

**MINUTES OF THE MEETING OF THE
BOARD OF REGENTS OF THE UNIVERSITY SYSTEM OF GEORGIA
HELD AT
270 Washington St., S.W.
Atlanta, Georgia
September 6 and 7, 2005**

CALL TO ORDER

The Board of Regents of the University System of Georgia met on Tuesday, September 6, and Wednesday, September 7, 2005, in the Board Room, room 7007, 270 Washington St., S.W., seventh floor. The Chair of the Board, Regent J. Timothy Shelnut, called the meeting to order at 3:00 p.m. on Tuesday, September 6, 2005. Present on Tuesday, in addition to Chair Wooten, were Vice Chair Patrick S. Pittard and Regents Hugh A. Carter, Jr., Connie Cater, William H. Cleveland, Julie Ewing Hunt, W. Mansfield Jennings, Jr., James R. Jolly, Donald M. Leebern, Jr., Elridge W. McMillan, Martin W. NeSmith, Doreen Stiles Poitevint, Richard L. Tucker, Allan Vigil, and Joel O. Wooten, Jr.

ATTENDANCE REPORT

The attendance report was read on Tuesday, September 6, 2005, by Secretary Gail S. Weber, who announced that Regents Michael J. Coles, Joe Frank Harris, and Wanda Yancey Rodwell 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 regular meeting of the Board of Regents held on August 2 and 3, 2005, as well as the minutes of the special meeting of the Board of Regents held on August 11, 2005, were unanimously approved as distributed.

OSSABAW ISLAND UPDATE

Chair Shelnut called upon the Senior Vice Chancellor for Academics and Fiscal Affairs, Daniel S. Papp, to update the Board of Regents about Ossabaw Island.

Dr. Papp stated that in 1978, Mrs. Eleanor Torrey (“Sandy”) West partially sold and partially gifted Ossabaw Island to the State of Georgia, requiring that it be used primarily for educational purposes. Georgia designated the island a heritage preserve and asked the Department of Natural Resources (“DNR”) to manage it. Two years ago, DNR, the Ossabaw Island Foundation, and the University System of Georgia reached agreement to form the Ossabaw Island Education Alliance (the “Alliance”) to further the purpose of using the island as an educational site. This year, the Alliance

hired Dr. Paul Pressley to serve as its education coordinator. Dr. Pressley is well acquainted with Savannah and the Coastal Georgia area, having served as headmaster of the Savannah Country Day School for 21 years. A 1964 Rhodes Scholar, Dr. Pressley received his bachelor's degree from Princeton University, his master's from Harvard University, and his doctorate from Oxford University. He is an avid saltwaterboatman, a historian of the low country, and an active participant of the effort to understand and preserve coastal culture, history, and resources. Dr. Papp asked Dr. Pressley to share some good news with the Regents.

Dr. Pressley said that Mrs. West enjoyed the opportunity to entertain some of the Regents at her home on Ossabaw Island on April 18, 2005. Her parents, Henry Norton Torrey and Nell Ford Torrey of Grosse Pointe, Michigan, purchased the island in 1924 for \$150,000 for their winter residence. They would live on the island from January to May. In 1960, Mrs. West and her brother, Clifford, inherited the island. In 1978, Mrs. West fell on hard times and needed to do something with the island. She did not want it to become a commercial property, so she sold it to the State of Georgia and has been living with the life interest of the estate since that time. She is 92 years old and still lives by herself in the 15-bedroom, 20,000-square-foot mansion. Dr. Pressley said that Mrs. West very much appreciated the resolution that the Board of Regents gave her in May 2005 because it is validation of her intentions for the island: study, research, and education. DNR agrees with Mrs. West in these intentions. Commissioner Noel Holcomb of DNR said to Dr. Pressley that Ossabaw Island is a national treasure that DNR wants to share with the Board of Regents. The Alliance is unique because Ossabaw Island is being opened to the entire University System of Georgia. The Alliance has four goals. The first is to help train teachers to teach coastal ecology and basic science. The second goal is to increase scientific literacy in K-12 schools. The third goal is to make Ossabaw Island a place of hard scientific research. The reason is that the island has been virtually untouched by humans aside from the few people who have lived there. There is no other island on this coast that is more pristine. Ossabaw Island can be used as a measure of changes on the coast. The final goal of the Alliance is to tell the story of Ossabaw Island, because it is a place where Native Americans, African-Americans, and Caucasians cohabitated for 300 years. There are many archeological sites on the island, including some of the best preserved tabby cabins, which will be featured in the October 2005 issue of *Smithsonian* magazine.

Dr. Pressley reported that the Alliance is holding a series of roundtable discussions. The result has been a desire to use Ossabaw Island for collaboration among the institutions of the University System of Georgia. He noted that there is a particularly positive cooperative spirit among all of the institutions who have already been involved in educational endeavors on the island. The Alliance wants Ossabaw Island to be known as the barrier island observatory, a place to observe cultural, historical, natural, and scientific changes. The Alliance would like to see the University System utilize the coast in a more collaborative fashion. In closing, Dr. Pressley thanked the Regents for this opportunity to update them and noted that they had been instrumental in this effort.

Chair Shelnut thanked Dr. Pressley and said that the Board shares his sentiment in supporting the Alliance and Ossabaw Island.

UPDATE ON HURRICANE KATRINA RESPONSE

Chair Shelnut recognized Representative Bill Hembree, Chair of the Higher Education Committee of the Georgia House of Representatives, and thanked him for being in attendance.

