University System of Georgia using the Scantron technology, and this too could be advanced. Ms. Ross explained that at this time, each Regent would be assisted by a student ambassador to take a simulated quiz on his/her PDA via the ABAC Web site.

The Regents took the quiz with the students' assistance.

During the quiz, Regent Leebern asked Ms. Ross whether students could use their textbooks to help them with the quizzes.

Ms. Ross responded that they could. The point of using the PDAs is to give the students more practice and allow the instructors to follow the students' progress. It does not mean they will no longer have in-class examinations.

After the quiz, Ms. Ross said that she hoped the Regents could see how easily faculty and students can exchange feedback using PDAs. However, she stressed that many hours went into this exercise, from researching which PDAs to purchase to implementing a secure network to training. All of the time was well spent, and the faculty, staff, and students at ABAC are excited about the program and its expansion. She said that the staff had put a great deal of information on the PDAs just for the Regents, including their bios, the history of ABAC, a video clip of President and Mrs. Vollmer from last year's Faculty-Staff Appreciation Day, and an article from *The Chronicle of Higher Education* about the use of PDAs in higher education. The article mentions institutions like Stanford University, Brigham Young University, and several other great institutions that are requiring entering freshmen to come to college with PDAs. She told the Regents to explore the PDAs to see why ABAC is so excited about them. She said that she and her staff would retrieve the PDAs at the following day's meeting of the full Board.

At 1:40 p.m., Chair Harris thanked President Vollmer and Ms. Ross for this presentation and adjourned the Board into its regular Committee meetings.

### **CALL TO ORDER**

The Board of Regents of the University System of Georgia met again on Wednesday, October 9, 2002, in Cordell Conference Room A of the Carlton Center on the campus of Abraham Baldwin

Agricultural College. The Chair of the Board, Regent Joe Frank Harris, called the meeting to order at 9:00 a.m. Present on Wednesday, in addition to Chair Harris, were Vice Chair James D. Yancey and Regents Hugh A. Carter, Jr., Connie Cater, William H. Cleveland, Michael J. Coles, George M. D. (John) Hunt III, Donald M. Leebern, Jr., Allene H. Magill, Elridge W. McMillan, Martin W. NeSmith, Wanda Yancey Rodwell, Glenn S. White, and Joel O. Wooten, Jr.

Chair Harris thanked Regent and Mrs. Hunt for their hospitality the previous evening.

Regent Hunt said that they had enjoyed having the Regents and others to their home and thanked them for coming.

Chair Harris said that the Regents had enjoyed their stay in Tifton and their visit to Abraham Baldwin Agricultural College (“ABAC”).

### **INVOCATION**

The invocation was given on Wednesday, October 9 by Regent Hunt.

Following the invocation, Regent Hunt thanked the people at ABAC who had helped with the event at his home. He also thanked Jack and Ann Stone, members of the Abraham Baldwin Agricultural College Foundation, Inc. Board of Trustees, and B.J. Smith, Director of ABAC ARAMARK Food Services, for her catering services, as well as his staff, who helped prepare for the event.

Chair Harris echoed Regent Hunt’s remarks of appreciation. He noted that Regents Emeriti were present at this Board meeting.

### **ATTENDANCE REPORT**

The attendance report was read on Wednesday, October 9 by Secretary Gail S. Weber, who announced that Regents Hilton H. Howell, Jr. and J. Timothy Shelnut had asked for and been given permission to be absent on that day.

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

The Committee on Information and Instructional Technology met on Tuesday, October 8, 2002, at approximately 11:00 a.m. in room 221 of the Carlton Center on the campus of Abraham Baldwin Agricultural College. Committee members in attendance were Chair Michael J. Coles, Vice Chair Hugh A. Carter, Jr., and Regents Allene H. Magill, Martin W. NeSmith, Wanda Yancey Rodwell, and Glenn S. White. Regents George M. D. (John) Hunt and Joel O. Wooten and Chancellor Thomas C. Meredith were also in attendance. Chair Coles reported to the full Board on Wednesday that the

Committee had reviewed four items, one of which required action. With motion properly made, seconded, and unanimously adopted, the Board approved and authorized the following:

**1. Overview of Committee Activities for Fiscal Year 2003**

The Vice Chancellor for Information and Instructional Technology and Chief Information Officer, Randall A. Thursby, reviewed the role and responsibilities of the Committee and the Committee's goals and upcoming activities for fiscal year 2003. After discussion of many goals and activities, Mr. Thursby asked that Committee members suggest which ones they prefer and recommend others. He indicated that a meeting with Committee Chair Coles has been scheduled to finalize topics for future meetings.

**2. First Year Action Plans for Information and Instructional Technology Strategic Plan, "Learning Without Limits"**

At the August 2002 meeting of the Committee, the Vice Chancellor for Information and Instructional Technology and Chief Information Officer, Randall A. Thursby, and the Executive Director for Strategic Planning and Policy Development, Thomas L. Maier, presented a draft set of action items and a proposed ongoing management structure for the Committee's review and discussion. At this meeting, Mr. Thursby described in more detail the specific action plans that are underway, including status reports on activities since August and those for the rest of fiscal year 2003. He discussed System projects underway, including the information technology audit function, portal development, deployment analysis, business services best practices, and the creation of a data warehouse development, which has made the USG By The Numbers Web site possible. He indicated that the Committee would receive periodic updates on all major projects underway during this first year.

**3. Discussion Regarding Extension of Special Human Resources Policies for Information Technology Professionals**

The Vice Chancellor for Information and Instructional Technology and Chief Information Officer, Randall A. Thursby, discussed the Board's existing special human resources policy for information technology professionals, which will soon be up for renewal.

Mr. Thursby noted that while there have been improvements in a number of staffing areas, both national and University System data indicate a continuing concern for the retention and recruitment of staff in several key areas. He asked the Committee for its guidance whether to proceed with a request for reauthorization of the special human resources policy. Such a request for another year must be submitted to the Committee on Finance and Business Operations for action at the November 2002 meeting of the Board.

**4. Recommendation to the Committee on Real Estate and Facilities Regarding Rental Agreement, Athens, Georgia, Office of Information and Instructional Technology/ Gainesville College**

Approved: The Committee on Information and Instructional Technology recommended to the Committee on Real Estate and Facilities that it table the approval of the lease with The University Funding Foundation (“T.U.F.F.”) for improved space in the former Wal-Mart store in Athens for use by the Office of Information and Instructional Technology (“OIIT”) to permit further exploration of this agreement or an alternative solution. Furthermore, recognizing the critical and time-sensitive need for space for both OIIT and Gainesville College (“GVC”), the Committee directed the Chancellor and University System Office staff to develop a more suitable solution for submission to the Board at the earliest opportunity.

Regent George M. D. (John) Hunt III, Chair of the Committee on Real Estate and Facilities, and Regent Joel O. Wooten, also representing that Committee, were in attendance at this meeting. President Martha T. Nesbitt from GVC and Chancellor Thomas C. Meredith were also in attendance.

The Senior Vice Chancellor for Academics and Fiscal Affairs, Daniel S. Papp, discussed the issues pertaining to OIIT’s Athens location and asked that the Committee support approval of the rental agreement as a solution for both OIIT’s critical need and the needs of GVC. After thorough discussion, the Committee made and approved the above-referenced motion.

**COMMITTEE ON FINANCE AND BUSINESS OPERATIONS**

The Committee on Finance and Business Operations met on Tuesday, October 8, 2002, at approximately 1:50 p.m. in Cordell Conference Room A of the Carlton Center on the campus of Abraham Baldwin Agricultural College. Committee members in attendance were Vice Chair Glenn S. White and Regents Connie Cater, Michael J. Coles, George M. D. (John) Hunt III, Donald M. Leebern, Jr., Martin W. NeSmith, Joel O. Wooten, Jr., and James D. Yancey. Vice Chair White reported to the Board on Wednesday that the Committee had reviewed six items, all of which required action. With motion properly made, seconded, and unanimously adopted, the Board approved and authorized the following:

**1. Approval of Change in Loft Agreement for Georgia State University**

Approved: The Board approved the removal of restrictions on the interest earnings of the quasi-endowment established from the sale of the former official residence of the President of Georgia State University.

Background: At its December 10 and 11, 1996 meeting, the Board of Regents approved the sale of



the president's house on the condition that the proceeds of the sale be invested in a quasi-endowment with the resulting interest earnings to be used to cover the cost of the lease at the Lofts at Muse's. The principal was to be retained for acquisition of a presidential residence in the future. The Lofts at Muse's was then the residence of the president. Subsequently, the president's contract was amended to include a housing supplement from the interest earnings. Since the university is no longer leasing space at the Lofts at Muse's, it recommended that the interest earnings from the quasi-endowment be used for other university needs in addition to the housing supplement. The principal will continue to be retained in the event a presidential residence is required.

## **2. Approval of Capital Projects for the Georgia Public Library Service**

Approved: The Board approved the capital projects list from the Georgia Public Library Service ("GPLS") as an amendment to the fiscal year 2004 budget request. In all, 12 public library projects totaling \$16.5 million in state funds are recommended. A list of capital projects is on file with the Office of Fiscal Affairs.

Background: Between 1978 and 1996, 195 public library capital outlay projects received state assistance for either a new building or an addition/renovation. These projects were located in 143 counties in Georgia and have substantially improved the quality of the facilities and services at these locations. Substantial changes in technology have required changes in the physical environment needed to support services. A 1999 study entitled Statewide Library Facility Needs Analysis: A GIS-Based Approach, prepared by the Georgia Tech Research Corporation determined that 93 counties did not meet the state's minimum space standard and that this number could rise to 104 by 2008.

Library system boards and local communities and governing bodies hold title to the facilities and contribute significantly toward the cost of the projects. Total estimated costs are split such that state funds provide 90% of the first \$500,000 and 66.6% of the remaining costs, up to a maximum of \$2 million in state funds. Local funds provide the rest of the funding for the projects. Total projected costs of these recommended projects are \$29,511,140.

The ranking of projects is based on weights assigned to several factors, including population changes between 1990 and 2000 census, job tax credit, fiscal capacity index, projects funded with Special Purpose Local Option Sales Tax ("SPLOST") funds, GPLS rule priority, space standard rules, and previous receipt of state capital outlay grants.

## **3. Approval of Revisions to Section 802.0902 of The Policy Manual**

Approved: The Board approved the revisions to Section 802.0902 of The Policy Manual, as presented below.

Modified: This item was modified for clarity prior to the Board meeting. Modifications are in bold text.

Background: During the past year, a committee comprised of various University System personnel has worked to modify some of the Board's personnel policies that have not been changed in decades. The following policy changes represent a portion of the work that has been performed by the committee up to the present time. The committee's work has been based upon broad input from across the University System and upon careful analyses of the fiscal impact upon individuals and institutions. These changes to The Policy Manual should assist the System in achieving various strategic goals.

In 1990, the Georgia General Assembly and the Board of Regents granted approval for the creation and implementation of the Regents Optional Retirement Plan ("ORP"). As presently written, Section 802.09 Permissive Retirement Age for Employees states that "all employees of the University System of Georgia subject to the provisions of the Teachers Retirement System of Georgia are subject also to the rules, regulations, and policies of the Teachers Retirement System regarding permissive retirement."

A number of University System employees who elected to participate in the ORP in the early 1990s are approaching retirement. With regard to eligibility for retirement, the current Board policy does not address the participation of a University System of Georgia employee in ORP.

The University System of Georgia employs individuals who may have previously worked for another state agency (e.g.; the Georgia Department of Transportation). Such an individual may have elected to maintain his/her participation in the **state's** Employees Retirement System ("ERS") while working for the University System of Georgia. With regard to eligibility for retirement, the former Board policy did not address the participation of a University System of Georgia employee in ERS.

**The new policy provides written documentation and clarification of the operational guidelines and protocol that are currently followed when an employee retires from a University System of Georgia institution. The new policy will be consistently applied, regardless of the retirement plan option elected by a University System of Georgia employee (Teachers Retirement System of Georgia, ORP, ERS).**

**If an employee elected to participate in the Teachers Retirement System of Georgia ("TRSGA") or in ERS, he/she has been permitted to receive creditable service for retirement purposes from sources other than number of years of active employment (e.g.; the ability to apply unused sick leave toward creditable years of service). That will not change under the new policy.**

**If an employee elected to participate in the TRSGA or in the ERS, he/she has been permitted**

**to retire after 25 years of benefited service to the University System of Georgia. If an individual decided to retire with 25 years of benefited service, prior to attaining age 60, he/she incurred a pension benefit penalty. That will not change under the new policy.**

**If an employee elected to participate in the ORP, he/she became immediately vested. An ORP participant has not been permitted to receive any additional sources of creditable service that may be applied to his/her pension benefit (e.g.; an ORP participant does not have the ability to apply unused sick leave toward his/her pension benefit). That will not change under the new policy.**

**In summary, the new policy does not add, nor delete, any retirement pension benefit that has been committed to a current University System of Georgia employee.**

As an additional important feature of the new policy, it limits the continuing and future fiscal exposure of the Board in terms of the escalating healthcare costs associated with taking health insurance into retirement.