Chair Shelnut said that in the previous week, the world was reminded of the awesome power of nature. As the news out of New Orleans and the Gulf Coast continued to provide more information, it was clear that few people will be untouched by this great tragedy. Hurricane Katrina will affect everyone in some way. He said that the Regents' hearts go out to those directly affected by this great storm and prayers are with them. He then asked that everyone join him in a moment of silent prayer for all those who have come in harm's way – for those displaced, for those who have lost family and friends, for those who either stayed or traveled to the areas of devastation in order to give aid, comfort, and assistance.

After a moment of silence, Chair Shelnut reported that the University System of Georgia has responded to the call for help to help displaced students who now have no college as well as families and individuals who have lost everything. Chancellor Meredith would update the Board on the University System's quick response. Chair Shelnut said that he is proud of the manner in which the System and its institutions have reacted. They are committed to being of service to their fellow citizens.

Chancellor Meredith stated that the University System had responded quickly to the crisis in Louisiana, Mississippi, and even parts of Georgia. This has been a Systemwide effort and has involved many individuals – presidents and their staff and many at the University System Office. Once the magnitude of the disaster became clear, the University System mobilized quickly. At the outset, the Chancellor encouraged campus officials to be flexible and compassionate in addressing the emergency needs of evacuees. While the System has worked to assist a broad range of the population, it has paid special attention to students whose studies have been interrupted by forced campus closings throughout the hurricane zone. New Orleans alone had 75,000 displaced college students. The Chancellor said that he would be asking the Board of Regents to consider and approve a number of important actions to help displaced students. These include the waiver of out-of-state tuition through the fall 2005 semester; the deferral of fall 2005 tuition payments, the deferral of room and board charges for housing owned and operated by System institutions, and the deferral of immunization documentation. In a sense, the System is resurrecting an educational form of "lend lease." The point is to get students enrolled and in classes and worry about the costs later. Time is of the essence, he said. The federal government will be issuing a series of guidelines regarding financial assistance for displaced students. Normally, the University System of Georgia would treat such students as transient students, but the federal government is encouraging systems and institutions

of higher education to treat them as regular students so that they are eligible to receive Title IV funds and other types of federal aid.

The University System of Georgia has a special website that directs students to the appropriate individuals on its 34 campuses. The address for the University System site is www.usg.edu/katrina/. In addition, the System has established a hotline: 1-888-292-3339. The University System is working with other state agencies and the Governor's Office to coordinate activities. The System is participating in a state website that covers the entire educational spectrum from pre-K through college. The address for this site is www.gadoe.org/.

The Chancellor thanked the Interim Chancellor and Senior Vice Chancellor for Support Services, Corlis Cummings, for coordinating with the Governor's Office. She would give a brief report in just a moment. He also thanked the following staff members who had been instrumental in the emergency response activities: the Associate Vice Chancellor for Student Affairs, Tonya R. Lam; the Director of Administration and Compliance Policy, Mark Demyanek; the Assistant Vice Chancellor for Legal Affairs (Prevention), J. Burns Newsome; the Associate Vice Chancellor for Media and Publication, Arlethia Perry-Johnson; the Assistant Vice Chancellor for Strategic Communication, John Millsaps; the Publications Director, Diane Payne; Manager/Webmaster James Ray Lee; System Support Specialist Jason D. Seebode; the Vice Chancellor for Academic, Student, and Faculty Affairs, Frank A. Butler; and the Associate Vice Chancellor for Strategic Research and Analysis, Cathie Mayes Hudson. Chancellor Meredith said there were many others who also helped in this important effort. Many others on the University System Office staff sacrificed some, if not all, of their weekend to keep things moving. He then called upon Ms. Cummings to update the Regents on the University System's coordination with the Governor's Office, the Federal Emergency Management Agency ("FEMA"), and others.

Ms. Cummings added that the presidents and institutions have been incredibly responsive to all of the requests made of them and thanked them for their cooperation. She said that the University System Office has been working closely not only with the Governor's Office, but also with the Georgia Student Finance Commission and the federal government for issues regarding student financial aid. The Board of Regents is participating in two task forces. Because the University System of Georgia has so many facilities, one of these is a housing task force with the Governor's Office and the Georgia Emergency Management Agency ("GEMA"). The other task force pertains to facilities.

The Chancellor said that the Georgia Institute of Technology ("GIT") responded immediately by housing refugees in Alexander Memorial Coliseum. GIT is also working with Tulane University ("Tulane") to set up an off-site location in Atlanta so that the Tulane Architecture program can move to GIT for at least this semester. Chancellor Meredith called upon Ms. Lam, who coordinates all student affairs activities for the System.

Ms. Lam said that 22 institutions were in the process of enrolling 483 evacuated students. Georgia State University (“GSU”) has by far the largest number of students enrolling, 145 to date with another 150 pending. The University of Georgia is enrolling 80 students, including both undergraduate and graduate students. Fourteen institutions have second sessions that will begin in October. So, many more students may enroll at that time. In addition, the Medical College of Georgia (“MCG”) is in discussions with some institutions in the disaster area about relocating entire medical programs to the MCG campus.

The institutions also are involved in other relief efforts. Bainbridge College (“BC”) is working through its Circle K Club, sponsored by the Bainbridge Kiwanis Club, to take donations for refugees relocating in shelters and motels in Bainbridge. BC’s Office of Student Affairs has established an agency account to collect donations earmarked for the thousands of displaced students. Coastal Georgia Community College’s President Dorothy Lord is working with the National Association of Two-Year Colleges to coordinate assistance. East Georgia College is coordinating efforts with Swainsboro Technical Institute and local K-12 schools. Georgia College & State University already operates a GIVE Center, which partners with the local office of the American Red Cross. The center is a central receiving site for donations and is identifying and training volunteers to work in area shelters. MCG Health, Inc. (“MCGHI”) is a part of the national disaster medical system. Atlanta and Augusta are the two cities in Georgia that are a part of that system. MCGHI has medical teams working in New Orleans and Augusta. MCG has created a web portal listing for individuals to access updates on their relief efforts. At North Georgia College & State University (“NGCSU”), student groups are staging a fund-raising drive on campus to benefit the hurricane victims. In addition, 25 cadets have been deployed through the National Guard to the affected areas. University of West Georgia (“UWG”) students are working as volunteers with Southwire Company, which is coordinating a local collection site for victims on the Gulf Coast and Carroll County in Georgia. Ms. Lam noted that a number of Georgia communities were hard hit by the storm as it passed through the state. UWG’s Office of Students Affairs is collecting mattresses so the University of Mississippi can house families of students who are homeless.

Ms. Lam stated that System institutions have also responded to the call to identify campus housing for hurricane victims. In all, the System has identified 650 beds so that students can be among students and live in student housing. In addition, the System has identified space for an additional 6,000 nonstudent evacuees in coordination with the Red Cross, including 1,600 at UGA’s six 4-H camps. UGA’s Ramsey Center is on standby for to take in additional refugees. All of these actions reflect highly on the University System, said Ms. Lam. However, she noted, the situation is changing hourly and the actions she had outlined will continue to change as the situation develops and demands.

Chancellor Meredith thanked Ms. Lam for her update.

Ms. Cummings added that the Georgia Public Library System (“GPLS”) is also instrumental in the

hurricane response effort because the libraries are allowing people to have Internet access. She noted that information is being disseminated through many websites, and pamphlets are also being distributed at shelters.

Chancellor Meredith remarked that people are responding extraordinarily, which demonstrates what can be achieved when everyone pulls together. In closing, he again thanked all of the staff at the University System Office and on the campuses who had worked so hard to respond to this emergency situation.

Chair Shelnut also thanked everyone on behalf of the Board of Regents. At approximately 3:30 p.m., Chair Shelnut adjourned the Regents into their regular Committee meetings.

CALL TO ORDER

The Board of Regents of the University System of Georgia met again on Wednesday, September 7, 2005, in the Board Room, room 7007, 270 Washington St., S.W., seventh floor. The Chair of the Board, Regent J. Timothy Shelnut, called the meeting to order at 9:00 a.m. Present on Wednesday, in addition to Chair Wooten, were Vice Chair Patrick S. Pittard and Regents Hugh A. Carter, Jr., Connie Cater, William H. Cleveland, Joe Frank Harris, Julie Ewing Hunt, W. Mansfield Jennings, Jr., James R. Jolly, Donald M. Leebern, Jr., Elridge W. McMillan, Martin W. NeSmith, Doreen Stiles Poitevint, Richard L. Tucker, Allan Vigil, and Joel O. Wooten, Jr.

INVOCATION

The invocation was given on Wednesday, September 7, 2005, by Regent James R. Jolly.

ATTENDANCE REPORT

The attendance report was read on Wednesday, September 7, 2005, by Secretary Gail S. Weber, who announced that Regents Michael J. Coles and Wanda Yancey Rodwell had asked for and been given permission to be absent on that day.

INTRODUCTIONS

Chancellor Meredith introduced Ms. Jennifer Rippner, who is now serving as the Governor's Education Advisor. He noted that her professional experience has involved education reform. Most recently, she directed the Charter School and Alternative Education Programs for the Georgia Department of Education. Prior to that, she was Director of the Florida Charter School Accountability Center. She is a University of Florida graduate with both a bachelor's degree and a juris doctorate. The Chancellor and Ms. Rippner had recently attended the Education Commission of the States meeting and had a good conversation. He said that she is bright, talented, and dedicated

and that he knows she will serve the Governor, the state, and the educational community well. Ms. Rippner had been extremely busy the previous week coordinating the state's educational response to Hurricane Katrina. Given that extra duty on top of her normal workload, Chancellor Meredith especially appreciated her breaking free to meet with the Board of Regents.

Ms. Rippner greeted the Regents and said that she was very proud of the work that Georgia is doing in education. She thanked the Regents, the Chancellor, and the University System Office staff for their help in crisis management planning in response to Hurricane Katrina. The University System of Georgia has been responsive, timely, coordinated, and efficient in helping displaced college students. She said that the System has been innovative in its response, and that is appreciated. Even though she is a Florida graduate, she said that she is very proud of the University System of Georgia, which is very competitive and well regarded nationally. In closing, Ms. Rippner introduced Mr. R. David McCleskey, a member of the Governor's Education Finance Task Force, who has over 30 years of experience in public education. She invited the Regents to contact either of them at any time.