As previously written, Section 802.1004 Retired Employees Insurance stated that “an individual may take health insurance into retirement if he/she has ten years of continuous service to the State of Georgia, of which the final two years of such continuous service must have been to the University System of Georgia.” A revision to section 802.1004 was included also on the agenda for this month. (See Item 5.)

To demonstrate the fiscal impact of Section 802.1004, consider an employee who is employed by the University System of Georgia after he/she has worked with another State of Georgia agency for 28 consecutive years. After working continuously with the University System of Georgia for two continuous years, that individual would previously have been eligible to retire and to take University System of Georgia health insurance into retirement. Such an employee would have received health insurance benefits during his/her retirement from the University System of Georgia, while having provided 93% of his/her years of creditable service to another State of Georgia agency.

Conversely, if an employee of the University System of Georgia were to be employed by another State of Georgia agency, he/she would have to have worked for the state for ten years to take the other state agency's health insurance benefits into retirement.

This new policy conveys that the eligibility criteria for retirement from the University System of Georgia will be consistent, regardless of the retirement plan option – TRSGA, ORP, or ERS – elected by a University System of Georgia employee. This policy provides a standardized definition for a University System of Georgia retiree.

Former Policy

~~802.0902 — PERMISSIVE RETIREMENT AGE FOR EMPLOYEES~~

~~All employees of the University System of Georgia subject to the provisions of the Teachers Retirement System of Georgia are subject also to the rules, regulations and policies of the Teachers Retirement System regarding permissive retirement.~~

Revised Policy

**802.0902 DEFINITION OF A UNIVERSITY SYSTEM OF GEORGIA RETIREE/  
ELIGIBILITY FOR RETIREMENT**

(A) Effective November 1, 2002, to be eligible for retirement from the University System of Georgia, an employee must meet one of the following four conditions at the time of his/her separation from employment, regardless of the retirement plan elected by the employee:

1. An employee must have been employed by the University System of Georgia for the last 10 years in a regular, benefited position and have attained age 60; or
2. An employee must have at least 25 total years of **benefited service** established with a **State of Georgia sponsored retirement plan**, of which the last 5 years of employment must have been continuous and with the University System of Georgia.

**An early pension benefit penalty will apply to an individual who elects to participate in the Teachers Retirement System of Georgia, or in the Employees Retirement System, if he/she decides to retire with between 25 and 30 years of benefited service, prior to attaining age 60; or**

3. An employee must have at least 30 total years of **benefited service** established with a **State of Georgia sponsored retirement plan**, of which the last 5 years must have been continuous and with the University System; or
4. An employee must be deemed to be totally and permanently disabled, as documented through the receipt of disability benefits from Social Security or from the Teachers Retirement System of Georgia, following 9.5 years of continuous service to the University System in a regular, benefited position.

(B) An individual who has retired from another **State of Georgia** sponsored retirement plan may not count such retirement service toward meeting the eligibility criteria for retirement from the University System of Georgia.

#### **4. Approval of Addition of Section 802.0904 to The Policy Manual**

Approved: The Board approved the addition of Section 802.0904 Career Employee to The Policy Manual, as presented below.

Modified: This item was modified for clarity prior to the Board meeting. Modifications are in bold text.

Background: Within Section 802.1004 of The Policy Manual Retired Employees Insurance there is an initial reference to the term career employee. However, the term was never defined within The Policy Manual.

Section 802.1004 commits the University System of Georgia to continue to pay its portion of the cost of group insurance for a retired career employee and further provides that “nothing in this statement of policy shall be interpreted to reduce the benefit committed to existing career employees.”

Under the previous Section 802.1004, an individual would have been eligible to continue his/her health insurance benefits into retirement with as little as two years of continuous service to the University System of Georgia. The new policy will not diminish the level of benefits that were originally committed by the Board of Regents to the employees of the University System of Georgia in 1997.

The new policy establishes a clear definition for the term career employee for retirement eligibility purposes. It further provides that “an individual who has retired from other **State of Georgia** sponsored retirement plan may not count such retirement service toward meeting the criteria for being a career employee.” This would be true regardless whether a former state employee worked for another **State of Georgia** agency or for a **State of Georgia** local/county public board of education. This element of the new policy ensures that the ability to take University System of Georgia health insurance into retirement is more closely aligned and associated with service to the University System of Georgia.

**In addition, the new policy does not add, nor delete, any retirement pension benefit that has been committed to a current University System of Georgia employee.**

#### **New Policy**

#### **802.0904 CAREER EMPLOYEE**

A University System of Georgia employee who is employed prior to November 1, 2002, and who

has had a break in service shall be eligible to retire as a career employee provided that on the date of his/her separation from employment:

1. He/she has attained age 60 and he/she has a minimum of 10 years of benefited service established with a **State of Georgia** sponsored retirement plan. The last two years of employment with the University System of Georgia must have been served consecutively;  
or
2. He/she has a total of 25 years of benefited service established with a **State of Georgia** sponsored retirement plan, regardless of age. The last two years of employment with the University System of Georgia must have been served consecutively.

A **State of Georgia** employee who became an employee of the University System of Georgia prior to November 1, 2002, and who remains as a current University System employee, shall be eligible to retire as a career employee provided that on the date of his/her separation from employment:

1. He/she has attained age 60 and he/she has a minimum of 10 years of continuous benefited service established with a **State of Georgia** sponsored retirement plan. The last two years of employment with the University System of Georgia must have been served consecutively;  
or
2. He/she has a total of 25 years of benefited service established with a **State of Georgia** sponsored retirement plan, regardless of age. The last two years of employment with the University System of Georgia must have been served consecutively.

A state employee who is employed by the University System of Georgia, a previous University System of Georgia employee who is rehired by the System, or a new hire of the University System of Georgia after October 31, 2002, shall not be entitled to career employee status and must otherwise meet the definition of a retiree as set forth in Section 802.0902 to be eligible for benefits continuation into retirement.

An individual, who has retired from another **State of Georgia** sponsored retirement plan may not count such retirement service toward meeting the criteria for being a career employee.

## **5. Approval of Revisions to Section 802.1004 of The Policy Manual**

**Approved:** The Board approved the revisions to Section 802.1004 of The Policy Manual, as presented below.

**Background:** These changes are consistent with the revisions to The Policy Manual in Item 4 of the agenda.

**Former Policy**

**~~Section 802.1004 — RETIRED EMPLOYEES INSURANCE~~**

~~Employees of the University System who immediately retire from the University System under the criteria established by the Teachers Retirement System (even though they may not be members of the Teachers Retirement System) shall remain eligible to continue as members of the basic and dependent group life insurance and health benefits plans. In order to qualify for this benefit, the employee must have ten (10) years of continuous service to the State of Georgia of which the final two (2) years of such continuous service must have been to the University System of Georgia.~~

~~The University System shall continue to pay its portion of the cost of group insurance for retired career employees. Nothing in this statement of policy shall be interpreted to reduce the benefit committed to existing career employees (BR Minutes, October 1997).~~

**New Policy**

**Section 802.1004 BENEFITS CONTINUATION INTO RETIREMENT**

A University System of Georgia retiree or career employee who upon his/her separation of employment from the University System of Georgia meets the criteria for retirement as set forth in Section 802.0902 Definition of a Retiree/Eligibility for Retirement or Section 802.0904 Career Employee shall remain eligible to continue as a member of the basic and dependent group life insurance and health benefits plans. The University System shall continue to pay the employer's portion of the cost for such benefits.

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

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

<u>Company</u>	<u>Value</u>	<u>Item</u>	<u>Department</u>
Intel Corporation	\$119,332	Various Intel Computer Equipment	School of Electrical & Computer Engineering

Background: Equipment donated by Intel includes 30 minitower systems, one server, and various support components. Board policy requires that any gift to a University System of Georgia institution with an initial value greater than \$100,000 be accepted by the Board of Regents. GIT advised that there are no material future costs associated with the acceptance of these gifts.

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

The Committee on Real Estate and Facilities met on Tuesday, October 8, 2002, at approximately 2:10 p.m. in Cordell Conference Room A of the Carlton Center on the campus of Abraham Baldwin Agricultural College. Committee members in attendance were Chair George M. D. (John) Hunt III, Vice Chair Martin W. NeSmith, and Regents Connie Cater, Michael J. Coles, Donald M. Leebern, Jr., Glenn S. White, Joel O. Wooten, and James D. Yancey. Chair Hunt reported to the Board on Wednesday that the Committee had reviewed eight items, six of which required action. With motion properly made, seconded, and unanimously adopted, the Board approved and authorized the following:

1. **Authorization of Project, "Recreation Center Addition to Physical Education Building," Kennesaw State University**

Approved: The Board authorized Project "Recreation Center Addition to Physical Education Building," Kennesaw State University ("KSU"), with a total budget of \$2,500,000 using accumulated student fees.

Understandings: The project will provide an approximate 15,000-gross-square-foot addition to the Physical Education ("PE") building. The Recreation Center will be a two-story facility located north of the PE building and connected to it by a covered walkway.

Student success programs will occupy the new recreation center, which will provide space for student amenities, including a student fitness facility, a wellness suite, and administrative offices.

The construction cost is estimated at \$1,900,000.

The Recreation Center is consistent with KSU's master plan.

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

2. **Rental Agreement, Athens, Georgia, Office of Information and Instructional Technology/Gainesville College**

Tabled: Upon recommendation from the Committee on Information and Instructional Technology, the Committee tabled this item, pertaining to the execution of a subrental agreement between The University Financing Foundation ("TUFF"), Sublandlord, and the Board of Regents, Subtenant, covering approximately 110,580 square feet of space at Perimeter Square Shopping Center, Athens, Georgia, for the period commencing when TUFF obtains a certificate of occupancy for the improvements and ending the following June 30 at a monthly rent of \$122,145.10 (\$1,465,741 per



year/\$13.26 per square foot per year) with options to renew on a year-to-year basis for 16 consecutive one-year periods with rent increasing no more than 1.8% per year except for option year 8 when rent increases 8.6% and option year 13 when rent increases 3.2% because of rent increases to TUFF from the Landlord, for the use and benefit of the Board of Regents Office of Information and Instructional Technology (“OIIT”) and Gainesville College (“GVC”).

It was also recommended that the terms of the above-referenced rental agreement be subject to review and legal approval of the Office of the Attorney General.

Understandings: OIIT has been occupying space in Athens since 1994 and currently is in 30,120 square feet of space in two adjacent buildings. The capacity at this location is no longer adequate to serve OIIT’s needs.

GVC has been utilizing facilities of Piedmont College in Athens. Record enrollment has necessitated the additional short-term rental of an adjacent building. The Piedmont College facilities are no longer available for GVC’s Athens instructional site.

This rental agreement would provide approximately 80,000 square feet for use by OIIT and approximately 30,580 square feet for use by GVC.

Operating expenses are estimated to be \$383,160 per year.

### **3. Lease for Housing, State University of West Georgia**

Approved: The Board declared approximately 3.274 acres of real property located on the campus of State University of West Georgia (“UWG”), Carrollton, Georgia, no longer advantageously useful to UWG or other units of the University System of Georgia but only to the extent and for the purpose of allowing this real property to be leased to State University of West Georgia Housing Foundation, LLC (the “Foundation”) for the purpose of constructing and owning student housing for UWG.

The Board authorized the execution of a lease agreement between the Board of Regents, Lessor, and the Foundation, Lessee, for the above-referenced approximately 3.274 acres of real property on the campus of UWG, Carrollton, Georgia, for a period up to 27 years (including up to a two-year construction period) for the purpose of constructing and owning student housing.

The Board also authorized the execution of a rental agreement between the Foundation, Landlord, and the Board of Regents, Tenant, for 612 student housing beds for the period commencing on the first day of the first month after Foundation obtains a certificate of occupancy for the improvements and ending the following June 30 with options to renew on a year-to-year basis for up to 25 consecutive one-year periods. The annual rent shall be equal to the fair market rent for the

improvements, such amount to be determined in the sole discretion of the Board of Regents, and such amount to be not less than a base amount of \$832,528 per year which base amount shall be increased 3% per year for each option period.

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

The Board declared Pritchard Hall at UWG to be no longer advantageously useful to UWG or other units of the University System of Georgia and authorize the demolition and removal of this building.

The Board requested the Governor to issue an Executive Order authorizing the demolition and removal of Pritchard Hall from the campus of UWG.

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

In May 2001, President Beheruz N. Sethna presented to the Committee an information item regarding UWG's need to obtain new student housing through a privatization process.

The first phase of the UWG plan will provide 612 suite-style student beds. To provide this housing, Pritchard Hall, a 240-bed, 1966 vintage building beyond cost-effective renovation, will be demolished after the housing units are constructed.

#### **4. Authorization of Modification to Ground Lease and Rental Agreement for Dining Hall, University of Georgia**

Approved: The Board modified its May 2002 authorization to execute a lease agreement between Board of Regents, Lessor, and the UGAREF East Campus Housing, LLC (the "LLC"), Lessee, for the purpose of constructing and owning a dining hall, as follows:

- Delete the option to renew for a period up to five years
- Reduce square footage from 69,270 gross square feet to 56,534 gross square feet.

The Board modified its May 2002 authorization to execute a rental agreement between the LLC, Landlord, and the Board of Regents, Tenant, for the purpose of renting a dining hall, as follows:

- Revise the end date of initial period from June 30, 2004, to June 30, 2005.
- Reduce the square footage from 69,270 gross square feet to 56,534 gross square feet.
- Revise the initial monthly rent from \$108,333.33 (\$1,300,000 per year/\$18.77 per square foot per year) to \$111,166.67 (\$1,334,000 per year/\$23.60 per square foot per year).

**5. Rental Agreement, East Campus Housing and Modification to Ground Lease for Housing, University of Georgia**

Approved: The Board authorized the execution of a rental agreement between UGAREF East Campus Housing, LLC (the “LLC”), Landlord, and the Board of Regents, Tenant, for 1,200 student housing beds, known as the East Campus Housing Village, for the period commencing on the first day of the first month after the LLC obtains a certificate of occupancy for the improvements and ending June 30, 2005, at a monthly rent of \$453,333.33 (\$5,440,000 per year), with option to renew on a year-to-year basis for 29 consecutive one-year periods at the same rent rate.

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

The Board modified its October 2001 approval and March 2002 modification authorization to a lease agreement between Board of Regents, Lessor, and the LLC, Lessee, for the purpose of constructing, renovating, and owning student housing, as follows:

- Delete the option to renew for a period up to five years.
- Further decrease the parcel size from 18.796 acres to 11.292 acres

Understandings: In October 2001 the Board approved and in March 2002 it modified a ground lease for housing on East Campus. At that time, a rental agreement was not anticipated. Subsequently, financial arrangements determined that a rental agreement would allow for fixed-rate, bond-insured financing and eliminate the credit enhancement requirement for a renewal overhang. Additionally, operation of the housing by the Department of University Housing is in the best interests of the university and its students.

Operating costs for the rental agreement, including utilities, insurance, and personnel, are estimated to be \$3,270,000 per year.

**6. Authorization of Modification to Ground Lease and Rental Agreement for Parking Deck, University of Georgia**

Approved: The Board modified its March 2002 modification to the October 2001 authorization to execute a lease agreement between Board of Regents, Lessor, and the UGAREF East Campus Housing, LLC (the “LLC”), Lessee, for the purpose of constructing and owning a student parking deck, as follows:

- Delete the option to renew for a period up to five years.
- Delete the existing 400-car surface parking lot from the ground lease.

The Board modified the May 2002 authorization to execute a rental agreement between the LLC, Lessor, and the Board of Regents, Lessee, for the purpose of renting an approximately 850-car parking deck, as follows:

- Revise the end date of initial rental period from July 31, 2003, to November 1, 2003.
- Revise initial monthly rent from \$64,583.33 (\$775,000 per year) to \$68,250 (\$819,000 per year).
- Revise the operating expenses to also include responsibility for maintenance and repairs and janitorial services at an estimated cost for all operating expenses of \$92,000 per year.

**7. Information Item: Regents Construction Inspector Program and Funding for Fast-Track Projects**

The Vice Chancellor for Facilities, Linda M. Daniels, updated the Committee on these strategic planning issues. She presented an overview of the prototype Regents Construction Inspector (“RCI”) program and various projects underway around the state along with examples of how the program is improving the quality of University System construction projects. She reported that due to the RCI program, mistakes are caught early and corrected. In addition, she noted the improvement in project schedules and attributed this to the inspectors’ ability to identify potential problems and bring them to resolution.

The fast-track portion of Ms. Daniels’ presentation included a brief overview of the traditional “design-bid-build” construction approach compared to a fast-track approach. She discussed the strengths and weaknesses of both options and the time saved by the fast-track option. She explained that the major time factor in the traditional process is the length of time it takes a project to reach the top of the priority list (approximately five years). Once a project is funded by the legislature, the time saved using the fast-track method is the period of time the design and construction phases overlap. Typically, that can range from 8 to 14 months on a major capital project. Ms. Daniels also noted that there is an additional fee of 1.5% to 2% for management of fast-track projects. However, with careful scheduling, fast-track projects can be funded in incremental stages. This program will be instrumental in maintaining the integrity of the Regents major capital projects priority list during the budget process. Ms. Daniels also presented examples of technical criteria used to select the best project candidates for fast-track funding.

**8. Information Item: Housing Plan, Georgia Institute of Technology**

The Senior Vice President for Administration and Finance, Robert K. Thompson, of the Georgia Institute of Technology (“GIT”) presented the university’s housing plan and discussed GIT’s need for quality family and graduate housing. He provided an overview of the comprehensive housing program, including undergraduate, graduate, and married/family housing, and discussed challenging issues, such as replacing and modernizing obsolete facilities, as well as expanding capacity. The long-term capital improvement plan for the Phase I - Married/Family Housing project outlined the construction of 400 new family housing apartments and up to 1,000 new parking spaces. The Phase

II - Graduate Student Housing project will construct an additional 803 beds in addition to the existing 347 existing beds and will provide an additional 1,000 parking spaces. Financing for this two-phase project will involve ground leasing Board of Regents land to Georgia Tech Facilities, Inc. (“GIT Facilities”). GIT Facilities will then finance, lease, and own the housing and parking facilities. At the end of a specified lease period, the facilities will revert to Board of Regents ownership. GIT will bring the ground lease and rental agreements for the project back to the Board for approval at a future meeting.

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

The Committee on Education, Research, and Extension met on Tuesday, October 8, 2002, at approximately 1:45 p.m. in room 221 of the Carlton Center on the campus of Abraham Baldwin Agricultural College. Committee members in attendance were Chair William H. Cleveland, Vice Chair Allene H. Magill, and Regents Hugh A. Carter, Jr., Elridge W. McMillan, and Wanda Yancey Rodwell. Board Chair Harris was also in attendance. Chair Cleveland reported to the Board that the Committee had reviewed eight items, six of which required action. Additionally, 108 regular faculty appointments were reviewed and recommended for approval. With motion properly made, seconded, and unanimously adopted, the Board approved and authorized the following:

1. **Establishment of the Bachelor of Science in Applied Biotechnology With a Major in Applied Biotechnology, University of Georgia**

Approved: The Board approved the request of President Michael F. Adams that the University of Georgia (“UGA”) be authorized to establish the Bachelor of Science in Applied Biotechnology with a major in Applied Biotechnology, effective October 9, 2002.

Abstract: UGA’s proposal to establish the Bachelor of Science in Applied Biotechnology with a major in Applied Biotechnology was developed in response to the institution’s strategic directions involving research investment and building a new learning environment. Growth in disciplines such as genomics and metabolic engineering increased the demand for biotechnology technicians with new skills and conceptual training. Biotechnologists such as molecular biology and genetic engineering have potential benefits for the environment. Graduates of such programs contribute to improved environmental quality, agriculture, and food safety.

Need: A recent report by the U.S. National Academy of Sciences’ National Research Council entitled “Workforce for the Information Economy” indicates the biotechnology industry is experiencing difficulty recruiting employees with the requisite skills. The Georgia Biotechnology Center, a division of the Georgia Research Alliance, fosters economic development in Georgia by building university-industry partnerships in biotechnology. UGA’s Selig Center for Economic Growth indicates that there are 76 biotech firms in the state with approximately 8,000 employees. *Business Facilities* magazine ranked Georgia’s biotech industry as the fifth fastest growing in the

nation. The major in applied biotechnology will provide an opportunity for UGA to play a critical role in providing the human capital needed for the biotech industry.

Objectives: The objectives of the program are to provide students with multidisciplinary training in agricultural biotechnology and advanced study in molecular biology, to provide a focus area for the application of skills and knowledge, and to provide scientific and business communities with highly skilled individuals for employment in this area.

Curriculum: Strengths of the 120-semester-hour program include a strong core of science, sufficient laboratory courses, and concentrated study in the application of biotechnology in one of the core subject areas of the College of Agricultural and Environmental Sciences.

Projected Enrollment: The institution anticipates enrollments of 25, 40, and 60 during the first three years of the program.

Funding: The institution will reallocate resources to implement the program.

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

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

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

## **3. Institutional Revised Statutes, Floyd College**

Approved: The Board approved the request of President John Randolph Pierce that Floyd College ("FC") be authorized to establish revised institutional statutes, effective October 9, 2002.

Abstract: The revision of the statutes reflects a thorough review and brings the statutes into line with current Board of Regents policies and procedures. The FC statutes were last revised and approved by the Board of Regents in April 1996. The current changes include revised sections pertaining to policies regarding faculty promotion and tenure to the ranks of Assistant Professor, Associate Professor, and Professor. These changes have been reviewed by the Office of Legal Affairs and were found to be consistent with the current organization and administrative processes at FC. The revised statutes are on file in the Office of Academics and Fiscal Affairs at the Board of Regents.

**4. Renaming of the Section of Orthopedics to Establish the Department of Orthopedics, Medical College of Georgia**

Approved: The Board approved the request of President Daniel W. Rahn that the Medical College of Georgia (“MCG”) be authorized to rename the Section of Orthopedics to establish the Department of Orthopedics, effective October 9, 2002.

Abstract: MCG requested approval for the Section of Orthopedics within the Department of Surgery to be established as the Department of Orthopedics within the School of Medicine. The faculty, residents, and support staff currently assigned to the Section of Orthopedics will transfer to the new department. MCG requested the designation of department status in order to organizationally align the Orthopedics program with similar programs at prominent medical institutions, to aid in the recruitment and retention of high-profile faculty, and to attract competitive individuals to the institution’s residency program. Because the request involved a shift in reporting from within a department to the broader domain of the School of Medicine, no costs are associated with the change. The Department of Orthopedics will have its own practice plan, staff, and faculty members.

**5. Reorganization of the School of Nursing, Medical College of Georgia**

Approved: The Board approved the request of President Daniel W. Rahn that the Medical College of Georgia (“MCG”) be authorized to reorganize its School of Nursing, effective October 9, 2002.

Abstract: MCG requested approval to reorganize its School of Nursing departmental structure. The new structure is supported by the academic unit’s faculty and better reflects how the School of Nursing currently functions. It is also consistent with a national trend to organize departments programmatically as opposed to organizing by discipline.

The reorganization is functional in design to improve educational, research, and clinical care efficacy while addressing the healthcare requirements of Georgia. The previous organizational structure was discipline based and was comprised of the departments of Adult Nursing, Parent-Child Nursing, and Community and Mental Health Nursing. The new organizational structure will consist of Nursing Anesthesia (which is currently part of Adult Nursing), Undergraduate Studies, Advanced Practice Nursing, and Nursing Science.

The School of Nursing does not foresee any adverse impacts to faculty with the implementation of these changes. Because the reorganization consists of a realignment of existing departments, no costs are associated with the change. The new chairs of Nursing Anesthesia, Undergraduate Studies, Advanced Practice Nursing, and Nursing Science will report to the associate dean for academic programs who reports to the dean.

## **6. Reorganization of the College of Health and Professional Studies, Georgia Southern University**

Approved: The Board approved the request of President Bruce Grube that Georgia Southern University (“GSOU”) be authorized to reorganize the College of Health and Professional Studies, effective October 9, 2002.