SPECIAL RECOGNITIONS

Chair Shelnut asked Regents Joe Frank Harris and Joel O. Wooten, Jr. to join him at the podium. He said that being selected to serve as Chair of the Board of Regents is a great and humbling honor. The responsibilities are significant; the expectations are large; and the needs of the citizens to believe they are performing as good public servants are large. Every month, the Board of Regents attempts to improve the lives of Georgia citizens through higher education. It is an awesome responsibility that the Chairs take very seriously. Regent Harris was Chair for two years, and Regent Wooten just completed his year as Chair. Those three years were difficult ones for the Board of Regents. Financial resources were cut because of the national economic downturn, and unexpected challenges sometimes kept the Regents' focus in places other than where they would like it to be. These two gentlemen led the Board with integrity and unrelenting focus to live up to the expectations of the citizens of Georgia. Chair Shelnut thanked Regents Harris and Wooten for their dedication and loyalty to the University System of Georgia. He said that Brumby rocking chairs were being engraved with their names and the Board seal in honor of their special service to the Board of Regents. Another Brumby rocker was also being prepared for former Regent and Chair Glenn S. White.

Next, Chair Shelnut asked Chancellor Meredith to come to the podium. He thanked the Chancellor for his service to the Board of Regents and the University System of Georgia since January 2002. Chancellor Meredith would take up his new duties and responsibilities in Mississippi on October 1, 2005. Thus, this was his last Board meeting in Georgia. The Chancellor had been honored the previous night at a Regents' dinner. This was the official recognition and acknowledgement of his work in guiding the University System of Georgia through some of the toughest economic times the System has experienced since it was founded in the depths of the Great Depression. Thanks in part to his leadership, the University System of Georgia is positioned well to address new challenges and

opportunities, such as continued enrollment growth, raising the educational aspirations of Georgians, building needed facilities, strengthening academic quality, and most importantly, ensuring student success. On behalf of the Board and the University System, Chair Shelnut thanked Chancellor Meredith for his efforts in these and other areas and toward the Board's goal of creating a more educated Georgia. Chair Shelnut presented to the Chancellor a proclamation outlining many of the milestones reached during his chancellorship as an additional reminder of how much the Regents value his contributions. On behalf of the Regents, Chair Shelnut wished the Chancellor and Mrs. Meredith well in Mississippi.

Regent NeSmith stated that Chancellor Meredith came to the University System of Georgia during a difficult economic period and led the System with integrity and dignity. He said that he appreciated the way the Chancellor led the System under such difficult times.

Chair Shelnut noted that Chancellor Meredith had interviewed for the position of Chancellor on September 11, 2001, a date that no one will forget.

REPORTS FROM BOARD'S TASK FORCES

Chair Shelnut stated that in his remarks to the Board at the August meeting, he had outlined four areas on which he wanted to focus in the coming year. He said that at this time, he would like the University System Office staff point persons to update the Board on their progress in these areas. First, the Senior Vice Chancellor for Academics and Fiscal Affairs, Daniel S. Papp, would report on retention, progression, and graduation ("RPG") rates. Then, the Associate Vice Chancellor for Media and Communications, Arlethia Perry-Johnson, would update the Board on communications. Next, the Executive Director of the Office of Economic Development, Joy Hymel, would report on the total financial impact of the University System of Georgia on the State of Georgia. Finally, the Vice Chancellor for Facilities, Linda M. Daniels, would discuss her task force work on a new system to improve the capital projects process.

Dr. Papp said that when Chair Shelnut announced last month that one of his key areas of emphasis this year would be on RPG rates, the System was fortunate that it already has a good foundation on which to begin. In January 2004, Chancellor Meredith appointed a task force on graduations rates and issues in order to find ways to improve them. The task force was chaired by Provost Ronald Henry of Georgia State University ("GSU"), who presented his report to the Board in September 2004. Since then, a number of critical actors in the University System have moved forward with efforts to improve RPG rates. For example, over the summer, the combined meetings of vice presidents of academic and student affairs were focused on RPG rates and issues. Earlier in the spring, the Minority Advising Program and Minority Recruitment Offices of the System institutions also devoted their efforts to examining these issues.

Dr. Papp listed the goals of this initiative. The first objective is to understand why RPG rates are

not better. The second objective is to expand and initiate programs that will increase RPG rates. The third objective is to bring institution-specific graduation rates up to at least the national average by 2010. The final objective is to exceed national averages and become leaders. Since the August Board meeting, a presidents' meeting was held on August 12, 2005. At that meeting, Dr. Papp made a presentation on the Board's RPG initiative. Each president has been asked to identify an individual at the institution who will be the institution's leader in the RPG initiative. On August 30, senior staff in the University System Office had a retreat to look at the role of general education and its effect on RPG rates. The staff divided into four groups to address different topics in general education: 1) curriculum, courses, and delivery; 2) faculty, staff, and administrator attitudes and behavior; 3) faculty, staff, and administrator incentive and rewards; and 4) interfaces with nongeneral education factors. The objectives of the meeting were to identify principal issues in each topic related to general education and identify what the University System Office can do to help resolve these issues.

In September, Dr. Papp and the Vice Chancellor for Fiscal Affairs, William R. Bowes, will form a committee of vice presidents for academic affairs and chief business officers to examine the impact of economics and finances on RPG rates and to develop financial ideas and recommendations to improve them. At the October Board meeting, System, institutional, and national RPG data packages will be provided to Regents and presidents.