Abstract: GSOU’s request for an organizational change involving the College of Health and Professional Studies came as a result of a yearlong analysis of how the academic unit could be enhanced to remain at the forefront of several disciplines. The reorganization will allow GSOU to further develop its strategic plan and enhance opportunities to contribute to public health initiatives. GSOU’s College of Health and Professional Studies was comprised of four units: the School of Nursing, the Department of Family and Consumer Sciences, the Department of Health and Kinesiology, and the Department of Recreation and Sport Management.

The new structure consists of three units organized as the College of Health and Professional Studies: the School of Nursing, the Department of Public Health, and the Department of Hospitality, Tourism, and Family and Consumer Sciences. While the School of Nursing will continue to exist with only the addition of the Medical Technology program, the three other departments formerly located within the college (Family and Consumer Sciences, Health and Kinesiology, and Recreation and Sport Management) will be combined into the Department of Public Health and the Department of Hospitality, Tourism, and Family and Consumer Sciences. The Department of Public Health will include the Master of Public Health and courses of study in sports medicine, exercise science, anatomy and physiology, and other areas. The Department of Hospitality, Tourism, and Family and Consumer Sciences will administer sport management, hotel and restaurant management, child and family development, interior design, and family and consumer sciences education. Because the reorganization consists of realigning existing departments and minimizing the number of individual units, no costs are associated with the proposed change. Faculty and administrators support the change.

## **7. Information Item: Procedures for Appointing New Faculty Members and Senior Administrators**

The Senior Vice Chancellor for Academics and Fiscal Affairs, Daniel S. Papp, discussed the benefits of a proposed change in Board policy and procedure that would permit new faculty and senior administrators to begin duties prior to appointment by the Board. He stated that such a change would reduce the associated workload for institutions and allow reallocation of those resources to other important tasks. Such a change is essential to the goal of subsuming the current Faculty Information System under the PeopleSoft human resources management system.

A new set of procedures and a formal proposal for the policy change are being developed for Board of Regents review at the November 2002 meeting.



## 8. Information Item: Service Agreements

Pursuant to authority granted by the Board at its meeting on February 7 and 8, 1984, the presidents of the listed institutions have executed service agreements with the indicated agencies for the purposes and periods designated, with the institutions to receive payment as indicated:

<b>University of Georgia</b>			
<b>Purpose</b>	<b>Agency</b>	<b>Duration</b>	<b>Amount</b>
Produce "Measuring Up, The Atlanta Region"	Atlanta Regional Commission	6/1/02 – 12/16/02	\$69,222
Conduct program, "Empowering Girls for Success"	Children and Youth Coordinating Council	7/1/02 – 6/30/03	\$23,278
Study calves on conventional peanut forage	Georgia Commodity Commission for Cotton	7/1/02 – 6/30/03	\$3,000
Study use of cottonseed meal in broiler breeder pullet diets	" " "	7/1/02 – 6/30/03	\$12,000
Conduct cotton field demonstration program	" " "	7/1/02 – 6/30/03	\$35,000
Conduct cotton education program and present award	" " "	7/1/02 – 6/30/03	\$25,000
Conduct beltwide cotton conference for county agents	" " "	7/1/02 – 6/30/03	\$15,000
Study Georgia cotton economics	" " "	7/1/02 – 6/30/03	\$16,000
Assess economic impact of the arts in rural Georgia	Georgia Council for the Arts	7/5/02 – 12/31/02	\$20,000
Conduct site visits in evaluation of staff development	Georgia Department of Education	4/15/02 – 10/01/02	\$78,810
Investigate connection between staff development and student achievement in Georgia	" " "	6/13/02 – 3/30/03	\$69,997
Train Georgia's independent case managers	Georgia Department of Human Resources	7/1/02 – 6/30/03	\$878,616
Analyze statewide stream monitoring of water samples	Georgia Department of Natural Resources	5/31/01 – 6/30/04	\$43,038
Implement Georgia clean marina program	" " "	6/15/02 – 6/30/03	\$24,000
Conduct institute for Georgia environmental leadership	" " "	6/21/02 – 6/20/03	\$84,200
Assess Georgia's progress in building school-to-work systems	Georgia Department of Adult and Technical	4/01/02 – 6/30/04	\$420,376

	Education		
Study 2002 Governor's road improvement program	Georgia Department of Transportation	7/1/02 – 6/30/03	\$32,829
Provide southern natural resources web development	Georgia Forestry Commission	10/1/00 – 7/31/02	\$10,000
Conduct reforestation, nurseries, and genetics resource information technology project	Georgia Forestry Commission	7/1/02 – 6/30/03	\$55,000
Conduct promotional testing for assistant special agent-in-charge and special agent-in-charge	Georgia Bureau of Investigation	7/1/02 – 11/1/02	\$17,108
Conduct debtor education project	Northern District of Georgia Standing Chapter 13 Trustee	7/15/02 – 9/30/03	\$40,272
Conduct school readiness pre-K program	Office of School Readiness	7/1/02 – 6/30/03	\$64,952

<b>TOTAL AMOUNT – OCTOBER</b>	<b>\$ 2,037,698</b>
<b>TOTAL AMOUNT FY 2003 TO DATE</b>	<b>\$ 6,999,038</b>
<b>TOTAL AMOUNT FY 2002 TO OCTOBER</b>	<b>\$ 9,305,336</b>
<b>TOTAL AMOUNT FY 2002</b>	<b>\$25,222,651</b>

### **COMMITTEE ON ORGANIZATION AND LAW**

The Committee on Organization and Law met on Tuesday, October 8, 2002, at approximately 2:20 p.m. in room 221 of the Carlton Center on the campus of Abraham Baldwin Agricultural College. Committee members in attendance were Vice Chair Elridge W. McMillan and Regents Hugh A. Carter, William H. Cleveland, Allene H. Magill, and Wanda Yancey Rodwell. Vice Chair McMillan reported to the Board on Wednesday that the Committee had six applications for review; five were denied, and one was withdrawn. With motion properly made, seconded, and unanimously adopted, the Board approved and authorized the following:

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

- a. In the matter of Beatrice King, at Fort Valley State University, concerning termination, the application for review was withdrawn.
- b. In the matter of Kashi Nath Tiwari, at Kennesaw State University, concerning withdrawal of pay, the application for review was denied.

- c. In the matter of file number 1593, at Medical College of Georgia, concerning dismissal from Medical College of Georgia, the application for review was denied.
- d. In the matter of Jeffrey Wigley, at Kennesaw State University, concerning termination, the application for review was denied.
- e. In the matter of Thomas R. Currin, at Southern Polytechnic State University, concerning salary, the application for review was denied.
- f. In the matter of Carlos A. Ortiz, at Southern Polytechnic State University, concerning merit salary, the application for review was denied.

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

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

Good morning. It's truly a pleasure to have the opportunity to visit this fine campus and meet the people who make it work. My thanks to all of those who have made our visit to Abraham Baldwin Agricultural College ("ABAC") possible, including President Mike Vollmer and Lennie. I know how much advance work goes on behind the scenes to smoothly carry off an event like this, and I appreciate your efforts to make us feel at home. I also want to thank Regent Hunt and his wife, Julie, for their hospitality in hosting a wonderful dinner for us last night at their home. We are truly fortunate to have such dedicated Regents serving on this Board, who are generous with their time, talent, and resources.

Since my last report to the Board in early August, Susan and I have been traveling around the state to tour our campuses and to receive input from business leaders in the various regions on how the University System is doing as a partner in economic development. We have visited 16 institutions, and ABAC makes 17. This afternoon, we'll be driving down to Valdosta State University. It has been extraordinarily helpful for us, and I would encourage any Regent who has an interest in joining us to please do so.

The Knowledge Is Power ("KIP") tour is going great, too. We have collected some excellent feedback on our economic development efforts as well as some excellent coverage by the news media since we started this series of luncheons in April. To give you an idea, this report, of which you have a copy in your Board books, represents only the coverage received from Georgia's print media. (The Chancellor held up a packet of news clippings.) The broadcast media have also been very receptive. The tour continues through Oct. 30, as will my campus visits. After today's KIP luncheon here at ABAC, there will be three more KIP

stops — at Clayton College & State University, Macon State College, and East Georgia College — and eight more campus visits.

We are only three months into the new fiscal year, but already there is progress to report on Chairman Harris's goals. The Board's first year action plan for the strategic plan included initiatives for enhancing access to higher education, particularly for African-American males and nontraditional students. I'm happy to report that a Systemwide task force on enhancing access for African-American males has been formed by Arlethia Perry-Johnson, Associate Vice Chancellor for Media and Publications, who is chairing the task force. The group held its first meeting on September 4 and is enthusiastically tackling its charge to identify and address the barriers that keep African-American men from pursuing higher education. Also, the request for proposals that we issued to conduct research and marketing studies to address this problem yielded 33 proposals. Our evaluation team, also headed by Arlethia, waded through those submissions in one week's time, and I am proud to announce we have selected Atlanta-based Matlock Advertising and Public Relations as the firm to assist us with this vital project. I'd also like to thank the Regents who served on that evaluation team: Chair Harris, former Chairman Howell, and Regents Cleveland, McMillan, Rodwell, and Yancey.

Chairman Harris also charged the Board with focusing on partnerships. The ongoing Knowledge Is Power tour has spotlighted many such collaborations initiated by our ICAPP<sup>®</sup> (Intellectual Capital Partnership Program) staff. In Columbus last week, the fruits of a strong partnership between the City of Columbus and Columbus State University – the revitalization of the city's downtown – were on full display. But I can cite many other examples of mutually beneficial relationships at other campuses as well.

Last month, the Board of Regents entered into an agreement with the Georgia Cancer Coalition to have our health insurance providers cover the costs associated with participating in clinical trials for experimental cancer treatments. The purpose of the agreement is to align all available resources in a concerted initiative to reduce cancer morbidity and mortality in Georgia. Other examples: Darton College joined forces with the magazine *Georgia Trend*, Phoebe Putney Memorial Hospital, and the Southwest Georgia Cancer Coalition to sponsor a rural healthcare summit, which was held last week in Albany with much success. Also, Dalton State College has worked out an agreement with the Dalton-based Carpet and Rug Institute to assume administrative responsibility for the institute's carpet installation seal-of-approval certification program.

I am delighted to inform you that last month, the board of directors of the Institute of Paper Science Technology voted to officially merge with the Georgia Institute of Technology ("GIT"). Mr. Pete Correll of Georgia-Pacific made the announcement. This is a significant decision for the University System and our state. I know our Chair will find it interesting because it was during his administration as Governor that the institute moved to Georgia. July 1, 2003, is the target date for the merger. GIT officials are working on the details. I will

bring the facts and figures forward for Board action as soon as possible. I know you join me in congratulating President Wayne Clough on this development. This is another reason why public-private partnerships are important.

In August, University System of Georgia presidents met with their counterparts at the state's independent colleges and universities. This group is known as the Georgia Association of Colleges. We also had our own meeting with Bill Tomlinson of the Governor's Office of Planning and Budget. He explained where the state is going in the next few years, and it is clear we have to tighten down the hatches.

Each month, I share some good news from around the System with you. Please allow me to take just a few minutes more to give you some highlights since my last report:

- Georgia is still one of the few states with two institutions ranked among the top 20 public national universities in the United States in *U.S. News & World Report's* 2003 edition of "America's Best Colleges." GIT moved up in this year's rankings from No. 10 to No. 9. The University of Georgia ("UGA") kept its position at No. 18.
- UGA and GIT made it into Kiplinger's *Top 100 Values in Public Colleges*. UGA was No. 6 on the list, and GIT was No. 11. North Georgia College & State University also ranked in the survey (No. 93).
- The magazine *Black Issues in Higher Education* recently reported that Georgia State University ("GSU") awarded more bachelor's degrees to African-American students last year than any other traditionally white institution in the nation. The magazine's report on the "Top 100 Minority Degree Producers" during the 2000-2001 academic year also included Georgia Southern University, which was No. 28 on a list that included both traditionally white and historically black institutions. GIT also scored high with African-Americans, ranking No. 1 in the nation in the number of engineering master's and doctoral degrees awarded to black students and No. 2 in the number of engineering bachelor's degrees earned by black students.
- GIT alumna Sandra H. Magnus will serve as a mission specialist on the Space Shuttle Atlantis, scheduled to leave earth later this month on a mission that involves delivering materials to the International Space Station. Magnus joins a list of nine astronauts and one astronaut candidate who have graduated from, attended, or taught at GIT. She is the third woman GIT has sent into space.
- For the third time in five years, the National Collegiate Honors Council has accepted more research proposals from students in the Honors College of State University of West Georgia ("UWG") than any other college or university participating in its annual meeting. As many large research institutions participate in the Honors Council

and only about 10% of the proposals submitted are accepted, this is a tremendous feat for UWG and the System.

- I have two significant gifts to our institutions to report to you. First, Valdosta State University (“VSU”) has received a bequest of \$8 million – the largest gift in its history – from the estate of Lillian S. Steele, widow of Valdosta banker Rea Steele. President Ron Zaccari says the money will be used to fund scholarships in finance and accounting, establish distinguished chairs, recruit students for the business college, and bring distinguished guest lecturers to VSU. Secondly, former Governor Carl Sanders has announced he is giving \$1 million to the University of Georgia School of Law, just the latest in numerous demonstrations of his support for the school that date back to the 1960s. The gift, which is part of UGA’s capital campaign, will create a new endowed professorship – the Carl E. Sanders Chair in Political Leadership – in the school where Governor Sanders earned his law degree in 1948. In addition, the main reading room in the law library will be named for him.
- Savannah State University (“SSU”) has secured a \$1.27 million grant from the National Institutes for Health for the revitalization of its Honors Undergraduate Research Training Program for underrepresented minorities. Beginning this fall, the five-year revitalization program will award six annual scholarships of \$10,200 each to SSU juniors and seniors who are committed to pursuing graduate studies leading to a doctoral degree in biomedical or behavioral science.
- You know how important it is to us to supply Georgia’s healthcare profession with as many skilled nurses as possible in order to help ease the terrible workforce shortage in this field. We just received news that two of our institutions will receive grants from the U.S. Department of Health and Human Services to help improve nursing education and to increase diversity within the profession. Clayton College & State University will receive a Nursing Workforce Diversity Grant totaling more than \$265,000, and GSU will receive a Basic Nurse Education and Practice Grant of more than \$180,000. This funding will nicely complement our \$4.5 million ICAPP® Health Care Professionals Initiative, which has as its goal pumping more than 500 licensed healthcare workers into the state’s economy over the next two years.
- Dr. Dennis R. Ownby, chief of the Medical College of Georgia Section of Allergy and Immunology, is the lead author in an article, “Exposure to Dogs and Cats in the First Year of Life and Risk of Allergic Sensitization at 6 to 7 Years,” in the August 28 edition of the *Journal of the American Medical Association*. He found, surprisingly, that the children exposed to two or more indoor pets in their first years of life were about half as likely to develop allergies to not only animals but to a variety of other common allergens such as grass and dust mites as well. This finding contradicts what doctors have been telling parents for years and surprised the researchers as well. The

study has generated a great deal of national and international media interest. Dr. Ownby was on ABC's and NBC's nighttime newscasts and the CBS *Early Show*. His research also was featured on CNN. It was covered directly by *The Augusta Chronicle*, *The Baltimore Sun*, *USA-Today*, *The Atlanta Journal Constitution* and *The Dallas Morning News* and by the major wire services, including the Associated Press, United Press International, Reuters and Blumberg News.

- Our own Regent Don Leebern was one of four men honored by UGA in September for their extraordinary support of Georgia athletics over the years. Regent Leebern, who lettered as a Georgia football player in the 1950s and has endowed three scholarships for football and gymnastics, was inducted into the UGA Athletic Association's inaugural Circle of Distinction.
- As you are no doubt aware, the staff of the University System Office is packed with talent, and I'm pleased to report that two of our female administrators have been included in the 2002-2003 edition of *Who's Who in Black Atlanta*. The latest edition of this publication contains photographs and biographical data on Corlis Cummings, our Senior Vice Chancellor for Support Services, and Arlethia Perry-Johnson, our Associate Vice Chancellor for Media And Publications. We are pleased that both of these representatives of the University System Office have earned this well-deserved recognition.
- Here's another example of the excellence for which the University System Office staff are consistently known. In mid-September, Savannah State University experienced a serious problem with its main computer that could have severely disrupted computer operations all over campus. Three members of Vice Chancellor for Information and Instructional Technology and Chief Information Officer Randall Thursby's staff – Sam Rowe, Fred Bowling, and Mike Bracewell – spent an entire weekend helping the campus's computer services staff to get the system back online before Monday morning. SSU officials said Sam stayed with them right to the bitter end, which in this case was 4:00 a.m. Monday. Randall says this kind of dedicated response is not uncommon for his team.

I'll conclude by voicing my heartfelt thanks for the many courtesies extended me while I was briefly hospitalized in early September. I assure you I am feeling much better now that I've fully experienced the thoughtful and caring attitudes of the USG community. Mr. Chairman, that concludes my report.

## **RECOGNITION OF REGENTS EMERITI, SPOUSES, AND SPECIAL GUESTS**

Chancellor Meredith next recognized the Regents Emeriti in attendance at this Board meeting. He asked them to stand as he introduced them. The Regents Emeriti were as follows:

- John H. Clark from Moultrie, who served on the Board of Regents from 1989 to 1997, was appointed by Governor Joe Frank Harris. He loved the students. One year, he drove all the way to Savannah for a Student Advisory Council dinner. He and his wife, Judith, were at Regent and Mrs. Hunt's the previous night but were unable to attend the meeting.
- Joel H. Cowan grew up in Cartersville and has lived in Peachtree City since 1959. He served on the Board of Regents from 1990 to 1994 and was also appointed by Governor Harris. He chaired the Joe Frank Harris for Governor Campaign Committee and served as Honorary Chief of Staff for Governor Harris from 1983 to 1990. He is a graduate of the Georgia Institute of Technology ("GIT"), and his wife, Geri, was in attendance with him at this meeting.
- Elsie P. Hand grew up in Atlanta, the youngest of six children. She was appointed to the Board of Regents by Governor Zell Miller and served from 1993 to 1996. She married the Georgia Speaker of the House, Fred Hand, in 1956, and Pelham became her home. She early on filled in for a vacationing secretary at the bank and just stayed on until she retired in 1995 as vice president. She was widowed in 1978. In her sorrow, one bit of public service led to another, from being elected Mayor of Pelham to the Deputy State Director for U.S. Senator Max Cleland, a position she still holds.
- Charles H. Jones from Macon was also appointed to the Board of Regents by Governor Miller, and he served on the Board from 1994 to 2001. He began life in the northwest corner of Upson County in the community of Thundering Springs. His curiosity and penchant for understanding detailed underpinnings of issues is legendary at the Board of Regents. His knowledge of real estate and facilities transformed many of the ways in which Board policy evolved in those areas. He was the Board leader in pushing for facilities master planning, for which the Board and System are grateful. His wife, Ves, was also in attendance at the meeting.
- H. G. (Pat) Patillo, a native of Lithonia, was appointed to the Board of Regents by Governor Carl Sanders and served from 1965 to 1970. He now resides in Stone Mountain with his family. He is GIT graduate in architecture. He served as Vice Chair of the Board for two years before being elected as Chair. He is known far and wide for his unique qualities of leadership and passion for service. The baton for public service has been passed on to his daughter, Lynn, who as President of the Pittuloch Foundation has generously helped fund some of the University System's important projects. His wife, Betty, could not attend this meeting.
- Barry Phillips, born in Valdosta, spent his adulthood in Atlanta. He served on the Board of



Regents from 1988 to 1994, having been appointed by Governor Miller. He was Chair at the time he stepped down. He was educated at the University of Georgia (“UGA”), where he earned both his undergraduate and law degrees. His wife, Gracie, was also in attendance at the meeting, and she served with distinction on Governor Harris’s staff during his governorship. A great legacy of his was chairing the presidential search committee that brought President Carl V. Patton to Georgia State University.

- John W. Robinson, Jr., a native of Barrow County, where he still resides in Winder, was appointed to the Board of Regents by Governor Harris and served from 1986 to 1993. He is widely admired as an outstanding business with a long record of public service and community involvement. His wife, Margaret, is the daughter of the late Carlton Mobley, Chief Justice of the Supreme Court of Georgia. The Robinsons were in attendance at the Hunts’ but were not able to attend this meeting due to illness.
- Sam A. Way of Hawkinsville was born in Warrenton. He was appointed to the Board of Regents by Governor Jimmy Carter and served from 1972 to 1976. When he was first appointed, he made the comment, “I certainly will not make any money out of it. I have no political axe to grind, but I have four children I am trying to raise. I’d like to take part in building a good university system for them to attend.” He graduated from UGA in 1949. His wife, Dot, was unable to attend the meeting.
- John Henry Anderson, also of Hawkinsville, served on the Board of Regents from 1990 to 1997. He was appointed by Governor Harris. He is a farmer and businessman and, for many years, was the lone County Commissioner from Pulaski County. He also graduated from UGA, where he was a good friend and classmate of Governor Harris. He served as Chair of the Georgia Democratic Party. He also served one year as Chair of the Board.

Chancellor Meredith thanked the Regents Emeriti for attending this meeting and asked them for their support as the University System of Georgia moves forward.

Chair Harris expressed his deep appreciation to the Regents Emeriti for their service to the University System and the State of Georgia. He noted that being a Regent is one of the most sought after positions in state government. He hoped that the present decisions of Regents are as respected as those of the Regents Emeriti. He also thanked Chancellor Meredith for his report to the Board.

Regent Hunt said that he was also honored to have the Regents Emeriti in Tifton.

## **PRESENTATION: AGRICULTURE IN THE UNIVERSITY SYSTEM OF GEORGIA**

Chair Harris called upon the Senior Vice Chancellor for Academics and Fiscal Affairs, Daniel S. Papp to introduce the next presentation.

Dr. Papp thanked Chair Harris and explained that this presentation would focus on the considerable role of the University System of Georgia in agriculture in the State of Georgia. One of the key factors about agriculture in Georgia is that it has been changing tremendously. At the turn of the last century, there were about 200,000 family farms in the state. At the turn of the present century, that figure was down to about 40,000. The number of people working on those 40,000 family farms constituted about 2% of the total workforce, and the direct impact of that 2% of the workforce was to develop about \$9 billion in agricultural and animal products. The overall agricultural impact on the state, including processing and retailing, is approximately \$60 billion, or about 15% of Georgia's total economy of \$400 billion. Georgia's leading agricultural products include poultry (\$3.3 billion), cotton (\$0.6 billion), cows (\$0.6 billion), peanuts (\$0.4 billion), and horses (\$0.2 billion). Although Georgia is the "peach state," peaches only constitute about \$43 million in direct impact.

Though many University System institutions are involved in agricultural education, Dr. Papp explained there are three primary agricultural institutions: Abraham Baldwin Agricultural College ("ABAC"), Fort Valley State University ("FVSU"), and the University of Georgia ("UGA"). Once students graduate from the System, about 5% of them return to farms. The other 95% go into processing, retailing, or another agro-business. There has been tremendous change in Georgia agriculture, and agricultural education, research, and outreach in the University System of Georgia are changing in response. Dr. Papp introduced Dr. Larry D. Allen, Chair of ABAC's Agriculture and Forest Resources Division, who would be assisted in his presentation by Ben Kennedy, a student at ABAC. Following Dr. Allen would be Dr. Fred Harrison, Jr., Dean of the College of Agriculture, Home Economics, and Allied Programs at FVSU. Following Dr. Harrison would be Dr. Gale A. Buchanan, Dean of the College of Agricultural and Environmental Sciences at UGA. Dr. Papp then turned the floor over to Dr. Allen.

Dr. Allen explained that agriculture has been a vital program in ABAC's curriculum since opening day in 1908. ABAC is the only two-year college in Georgia with a comprehensive offering in agriculture, and the college's agricultural programs attract students from other states and other countries. ABAC's goal is to connect students with educational opportunities and experiences that provide knowledge and skills for their future. Almost every class taught within the agricultural division has an accompanying laboratory experiences that put classroom instruction into practice. The division strives to have experiences both in the classroom and laboratory settings that are current and relevant to the student's career goal.

The Agriculture and Forest Resources Division at ABAC offers 17 technical programs, 11 certificate programs, and transfer programs in Agriculture, Biological and Agricultural Engineering, Forestry or Wildlife Management, and Family and Consumer Sciences. There are 441 students in various technical programs, 20 in certificate programs, and 297 in transfer programs, a total of 758 students in the division. The college offers programs in Agricultural Business Technology, Plant Science,

Animal Science, Livestock Health, Poultry Technology, Agricultural Engineering Technology, Forest Technology, Environmental Horticulture Technology, Family and Consumer Sciences, and Wildlife Technology. Dr. Allen discussed these programs and showed the Regents pictures of students in hands-on learning situations. He then called upon Mr. Kennedy to discuss the future of agriculture at ABAC.