On October 18 and 19, 2005, there will be a Systemwide RPG symposium attended by those identified by presidents as institutional RPG leaders. The objectives of the symposium will be to identify RPG issues and institutional best practices. On November 15, institution graduation rate targets and plans are due to the University System Office. From December 2005 to March 2006, the University System Office staff will review these RPG plans and provide feedback to the institutions. Implementation of plans will begin as soon as January 2006. Dr. Papp noted that the Board of Regents had requested \$3.5 million in its fiscal year 2007 budget request to help improve RPG rates. Assuming the System receives this additional funding, in April 2006, institutions will submit competitive RPG enhancement proposals and must commit matching funds, as well as benchmarking and accountability measures. In May 2006, University System Office staff will review the proposals and notify the winners. By July 2006, the RPG plans will be fully in place. In closing, Dr. Papp asked whether there were any questions or comments.

Chair Shelnut asked whether Dr. Papp could foresee what types of initiatives might be brought forward as part of this process.

Dr. Papp replied that there have been many discussions about what types of initiatives might be put in place. The staff know, for example, that the System loses approximately 20% of its first-time full-time students in the first year of college. Many institutions already have in place freshman experience programs and learning communities. The System needs to expand these programs even more to address this 20% attrition rate. Dr. Papp noted that an 80% continuation rate is not bad for a public university system. Still, this means one out of every five first-time full-time freshmen does

not return as a sophomore. The staff will also be conducting a study to determine the percentage of students who lose the HOPE Scholarship and who are also on Pell Grants. That will give the staff a bit of information on the extent to which finances become an obstacle to RPG rates. He hoped to have more information on this in October.

Chair Shelnut next called upon Ms. Perry-Johnson to update the Board about the communications initiative.

Ms. Perry-Johnson thanked the Regents for this opportunity to update them on the communications element of Chair Shelnut's four-point plan. The aim of this initiative is to develop communications strategies and tactics that will help the Board better tell the story about the many positive activities of the Board and the many accomplishments of the University System institutions. The overarching goal is to inform various audiences of the excellence and national preeminence in the University System of Georgia. Ms. Perry-Johnson noted that Ms. Jennifer Rippner, the Governor's Education Advisor, had just expressed how she, as a native Floridian, views the System as nationally competitive and well regarded. That demonstrates how many outside of the State of Georgia view the University System of Georgia in a more prestigious manner than within the state. So, this initiative will build upon that national reputation to ensure that the citizens of Georgia value the System as much as those outside the state.

Ms. Perry-Johnson stated that the University System of Georgia is nationally recognized on a wide variety of fronts from the academic arena to the sport fields to the scientific and cultural communities. Chair Shelnut appointed Vice Chair Pittard to chair this initiative, and he has in turn asked Regents Cleveland and Rodwell to join in the group's work. These Regents will bring insightful perspectives to the work. Regent Cleveland owns many businesses in metropolitan Atlanta, and Regent Rodwell is in corporate communications at Delta Air Lines, Inc. Ms. Perry-Johnson is serving as the group's staff person, and she has called upon the services of the Associate Vice President of Public Affairs at the University of Georgia, Thomas H. Jackson, Jr. As the group's activities expand, more members will be brought on board from the University System Office and the institutions.

The mission of the communications initiative is to help the System's key audiences better understand and more highly value the System's strengths and successes. Ms. Perry-Johnson said that the group wants more Georgians to know that the University System of Georgia is an incredible set of public colleges and universities, how diverse the System is in terms of access, the System's achievements across all sectors, and the many initiatives that give back to the state. The group will develop strategies and vehicles to effectively communicate the Board of Regents' and institutions' positive activities. The group will also implement stronger issues-management processes. The group would like to mitigate some of the public controversies the System has faced through more effective communications.

Ms. Perry-Johnson said that the audiences with whom the System would like to more effectively communicate include state leaders and members of the General Assembly, employees and alumni of the University System, the business community and chief executive officers, the national higher education community, the media, and the public at large, particularly potential students. Some of the potential new communications vehicles and strategies include a new periodical, enhanced communication with key funding partners, expanded electronic distribution systems, thought papers on key topics in higher education, and development of messaging and marketing partnerships both within the System and with other state agencies. This is how the group has begun its initial dialog and communications around the goals they would like to achieve in this initiative. During the next few months, the group will bring further updates to the Board and will seek Regent input about the initiative. In closing, Ms. Perry-Johnson said that she would be happy to answer any questions.

Vice Chair Pittard added that the University System of Georgia already has an excellent communications process in place. This initiative seeks to establish another layer of communication that will be more proactive in order to educate the public and avoid controversy. He said that if people are well informed and understand the foundation of some of the more difficult issues in the University System, they will understand better the actions of the Board of Regents rather than be surprised and have potentially visceral reactions. The Board deals with many difficult issues, and the independence of the Board gives it the strength to make tough decisions that are not always completely understood by constituents. This effort will help them understand.

Vice Chair Pittard said that this initiative is not intended to overburden the Office of Media and Publications, so the group must find creative ways to improve communications. He said there is potential opportunity in new technologies to effectively and efficiently improve communications across the state. In closing, he said that he was excited about this initiative and looked forward to Regent input and participation.

Chair Shelnut said that communication is essential and has no boundaries. Communication is important in educating middle school students about the importance of attending college, and it is critical to ensuring that everyone knows what a good job the University System of Georgia does. The only thing that will limit this initiative is cost and staff considerations. He said that he was excited about this initiative, and he thanked Ms. Perry-Johnson for her hard work.

Ms. Perry-Johnson noted that one of the things she would discuss as part of her update on the African-American Male Initiative (“AAMI”) is a set of television commercials that indeed communicate to a younger audience in an innovative way.

Chair Shelnut thanked Ms. Perry-Johnson and called next upon Ms. Hymel.