Mr. Kennedy thanked the Regents for their support of ABAC. He showed them a picture of the groundbreaking for the new agricultural science complex. He explained that the \$7 million, one-acre facility is now under construction, with an anticipated completion date of July 2003. Forest Lakes Golf Course is another asset unique to ABAC. Eight different majors have had the opportunity to invest over 1,500 hours in laboratory experiences at the golf course since January 2002. The Agriculture and Forest Resources Division sponsored a cookout to encourage interaction among the students and faculty in an effort to improve retention. Mr. Kennedy said that he is a four-year transfer major in his second year at ABAC and that he plans to transfer to UGA in fall 2003. He then turned the floor back over to Dr. Allen.

Dr. Allen thanked the Regents for their time and turned the floor over to Dr. Harrison.

Dr. Harrison greeted the Regents. He discussed the history of FVSU and explained that the mission of the College of Agriculture, Home Economics, and Allied Programs is to provide agricultural educational programs and services that address the needs of citizens. FVSU is a land-grant institution with a unique mission, and part of its mission is also to perform research to find answers to current-day problems and to share that research with people around the state irrespective of where they live. There are six departments in the college: Agricultural Instruction, Family and Consumer Sciences, Electronic Engineering Technology, Veterinary Science, and Agricultural Research. The Department of Agricultural Instruction offers Bachelor of Science ("B.S.") degrees in Agricultural Economics, Agricultural Education, Agricultural Engineering Technology, Animal Science, and Plant and Environmental Soil Science/Ornamental Horticulture. It also offers an Associate of Applied Science ("A.S.") degree in Agricultural Engineering Technology and a Master of Science ("M.S.") degree in Animal Science. The Department of Family and Consumer Sciences offers B.S. degrees in Family and Consumer Sciences Education, Food and Nutrition, and Infant and Child Development. The college also offers both an A.S. and a B.S. in both Electronic Engineering Technology and Veterinary Science as well as M.S. degrees in Animal Science and Plant Science. Dr. Harrison noted that FVSU is responsible for the training at the annual conference of the Georgia Farm Bureau.

FVSU also has cooperative extension programs in partnership with UGA. Program areas include Agriculture and Natural Resources, Community Resource Development, Family and Consumer Sciences, and Youth and Manpower Development. Dr. Harrison discussed the various programs and their impact on Georgia communities. For example, the National Science Foundation has awarded FVSU a four-year \$2.5 million grant offering research experiences for undergraduates in science, biotechnology, math, engineering, and technology. The grant also helps fund FVSU's long-standing Summer Research Apprenticeship program for high school students, which attracts the best and brightest young people in Georgia. In 1984, FVSU established its Mobile Information Technology Center using part of an \$8.3 million grant from the Kellogg Foundation. The center is now housed

in a \$90,000 tractor-trailer and is a traveling classroom equipped with state-of-the-art technology, including interactive video and satellite. Among other cooperative extension efforts are an on-campus pre-kindergarten and nursery school, the Center for Aquaculture Development/Georgia Marine Shrimp Project, the Georgia Small Ruminant Research and Extension Center, and the Technology Development and Transfer Center.

In closing, Dr. Harrison said that he would like to see FVSU emerge as a center of excellence in biotechnology. FVSU will also propose joint expanded institutional programs with ABAC, develop master's degree program in additional disciplines, increase scholarship support (undergraduate and graduate), and engage in more inter- and intra-institutional collaborations on both the state and national levels. Dr. Harrison said that FVSU is striving to be a land-grant university of choice for the twenty-first century.

Dr. Buchanan next approached the Board. He thanked the Regents for including agriculture on their agenda and explained that the institutions have a responsibility to ensure the success of Georgia agriculture, to protect and enhance the environment, and to enhance the economic well being of the citizens of Georgia. Agriculture is more business-oriented and technologically complex than before. It is more consumer-driven and less production-driven. Agriculture is heavily science based, and globalization is simply a fact of life. He explained that the mission of the College of Agriculture and Environmental Sciences is "to seek, verify, and apply knowledge related to agriculture and the environment and to disseminate this knowledge through student education and public outreach programs." The college's home is in Athens, but it also has campuses in Griffin and Tifton. The college also has personnel at Georgia Southern University and FVSU. It also has research and education centers in Calhoun, Blairsville, Eatonton, Plains, and Midville, as well as a research farm in Attapulgus. Recently, the college acquired land from the Forestry Commission for the Vidalia Onion and Vegetable Research farm in Reidsville, and it also has land at the Striplin Irrigation Research Park in Camilla on lease from Mitchell County. The Bamboo Farm and Coastal Gardens is located in Savannah, and the college has a blueberry and vegetable processing facility in Alma. The college has five 4-H centers around the state at Tybee Island, Jekyll Island, College Park, Mesena, and Rock Eagle. In addition to these facilities, the college has 172 county extension offices in 157 counties. At the present time, the college has a total of 15,000 acres.

Dr. Buchanan said that the college offers a wide range of majors from Agro-Business to Turf Grass Management. Nearly half of the 25 majors did not exist just 12 years ago. In addition to the majors, the college offers seven certificate programs, including International Agricultural, Atmospheric Sciences, and Water Resources. In August 2002, Board approved a major in Agriscience and Environmental Systems offered in Tifton. The partnership between UGA and ABAC will enable students to earn associate's degrees at ABAC followed by undergraduate agricultural degrees from UGA in Tifton. The Bachelor of Science in Applied Biotechnology with a major in Applied Biotechnology approved at this meeting will help attract biotechnology companies to Georgia.

The college strives to provide its students with educational experiences around the globe. UGA has interns in Washington, D.C., working with Congress and the Departments of Agriculture and Interior. UGA also has students involved in courses in Costa Rica, Guatemala, Mexico, Morocco,

and Brazil. Interns have been placed in Asia, Africa, Europe, South America, and Cuba. The Georgia Department of Agriculture and several commodity groups have supported an intern in the International Trade Office in Brussels, Belgium. Dr. Buchanan said that he was particularly proud of the college's Young Scholars program, a six-week-long research-oriented internship focusing on agricultural sciences, environmental health engineering, textiles, and some other related areas. The aim of the program is to expose a diverse group of high school students to university research by involving them in real projects with a team of researchers. This past summer, 43 of these students participated in trips abroad; 17 of them traveled to Costa Rica or Ghana to explore agricultural and environmental issues in those parts of the world. The college has a number of initiatives that link its programs to the K-12 system. For example, the National Environmentally Sound Production Agriculture Laboratory ("NESPAL") is a unit of the college located in Tifton. The NESPAL Web site has research activities that teachers can bring into the classroom, which presents a tremendous opportunity for getting students involved in and appreciating the University System of Georgia long before they apply.

Some of the college's successes in research include the Georgia green peanut, which has a 90% plus market penetration. Georgia green peanuts consistently yield over 300 pounds per acre more than the next best variety of peanut. This in itself accounts for \$16 million a year. Vidalia onions were a minor crop until the college at its Tifton campus developed controlled atmospheric storage for this crop. Vidalia onions went from a \$10 million a year crop to a more than \$80 million a year crop just on the basis of this one technological development. UGA is particularly proud of its successes in plant and animal genomics and animal cloning. Working with the Georgia Research Alliance ("GRA"), this cooperative effort led to a program utilizing animal cloning procedures to improve cattle. The college has three GRA eminent scholars in this field. The college has also received funding from the GRA and the Georgia Department of Agriculture for another eminent scholar in plant genomics.

Dr. Buchanan reported that working in cooperation with the U.S. Department of Agriculture, UGA will release new varieties of grain millet this year, and if successful, grain millet could become a very important crop to the state. Grain millet can be used as a substitute for corn in livestock and poultry feeds. Food safety and protection against agro-terrorism are major goals for the Center for Food Safety, which is located on the college's Griffin campus. Regents Professor of Food Microbiology Michael P. Doyle is also Director of the Center for Food Safety and one of the nation's leading experts on e-coli 15787. His team of exceptional food scientists has developed a new test and protocols for detecting and preventing microbial food contamination. Water is another major thrust in the college's research and extension programs. Over 60 college faculty have active involvement in water-related research and education programs. This includes precision irrigation, wastewater treatment, and a number of other areas of water management. This is an issue that affects all of the state and cries for coordination among all of the institutions to make the most efficient uses of resources in addressing this issue. Because agriculture is such a major user of water, the University System of Georgia must continue to play a major role in water issues affecting the state.

Dr. Buchanan discussed the college's Cooperative Extension Services program. The Distance Diagnostics Through Digital Imaging ("DDDI") program enables a county agent from anyplace in the state to take a picture of a diseased plant or insect and send it electronically to a specialist in Athens, Griffin, Tifton, or wherever there might be expertise to provide a diagnosis. The response time is very fast, and this type of technology is very much in demand. The college helps Georgia create a safe and secure food supply. The competition for fresh fruits and vegetables has increased 24% in the last 20 years, and the number of produce-related outbreaks of food-borne diseases has doubled. County agents and extension specialists developed an educational program to reduce microbial risk and enhance food safety. Another Cooperative Extension Services program is Farm Fresh Tattnall, a cooperative of 18 roadside markets and pick-your-own farms working together to provide fresh produce and family outings in Southeast Georgia. This one effort in this one county increased sales by over 30% and added \$500,000 to those farmers' income. Another is the Washington County Meat Goat Association, a new and innovative effort in the formation of a closed cooperative to address an untapped market that still has more demand than supply. The college is working with a number of other groups to establish closed cooperatives and is looking at this as a way of banding farmers together to realize more income. The college's 4-H program is providing the coordination and leadership for the statewide youth rural Georgia project. County leadership programs in cooperation with the Lieutenant Governor's Office focus on youth and will be implemented in tier one counties during the coming year. These are just a few examples.

Dr. Buchanan said that although agriculture has greatly evolved, its future of agriculture remains secure. What is not assured, however, is who is going to produce food and fiber and where it is going to be produced. Georgia must keep its instructional programs relevant and produce outstanding graduates who not only go into farming but also go into all other facets of agriculture. The University System of Georgia must keep its research at the cutting edge. The GRA has done a great deal to help the University System in this regard. Georgia must continue to develop and embrace new and emerging technologies. Georgia must develop new commodities and new opportunities. Georgia must also add value to what it produces. Finally, Georgia must continue providing information through its outreach programs.

Dr. Buchanan listed various challenges and concerns of the college, including funding, facilities maintenance and operations, land preservation, graduation rates, and bio- and agro-terrorism. In closing, he said this presentation was intended to convey five main points: 1) the importance of agriculture to the State of Georgia, 2) examples of the exciting things the University System of Georgia is doing, 3) the commitment of the institutions to supporting this part of Georgia's economy, 4) what the future holds, and 5) a few of the challenges and concerns to agricultural education. He then thanked the Regents for their support and interest and stepped down.

Dr. Papp thanked the presenters for this presentation on agriculture in the University System of Georgia and the state. He also thanked Presidents Michael F. Vollmer, Kofi Lomotey, and Michael F. Adams of ABAC, FVSU, and UGA, respectively, for the tremendous work their institutions are doing in the field of agriculture.

## **STRATEGIC PLANNING COMMITTEE, “COMMITTEE OF THE WHOLE”**

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

Chair Leebern called upon Assistant Vice Chancellor for Development and Economic Services, Annie Hunt Burriss, to briefly discuss proposed revisions to Section 500 of The Policy Manual.

Ms. Burriss greeted the Regents. She explained that first she would present the proposed policy revisions pertaining to public service and continuing education. Then, Dr. David Morgan, Senior Fellow at the University of Georgia (“UGA”), would present an implementation plan outlining strategies to propel continuing education into a more vital role that develops talent, accelerates economic development, and deploys financial policies that increase, diversify, and strategically allocate funding. Ms. Burriss noted that the proposed policy revisions had been included in the meeting agenda. She explained that the continuing education directors across the University System of Georgia had expressed that continuing education could be the System’s quick response mechanism to meet the needs for a more educated workforce and address demands for a higher quality of life. Yet, they have been hamstrung by archaic policy. They impressed Ms. Burriss with four key facts. First, continuing education is the entrepreneurial side of higher education. Second, continuing education is market-driven. Third, continuing education serves nearly twice as many Georgians as does traditional higher education. Fourth, continuing education generates funds that can greatly help an institution’s bottom line as well as formula funding. If these archaic policies are corrected, they could allow continuing education to become a great asset in the Board’s mission to create a more educated Georgia. In closing, Ms. Burriss recognized a few of the many people around the University System of Georgia who have worked to develop the Georgia Lifelong Education and Economic Development Services (“Georgia LEADS”) report and the proposed policy revisions: the Senior Vice Chancellor for Academics and Fiscal Affairs, Daniel S. Papp; President Michael F. Vollmer of Abraham Baldwin Agricultural College; and President Thomas Z. Jones of Armstrong Atlantic State University.

Ms. Burriss noted that there are three significant shifts in the proposed policy. First, the policy is designed to establish the Board’s intent and last a long time. Second, the policy moves the University System of Georgia forward from a continuing education approach to a lifelong education perspective. The world is moving to a knowledge-based economy, and continuing education is becoming increasingly vital in the delivery of lifelong learning. The Board’s strategic plan recognizes that the System must be continually responsive to the changing demands on higher education. Enhancing the public service policy with this new emphasis will help the System expand educational access to more Georgians. The revised policy assigns responsibilities for the programs and accountabilities to the Chancellor for a Systemwide approach and to the presidents for the institutional implementation. Georgia LEADS is the new continuing education program, said Ms. Burriss, and its name should set the standard. The third key change is that the revised policy establishes economic development as part of Board policy.

Ms. Burriss gave two examples of how the University System of Georgia is producing results through public service. First, through the Intellectual Capital Partnership Program (“ICAPP<sup>®</sup>”) project with Total System Services (“TSYS”), the University System of Georgia has invested approximately \$8 million that has gone toward faculty, equipment, and space. That has been matched by Georgia Student Finance Commission work-cancelable loans. TSYS ICAPP<sup>®</sup> graduates to date have contributed over \$109 million in new salaries to the Columbus area, and they have amassed over 1,800 promotions. Second, the ICAPP<sup>®</sup> Health Care Professionals Initiative will mean that 27 licensed practical nurses (“LPNs”) and paramedics can come to ABAC and quickly be prepared for their licensing exam in nursing. While the economic impact is not yet known, it is impossible to measure the intangible benefits of having much better healthcare in the area that will allow existing companies to stay and make the community more attractive to new businesses. To date, ICAPP<sup>®</sup> and Yamacraw have brought over \$101 million beyond formula funding to the University System of Georgia for economic development programs. In the case of ICAPP<sup>®</sup>, less than 7% of that goes to administration; the rest of it goes directly to the institutions to obtain faculty, equipment, and space for the programs. Ms. Burriss then stepped down.

Chair Leebern thanked Ms. Burriss for this presentation and asked for a motion to accept the proposed policy revisions.

Vice Chair White made the motion, which was variously seconded. Motion made and seconded, the Board unanimously approved the following revisions to Section 500 of The Policy Manual (revisions highlighted):

## **SECTION 500** **PUBLIC SERVICE**

### **501 GENERAL POLICY**

~~The Board of Regents recognizes that public service and continuing education are legitimate and important responsibilities of all colleges and universities; that they should be advanced as an extension of the traditional on-campus learning process; that programs of public service and continuing education established in cooperation with business, industry, government, and/or professional groups can improve the welfare of citizens of the State; and that the institutions of higher education have the responsibility to serve the nation in seeking solutions to the major problems being confronted.~~

~~Therefore, the Board of Regents is committed to a program of public service and continuing education within all units of the System and to provide resources necessary to accomplish the purpose explicit in carrying out this responsibility (BR Minutes, October 1971, p. 169).~~



The Board of Regents recognizes that public service, including lifelong education and economic development support activities, are fundamental responsibilities of all colleges and universities; that they are important means by which the University System extends and applies the knowledge available in its instruction and research programs to the needs and problems of Georgia citizens, government, businesses, and organizations, and; that such programs can assist the state and nation in providing solutions to major challenges.

Public service includes a wide array of assistance the System and campuses provide to the state and the community. Such service can be academic or nonacademic, provided under contract or informally, and funded through external, internal, or a combination of sources, depending on the extent of the assistance and the availability of funds.

The Chancellor shall identify statewide needs and develop Systemwide initiatives using the System's collective networked resources to meet System public service responsibilities. Presidents shall identify local and mission-related needs and develop methods to respond to these. The Chancellor shall periodically provide to the Board a comprehensive assessment of the way in which campuses and the System are applying their resources to serving the people, governments, businesses, and organizations of Georgia.

#### **501.01 SERVICE AGREEMENTS WITH LOCAL AND STATE AGENCIES**

As part of the University System's mission of public service, institutions are encouraged to provide expertise and services to local governments or state agencies, as needed and appropriate. The Chancellor delegates to the presidents of the institutions the authority to sign service agreements between the institution and a government or agency. The president must report monthly to the University System Office that a service agreement has been signed. As part of that report, the president should provide a summary of the service that the institution has contracted for, the agency or agencies involved, the length of the agreement, and the amount of money that the institution will receive for the service. The University System Office shall provide a summary of the service agreements to the Board at each meeting through the Committee on Education, Research, and Extension.

*(502 SPECIAL PUBLIC SERVICE ORGANIZATIONS has been moved to 504.)*

## ~~503 CONTINUING EDUCATION (NON CREDIT INSTRUCTION)~~

### ~~503.01 GENERAL POLICY~~

~~To meet the educational needs of the citizens of the State of Georgia, each unit of the University System shall offer a variety of conferences, institutes, short courses, workshops, seminars, and special training programs which are traditionally referred to as continuing education.~~

### ~~503.02 STANDARDS~~

~~Each of the non-credit continuing education courses and programs shall be of high quality with qualified instructors and in every respect shall meet the minimum requirements set forth in the "Criteria for Accreditation" of the Standards of the College Delegate Assembly of the Southern Association of Colleges and Schools.~~

### ~~503.03 GEOGRAPHICAL LOCATION~~

~~Prior to the offering of non-credit continuing education off-campus, the president of the institution proposing such work shall be required to have written concurrence of the president(s) of any other University System institution(s) located in closer geographic proximity to the site proposed for the courses if the closer institution(s) has available qualified instructors and other required resources and has made plans to offer such courses in the area. In any case the president proposing such work shall provide the president(s) of the University System institution(s) closer to the proposed site information about the proposed course offerings prior to the public announcement of the courses. In the event the involved presidents are unable to arrive at a mutual agreement the issue shall be referred to the Chancellor for final resolution.~~

## **502 LIFELONG EDUCATION**

Lifelong education, which encompasses continuing education, provides educational offerings both for upgrading knowledge and skills needed to progress in occupations and for personal enrichment options important to more meaningful and happier lives, which is a separate function from the offering of traditional college degrees.

Through its Georgia LEADS (Lifelong Education and Economic Development Services) program, the University System Office shall provide leadership and coordination to result in a widely dispersed and easily available program of lifelong education offerings, including both noncredit and credit offerings, which both respond to the needs of citizens, government, businesses, and organizations and leverage the resources of System institutions to maximize efficiency and effectiveness. Emphasis

should be placed on institutional collaboration for professional and personal development programs using streamlined methods for sharing continuing education units and revenue when cooperating to offer programs.

The Chancellor shall issue and periodically review guidelines implementing this policy. These guidelines shall be based on state-level needs assessment; communication with businesses, agencies, and organizations; efficient marketing; ease of access and admission; collaboration both within the System and with other educational partners; geographic responsibilities of institutions; new and emerging technologies; financial incentives; and innovative educational models that address the needs of the state and its people.

#### **~~503.04~~ FACULTY**

Noncredit ~~continuing~~ lifelong education courses shall not be included in the workload of faculty members, but a reasonable degree of participation which does not interfere with their regular duties shall be considered as a contribution to the institution in the faculty evaluation process.

### **503 ECONOMIC DEVELOPMENT**

The Board of Regents finds that the University System of Georgia and its institutions have a major role in the current and long-term health of the state's economy in that the System produces much of the talent and technology required to advance and expand Georgia's economic base. The Board's goal is to develop sustainable intellectual resources through market-driven partnerships between education, business, and government.

The Chancellor shall develop a comprehensive program which organizes and communicates the close relationship between the University System and the economy of Georgia and which develops and implements programs linking the intellectual resources of the University System of Georgia to the state's business community in innovative ways.

Examples of programs which should be supported include education programs for knowledge workers in high-demand yet low-supply fields, research-driven economic development resulting in lab-to-market enterprises, and development of engineering, scientific, and social service applications.

#### **~~502~~ 504 SPECIAL PUBLIC SERVICE ORGANIZATIONS**

#### **~~502.01~~ 504.01 COOPERATIVE EXTENSION SERVICE**

The Cooperative Extension Service of the University of Georgia College of Agriculture and Environmental Sciences, created by the Smith-Lever Act passed by Congress in 1914, provides for the United States Department of Agriculture to join with the University of Georgia in conducting off-campus education programs relating to agriculture, family and consumer sciences, and youth development throughout the State of Georgia.

### **502.03 504.02 THE RURAL DEVELOPMENT CENTER**

The Rural Development Center, located at Tifton, is an educational and public service unit of the Cooperative Extension Service of the University of Georgia College of Agriculture and Environmental Sciences. The purpose of the center is to assist Georgia's rural citizens and communities in realizing their maximum social and economic development through utilizing the resources of local, state, and federal government agencies and private organizations. The programs of the center are directed toward the realization of four principal objectives: the increase of agricultural and forest production efficiency, the development of advanced marketing techniques and improved utilization of farm and forest commodities, the realization of comprehensive community development, and the continuation of training and utilization.

### **~~502.02 504.03 THE ENGINEERING EXTENSION DIVISION OF THE GEORGIA INSTITUTE OF TECHNOLOGY~~ THE GEORGIA TECH RESEARCH INSTITUTE**

~~The Engineering Extension Division, a public service unit of the Georgia Institute of Technology, provides industrial education programs and services for the benefit of the people and the industries of Georgia.~~

The Georgia Tech Research Institute, a public service unit of the Georgia Institute of Technology, undertakes a broad spectrum of engineering, scientific, economic, and other technical research and development services for customers in industry, government, and academia around the state, nation and world.

### **~~502.04 THE URBAN LIFE CENTER~~**

~~The Urban Life Center, located at Georgia State University, was established by the Board of Regents in 1968 as a center seeking solutions to urban problems through instruction, research, and public service. The primary mission is to develop, coordinate, and conduct information and planning seminars, workshops, conferences, and short courses designed to assist government service agencies and community~~

~~groups in dealing with existing urban problems.~~

## **~~502.05 THE MARINE RESOURCES PROGRAM~~**

~~The Marine Resources Program is administered by the President of the University of Georgia to provide a comprehensive program of research, instruction, and public service in matters relating to the coastal and marine environments. This program is conducted by three units in two locations: the Marine Institute on Sapelo Island, and the Marine Resources Extension Center and the Skidaway Institute of Oceanography both on Skidaway Island.~~

Ms. Burriss next introduced Dr. Morgan, who authored the Georgia LEADS report and would discuss its implementation.

Dr. Morgan thanked the Regents for the opportunity to make this presentation and work on this project for the last year. The biggest challenge, he said, is to initiate a major new effort with no dedicated funds. Now that the Board has approved the revised public service policy, the Chancellor will decide where to administratively establish the Georgia LEADS office in the University System Office. There are no funds for a new position, so the Chancellor will have to be very creative in funding a position. The staff have recommended borrowing an administrator from one of the System institutions to help launch the project. In time, a competitive search will be conducted to find the very best director for the project. During winter 2003, the search committee will finalize recommendations. Continuing education directors will develop project components, such as a statewide needs assessment, program delivery, marketing, funding, and certification. By springtime, the Chancellor should have a director based on the recommendations of the search committee. Dr. Morgan said that he hoped the director would be on the payroll by April 1, if funds are available. The director would then be charged with developing a comprehensive business plan and would present this to the Board. By that time, the Board may begin allocating continuing education formula funds on a performance basis. By fall 2003, the System could launch a statewide marketing campaign for the project. The Department of Community Health has already expressed an interest in collaborating with the new Georgia LEADS office to develop one of the first new statewide professional development programs for healthcare professionals. The director will also establish some performance standards to measure the success of the project. Dr. Morgan turned the floor back to Ms. Burriss.