Ms. Hymel said that she would give the Regents an update on the total impact task force, which is chaired by President G. Wayne Clough of the Georgia Institute of Technology (“GIT”). The other

members of the task force are the presidents of the other three System research institutions, the Georgia Research Alliance (“GRA”), and the Atlanta Regional Council for Higher Education (“ARCHE”), as well as the Commissioner of the Georgia Department of Economic Development (“DED”). The total impact task force is supported by the total impact working group, with two members appointed from each of the four research universities and representatives from GRA, ARCHE, and DED.

Chair Shelnut charged the task force with performing a comprehensive assessment of the total impact of University System of Georgia on the State of Georgia. First, the task force will look at the four research institutions (phase one), followed by the rest of the System’s colleges and universities (phase two). The total impact process will move quickly, said Ms. Hymel. The task force began work in August and will meet in September and December. She will present on phase one of the task force’s work at the January 2006 Board meeting. She noted that this is the first time in the history of the University System that the total impact of the System will be measured. The Intellectual Capital Partnership Program (“ICAPP[®]”) office has done previous studies to measure the economic impact of institutions, but never the System as a whole. The total impact task force is collecting a wide range of data in these six areas: economic, social, health, cultural/community development, leadership, and partnership/collaborations.

To whet the Regents’ appetite, Ms. Hymel gave them a glimpse of the wealth of information that the task force is uncovering about the impact of the University System in Georgia. For example, at GIT, during 2004, companies that are part of the Advanced Technology Development Center (“ATDC”) generated over \$1.75 billion in sales and revenue and created over 5,500 new jobs in Georgia. She noted that this assessment is capturing impact information that traditional economic impact studies do not. At Georgia State University, there is a program called Project Healthy Grandparents that helps grandparents who are raising their children’s children. This program has helped more than 500 families and 12,000 children, saving the State of Georgia over \$6 million in foster care costs. The program began in 1995 and became a national center in 2001. The Medical College of Georgia (“MCG”) educates approximately 25% of Georgia’s practicing doctors and dentists, as well as high-quality allied health professionals. In addition, MCG attacks the diseases that impact Georgia families the most, such as cancer, cardiovascular disease, neurological disease, diabetes, obesity, infection, and inflammation, through its clinical and research initiatives. In fiscal year 2004, the University of Georgia had an impact on the Athens area of \$2.1 billion in sales, \$1.0 billion in regional product, \$925 million in income, and over 22,000 jobs. Ms. Hymel said this is just a bit of what the Regents will be learning more about in coming months. She asked whether the Regents had any questions or comments about this initiative.

Regent NeSmith asked Chair Shelnut for what purpose the total impact information would be used.

Chair Shelnut responded that the University System of Georgia has an over \$5 billion budget. The citizens of Georgia should know that the System does not just spend money to educate students.

Rather, the System invests that money in educating students, and there is a tremendous financial impact on the State of Georgia with regard to how the System spends that money and the spin-off of those other things that are not being taken into consideration. Therefore, the Board of Regents is seeking to measure the return on that investment. He is hoping to determine a true number that shows that the System not only uses state funds wisely, but also gives the State of Georgia a tremendous return on its investment. He said that this effort will send a very positive message to the legislature and the citizens on how successful this System is in terms of promoting education and having an economic impact on the state.

Regent NeSmith said that this would give Vice Chair Pittard's group something to communicate.

Chair Shelnut said that these initiatives are complementary and will give the citizens and legislators an understanding of how successful the System is in terms of promoting education and its end results. He next called upon Ms. Daniels, who would discuss the ways to accelerate access to facilities.

Ms. Daniels said that there were two things she needed from the Regents: open minds and their encouragement. The Board needs to leverage its existing funding, and it needs to aggressively explore other options. Almost ten years ago, the Board of Regents dramatically changed the capital request process and began voting directly as a Board on the prioritization of projects. Ms. Daniels was a new staff member at the time, and she thought that change would be a disaster, but she was wrong. In fact, it ended up being a very effective change, for the time, and has since been regarded nationally as a best practice model to be emulated. This process has served the University System of Georgia well over time, but now is an opportunity to revisit the process with the intention of addressing the System's backlog of facilities needs. She reminded the Regents that as they consider a new system to approve projects, they should remember that a new system is only as good as the new facilities it creates.

The System needs to optimize its traditional funding. The Georgia State Finance and Investment Commission ("GSFIC") is known as the construction division of the State of Georgia. Per a Governor's executive order earlier this year, the Office of Facilities will be working with GSFIC to create a new statewide construction manual to document fast-track delivery options for General Obligation ("G.O.") bond-funded projects, a method that has served the University System of Georgia well in the last few years. The fast-track method will now be available for all G.O. bond-funded projects. The financing division of GSFIC is responsible for all state G.O. bonds. In 1970, the Governor Jimmy Carter consolidated all bond sales under GSFIC, eliminating myriad bond-selling authorities, including the Georgia Education Authority (University), which previously sold bonds for the Board of Regents. Ms. Daniels proclaimed that everything old is new again: That was the right change during that point in history, but times have changed. She asked, "What is the right change for funding higher education facilities today?" She answered that the Board of Regents needs to maximize its options. The System will continue to grow its public-private ventures program. The

Board will look to revenue bonds or “bundled projects,” which are currently being explored by the Vice Chancellor for Fiscal Affairs, William R. Bowes; the Senior Vice Chancellor for External Activities and Facilities, Thomas E. Daniel; the Assistant Vice Chancellor for Facilities (Real Property and Administration), Peter J. Hickey; the Executive Director of Real Estate Ventures, Marty Nance; and the Governor’s chief financial officer. The Regents might also consider establishing a University System of Georgia real estate foundation. The Board must be creative, said Ms. Daniels. “Can we make the schedule?,” she asked. “You bet we can!” In order to do so, however, the Regents must define a new process by January 2006 that will allow the institutions to submit facilities requests for System-level consideration and Board action.