Ms. Burriss noted that certain issues have arisen as a result of this project, and there may be other policy revisions on the horizon. The Georgia LEADS program will be market- and performance-driven. In closing, Ms. Burriss thanked the Regents for their support and guidance.

Chair Leebern thanked Ms. Burriss and Dr. Morgan for this presentation. He then called upon the Vice Chancellor for Fiscal Affairs, William R. Bowes, to make the next presentation.

Mr. Bowes said that he would be discussing two of the strategic goals of the Board. The tenth goal of the Board's strategic plan pertains to increasing, diversifying, and strategically allocating funding. In April 2002, Mr. Bowes had discussed the work of the committee of chief academic and fiscal officers who had begun to examine this goal and make some recommendations. The committee has continued to meet since then. The committee has been working under a set of guiding principles. First, the committee wants to maximize the benefit for the University System of Georgia, its institutions, and its students. Second, the budget strategy should be structured such that institutions have a greater ability to predict and plan future year budgets. This is most critical in days of budget reductions and holdbacks. Third, the budget should recognize changes in workload at institutions and link allocations to actual cost and demand increases. Fourth, the budget model should reward performance. In other words, it should reward qualitative factors in addition to quantitative factors. Finally, the budget would provide a process that accommodates state funds and works both when times are good and when they are bad. The allocation strategy represents just a piece of the state appropriations. The State of Georgia provides funds for the University System of Georgia in four different ways. In addition to formula funds, there are special funding initiatives, which are tied to specific projects and activities, like ICAPP<sup>®</sup>. There are also lottery initiatives, most of which are for technology, and there are funds provided through the Georgia Research Consortium. When Mr. Bowes was referring to the allocation strategy, he was referring to the formula funds only.

There are five major ways in which formula funds are provided to the University System, explained Mr. Bowes. The most significant way is enrollment earnings from credit hour production, which generates the instructional, academic support, and student services budget. The System also receives funding as line items for fringe benefits. There are also major repair and renovation ("MRR") funds, continuing education units ("CEUs"), and operations and maintenance of plant. A proposed allocation strategy for the nonenrollment piece of the formula is that fringe benefits be based on actual cost changes. Operations and maintenance of plant would be based on new square footage. CEUs would be based on increases when they are funded. In last year's budget, the Governor decided not to support the increase in the formula in this area, but the staff are hopeful that as institutions generate additional CEUs, they will be funded accordingly. The staff suggested that it might be time to reconsider the MRR allocation formula and recommended that another committee take a closer look at this issue. In terms of the total strategy, the committee recommended that a minimum of 80% of the formula funding be distributed to institutions in proportion to the way those funds were earned. The committee also recommended distributing approximately 5% in accordance with quality and performance factors. Finally, the committee recommended that 10% to 15% be used for strategic allocations. Mr. Bowes explained that the quality and performance portion would be used to reward performance and to link that funding to quantifiable indicators. At least two of the indicators will address retention rates and graduation and transfer rates because they are an integral part of the Board's strategic plan. The Board may also consider additional indicators, such as sponsored research, how institutions are performing administratively, etc. The performance allocation would be based on a set of indicators differentiated by sector to which weights and scores would be assigned. The committee is still defining those indicators, but they do have a conceptual framework. This constitutes only a small piece of the allocation, so the Board may want to revisit

this down the road to decide whether this should be increased. With regard to strategic allocations, this would be a part of the pool of money that would be used for a lot of the strategic initiatives and goals, including continuing education and possibly funding a position at the University System Office for the Georgia LEADS project. The staff would also look at institutions that may have capped enrollment and may not benefit as much from the formula. The Board could use these funds to address mission and program cost differences among institutions and possibly look at short-term needs of specific institutions.

The committee also felt very strongly that the Board needs to look again at the range of appropriations per full-time equivalent (“FTE”) student within sectors within the University System. The staff have made recommendations in the allocation that try to reduce that range to bring institutions with common missions closer together in terms of the dollars of funding per FTE student. The committee strongly felt this needs to be continued going forward. The benefits to this approach are that institutions can project their budgets and there is flexibility built in for Systemwide priorities. Moreover, the method would reward and encourage performance in certain areas. Nonenrollment-related formula earnings in fiscal year 2003 allocations began last April. The process is now being refined with additional factors. The staff expect to have the quality performance indicators and part of the allocation model in place next April when they come to the Board with recommendations on the fiscal year 2004 budget. At the same time, the staff, working with the Chancellor, will address some very specific strategic allocations.

Next, Mr. Bowes discussed increasing and diversifying funding sources. The committee examined a number of different options the Board might consider that would help to increase the resource base. The committee developed several options, some of which have already been implemented. In May 2002, the Board approved market tuition rates for distance learning programs and educational service agreements with corporations and other outside entities. The staff have also recommended use of tuition differentials, and the committee feels this needs to be implemented more quickly. The staff also recommended investment of auxiliary enterprise funds in longer-term securities. Most institutions currently invest those dollars in their short-term investment funds, but as they build reserves for future projects, it may be possible to invest those dollars in longer-term fixed-asset securities. The Board’s investment manager is examining this approach to determine the associated risks and benefits. The staff were also recommending inter- and intra-institutional transfer of auxiliary enterprise funds. To the extent they can identify some very specific needs within an institution, particularly in the capital area, it may be possible to have a short-term borrowing of auxiliary enterprise funds to support that rather than going outside. Another suggestion was commercialization of intellectual property, which is linked to other strategic goals of the Board. The University of Georgia and the Medical College of Georgia have already been involved in this process, and the staff will examine whatever impediments may exist for that activity. The last suggestion was the nonlapsing of unexpended institutional funds, which has come up during the Board’s previous discussions of continuing education. Mr. Bowes has since done an informal survey of his peers across the country. Of 33 states responding, 52% said that state funds only lapse, 36% indicated that none of their funds lapses, and 12% said all funds lapses, with the exception of auxiliary

enterprise funds. Of those 33 states, only 4 are in the last category, including the State of Georgia. This is one of the things the Board should consider. Mr. Bowes thanked the committee members, who were as follows: Dr. John B. Black, Vice President for Academic Affairs, Dalton State College; Dr. Ronald J. Core, Vice President for Business and Finance, Georgia Southern University; Mr. Ronald L. Carruth, Vice President for Financial Affairs, Georgia Perimeter College; Dr. Dorothy Conteh, Vice President for Academic Affairs, Fort Valley State University; Mr. Patrick J. O'Hare, Vice President for Operations, Planning, and Budget, Clayton College & State University; Dr. Ronald Henry, Provost and Vice President for Academic Affairs, Georgia State University; Mr. B. Earle Holley, Vice President for Business and Finance, Kennesaw State University; Dr. Bettie Rose Horne, Administrative Associate for the Office of Academics and Fiscal Affairs, University System Office; Mr. Hank M. Huckaby, Vice President for Business and Finance, University of Georgia; Dr. Louis Levy, Vice President for Academic Affairs, Valdosta State University; Ms. Usha Ramachandran, Budget Director, University System Office; Mr. Steven G. Swant, Associate Vice President for Budget and Planning, Georgia Institute of Technology; and Mr. Levy Youmans, Vice President for Fiscal Affairs, Macon State College.

Chair Leebern thanked Mr. Bowes for the first part of his presentation. He then asked whether there were any questions or comments, and there were none.

Mr. Bowes next discussed the seventh goal, which pertains to best practices. Another committee was working on this goal as well as the chief business officers in the University System of Georgia. In February 2002, he presented this goal to the Board and discussed what the System institutions were already doing in this area. He reiterated the four points he made at that time. First, all of the institutions in the University System have made strides toward best practices in one form or another, whether as part of the PeopleSoft implementation or on their own. Second, one size does not fit all; best practices at one institution may not work at another. Third, identifying best practices is a dynamic process. That is, a best practice today may not be in time. So, we need to continually be looking at ways to improve our operations that may change from time to time. Finally, best practices often require investments in technology.

The committee developed a four-part model to make sure institutions are continually improving and advancing. The first part would be a competitive award program similar to what the National and Southern Associations of Colleges and University Business Officers currently have. In January 2003, the Board would establish competition rules and ask institutions to make submissions in April and May. A cross-functional committee would establish criteria for review of the submissions, including cost savings, productivity, and service enhancements. One of the major goals is to find best practices that can be replicated across the University System. The award would be modest, perhaps \$10,000, and three to five awards would be given each year. There would also be an annual presentation to the Board recognizing the award winners. Second, the Board needs to develop a best practices Web site to have a means of communicating across the System about best practices. Institutions are doing a lot of things, but they need a way to share that with their peers on a regular basis. The Web site would include all functional areas and would provide a way for institutional staff to enter information



online to create a database that would be updated monthly. The Web site would also include links to other higher education Web sites, particularly those that address improvements in higher education management and administration. The implementation would be monitored, and staff would report back to the Board on a regular basis. The target implementation date for this project is March 2003. Third, the Board should develop a benchmarking process against institutions nationally. Mr. Bowes said that the Board should encourage attendance at national conferences and enrollment in continuing education, seminars, and the like. He noted that only a handful of administrative officers have the opportunity to attend national conferences. While this is a monetary issue, it is fundamental to learning what other institutions of higher education are doing and their best practices. Mr. Bowes suggested that professional development sessions be included in the annual meetings of the chief business officers, but this also needs to occur in other administrative areas to bring people together to discuss better ways to do business. The University System can also invite speakers from institutions nationally to put on seminars in Georgia. The fourth part of the committee's model was that best practices be incorporated in institutional strategic planning to emphasize excellence, reduce costs, etc. This would emphasize the importance of best practices to the institutions and promote awareness across the System. The proposed model provides a mechanism by which institutions can share best practices, rewards institutions that excel in this area, and creates a culture of best practices in the University System of Georgia. In closing, Mr. Bowes recognized the committee that worked on this goal, who were as follows: Fred Barnabei, Vice President for Business and Student Services, Augusta State University; Harry Keim, Vice President for Business and Finance, Georgia College & State University; William Gauthier, Senior Vice President for Business and Finance, State University of West Georgia; Karen Porter, Vice President for Finance and Business, Floyd College; Patrick J. O'Hare, Vice President for Operations, Planning, and Budgeting, Clayton College & State University; and Usha Ramachandran, Budget Director, University System Office.

Chair Leebern asked whether there were any questions or comments, and seeing that there were none, he thanked Mr. Bowes for this update and adjourned the meeting of the Strategic Planning Committee as a Committee of the Whole.

### **UNFINISHED BUSINESS**

There was no unfinished business at this meeting.

### **NEW BUSINESS**

There was no new business at this meeting.

### **PETITIONS AND COMMUNICATIONS**

Secretary Gail S. Weber announced that the next Board meeting would take place on Tuesday, November 19, and Wednesday, November 20, 2002, in the Board Room in Atlanta, Georgia. On Monday, November 18, there will be a Regents retreat.

Chair Harris thanked President Michael F. Vollmer and the faculty, staff, and students of Abraham Baldwin Agricultural College for hosting this Board of Regents meeting. He also thanked Regent and Mrs. Hunt for their hospitality during the Regents' visit to Tifton. Finally, he thanked the Regents Emeriti for attending this Board of Regents meeting.

### **EXECUTIVE SESSION**

At approximately 11:55 a.m. on Wednesday, October 9, 2002, Chair Harris called for an Executive Session for the purpose of discussing the future acquisition of real estate. 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 Harris, Vice Chair James D. Yancey, and Regents Hugh A. Carter, Jr., Connie Cater, William H. Cleveland, Michael J. Coles, George M. D. (John) Hunt III, Donald M. Leebern, Jr., Allene H. Magill, Elridge W. McMillan, Martin W. NeSmith, Wanda Yancey Rodwell, Glenn S. White, and Joel O. Wooten, Jr. Chancellor Thomas C. Meredith; the Senior Vice Chancellor for Support Services, Corlis Cummings; the Senior Vice Chancellor for External Affairs and Facilities, Thomas E. Daniel; the Assistant Secretary and Treasurer of the University System of Georgia Foundation, Inc., Sondra Dangelo; and the Secretary to the Board, Gail S. Weber, were also in attendance during the Executive Session. 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 12:30 p.m., Chair Harris reconvened the Board meeting in its regular session and announced that no actions were taken in Executive Session.

### **ADJOURNMENT**

There being no further business to come before the Board, the meeting was adjourned at approximately 12:35 p.m. on October 9, 2002.

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

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