Recognizing the current process has served the System well, Ms. Daniels said that now is a great opportunity to revisit the Board’s system to approve capital projects. She suggested a two-pronged approach. First, the staff will revisit the process of submittal, justification, and evaluation of projects with an eye to enhancing performance metrics and regular assessments of facilities. Also, staff must explore national and international efforts in facilities funding and financing. There will also be work for the Regents. They will need a dialogue on the prioritization process. Ms. Daniels said that she hopes to talk to all Regents about this, regardless of whether they are on the special task force for this initiative. The Board will also need to take action to update its principles for capital resource allocation. Ms. Daniels had included in the Regents’ notebooks their principles for capital resource allocation, established in 1994-1995, noting that they are now ten years old and need to be updated.

Staff both at the University System Office and on the campuses will be involved in this effort. Ms. Daniels would also talk to each president personally over the next month to get their input on the process. Ms. Daniels has tapped the Director of Facilities Planning at Atlanta Metropolitan College (“AMC”), Sharon Brittain, who was formerly a facilities program manager with the Board of Regents. Ms. Brittain will be on loan from AMC to the Board. She is currently completing graduate work at GIT in facilities management and is doing national research on capital priority planning. The Director of Planning for the University System of Georgia, Alan S. Travis, will also be involved in this effort. Mr. Travis is best known for his efforts in the statewide assessment project, and the presidents know him for promoting space utilization efficiencies. Program Manager Sandra Neuse will also be involved in this effort. She has a Master of Business Administration degree from the J. Mack Robinson School of Business at Georgia State University. She has recent experience in the private sector with Bell South. She will bring us some new rigors in facilities performance metrics arena to the process. The Board of Regents will also need to work closely with its state partners, said Ms. Daniels. This means educating GSFIC and the state budget offices about funding options. Of course, this process will also depend upon the involvement of the Regents themselves. The Committee on Real Estate and Facilities has been officially tapped to address this initiative. Chair Shelnut has also assured Ms. Daniels that others who are interested will have a role in this process. In closing, Ms. Daniels opened the floor for questions and comments.

Vice Chair Pittard commended Chair Shelnut for this year’s four-pronged strategic planning initiative.

He said that when enrollments increase dramatically in the near future, the System will have capacity problems that could affect accreditation and the quality of education in the System. He said that he has great confidence in the leadership of Ms. Daniels in this effort. He said it is not enough to turn to the state for funding. The System must find other ways to bring facilities online.

Chair Shelnut noted that the late Regent George M. D. (John) Hunt III started this process, which brought many major changes to the facilities process. Regent NeSmith and Ms. Daniels have done an excellent job in this area as well. Unfortunately, the current process simply does not work as it once did. The System is \$800 million behind in capital projects. There must be a better way to get caught up, he said. Seeing there were no further questions, he then called for Committee reports.

COMMITTEE ON ACADEMIC AFFAIRS

The Committee on Academic Affairs met on Tuesday, September 6, 2005, at approximately 3:40 p.m. in the Sixth Floor Training Room, room 6041. Committee members in attendance were Chair William H. Cleveland, Vice Chair Doreen Stiles Poitevint, and Regents Connie Cater and Richard L. Tucker. Chair Cleveland reported to the Board that the Committee had reviewed five items, four of which required action. Additionally, 616 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 Master of Arts in Teaching, Kennesaw State University

Approved: The Board approved the request of President Betty L. Siegel that Kennesaw State University (“KSU”) be authorized to establish the Master of Arts in Teaching (“M.A.T.”) degree, effective September 7, 2005.

Abstract: KSU proposed to offer the M.A.T. degree for candidates seeking certification at the secondary level who already have baccalaureate degrees in mathematics and English. The 48-semester-hour program will lead to initial secondary certification. The program may be expanded to include science and foreign languages as resources become available.

The program furthers the mission of the institution and advances KSU’s commitment to being responsive to the workforce needs of the state. The M.A.T. will be grounded in the mission of the institution and in the already established reputation and practices of the Professional Teacher Education Unit of the Bagwell College of Education.

Delivery and Need: The program consists of professional courses delivered in a variety of formats, including face-to-face large group instruction, online learning, small group meetings, and individual interviews. KSU will be responding to the need for highly qualified classroom teachers in critical shortage areas. The need and demand for secondary education teachers is based on well-documented

national, regional, and state sources. Built upon KSU's teacher preparation programs currently in place, the proposed program will serve to reduce the teacher shortage by adding to the number of qualified teachers through a program that meets the needs and demands of postbaccalaureate candidates seeking initial licensure.

Objectives: The program will provide graduates with the knowledge and skills necessary to be successful within the field of secondary education. The program will provide a career path for subject matter specialists who wish to teach. It will bridge the three-tier model of teacher knowledge: subject matter knowledge, pedagogical content knowledge, and knowledge of context.

Curriculum: The program's emphasis on strong content knowledge, best practices, and high teacher quality standards aligns with national reform efforts to produce high-quality teachers. It is aligned with the national standards of the discipline-related learned societies as well as the National Council for Accreditation of Teacher Education ("NCATE") Unit Standards, the National Board Professional Teacher Standards, the Regents' Principles for the Preparation of Educators for the Schools, and the Georgia Quality Teacher Standards. The program is designed for completion in four semesters.

Justification for 48 Semester Hours: The M.A.T. is designed to produce teachers who have both advanced content knowledge and expertise in teaching and learning beyond what is expected of teachers acquiring initial certification. In order to meet its dual purpose of preparation for initial certification and provision of a rigorous graduate experience, the M.A.T. will require 12 additional hours beyond the requirements for KSU's master of education programs.

Projected Enrollment: The institution anticipates that 50 students will enter the program upon implementation and 85 to 100 will enter the program each year thereafter.

Funding: Existing faculty at KSU will teach in the M.A.T. program as well as mentor new faculty. Five additional faculty searches are underway, and these positions will be dedicated to the M.A.T. program. President Siegel has provided reverification that funding for the program is available at the institution.

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 Academic Affairs and approved by the Board. The full list of approved appointments is on file with the Office of Faculty Affairs in the Office of Academics and Fiscal Affairs.

3. Establishment of the Agricultural Marketing Professorship, University of Georgia

Approved: The Board approved the request of President Michael F. Adams that the University of Georgia be authorized to establish a special faculty position, the Agricultural Marketing Professorship, effective September 7, 2005.

Abstract: The Agricultural Marketing Professorship housed in the Department of Agricultural and Applied Economics, College of Agricultural and Environmental Sciences, is intended to recognize faculty with exemplary scholarship and achievements related to agricultural marketing in research, teaching, and/or extension. The professorship aims to provide faculty with additional resources for the continuation of their professional development and success during their tenure in the department. The appointee should be equivalent in stature to distinguished faculty in the candidate’s field at the nation’s finest universities. Eligibility for the award shall be limited to tenure-track faculty holding the rank of full professor in the Department of Agricultural and Applied Economics. The endowment for this professorship received an initial contribution of \$50,000 from the Milton M. Ratner Foundation. As of May 31, 2005, the endowment balance had reached \$281,164.

4. Establishment of the Michael A. Dirr Professorship for Wood Plant Instruction, University of Georgia

Approved: The Board approved the request of President Michael F. Adams that the University of Georgia (“UGA”) be authorized to establish a special faculty position, the Michael A. Dirr Professorship for Wood Plant Instruction (the “Dirr Professorship”), effective September 7, 2005.

Abstract: UGA requested approval to establish the Dirr Professorship in the College of Agricultural and Environmental Sciences. The Dirr Professorship is based in the Department of Horticulture and is expected to engage in teaching, research, and/or public service in the area of woody ornamental plant breeding and development. The professor will also maintain a woody plant breeding and development program that supports the interests of the ornamental horticulture industry. The endowment currently stands at \$345,890.

5. Information Item: Service Agreements

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

University of Georgia

Georgia Commodity Committee for Peaches Provide secretarial support for the officers of the Georgia Peach Council and commodity committee chairman	7/1/05-6/30/06	\$9,187
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Georgia Department of Agriculture Define the roles of the Georgia Department of Agriculture and the University of Georgia College of Agriculture and Environmental Sciences in meeting the goals and objectives of a grant under the direction of the Georgia Agroterrorism Committee	2/1/05-12/31/05	\$53,115
Georgia Department of Early Care and Learning Develop a well-designed and coordinated model of technical assistance that will improve Georgia's capacity to raise the quality of early care and education	4/22/05-6/30/06	\$327,338
Georgia Department of Human Resources Provide training and orientation sessions for mental health, development disabilities, and addictive diseases	6/30/04-6/30/05	\$5,000
Georgia Department of Human Resources Assist in conducting a needs assessment and analysis of existing data infrastructure to determine enhancements and changes to meet federal reporting requirements	7/15/04-6/30/05	\$7,920
Georgia Department of Human Resources Provide data collection, management, and evaluation services to meet requirements of the substance abuse prevention and treatment block grant and other federal funding	4/1/05-6/30/05	\$25,555
Georgia Department of Natural Resources Implement growth management controls and land preservation measures to ensure that populations of imperiled aquatic organisms remain healthy	4/1/05-3/30/06	\$392,608
Georgia Department of Natural Resources Strengthen and improve the Adopt-A-Wetland program by developing protocol for the quantitative data collection of water quality parameters and macroinvertebrate monitoring specifically for coastal wetlands	11/9/04-3/31/06	\$44,913

Georgia Department of Natural Resources Complete the second year of the Ogeechee River water quality assessment study	11/19/04-3/31/06	\$71,210
Georgia Department of Natural Resources Develop a spatial data infrastructure including the location, extent and distribution of residential docks and piers	11/19/04-9/30/05	\$96,743
Georgia Department of Technical and Adult Education Develop better practices for documenting improvement in adult literacy programs throughout the state	1/105-12/31/05	\$151,237

Georgia Vocational Staff Provide support for participants in health occupations education and trade and industrial education who will enroll for professional learning units in lieu of academic credit	7/1/05-6/30/06	\$30,000
Administration Office of the Courts Support the state's judicial education program	7/1/05-6/30/06	\$547,805
Georgia Commodity Committee for Corn Evaluate tropical spiderwort control with various herbicides applied alone and in combination with residual herbicides	1/1/05-6/30/06	\$3,000
Georgia Commodity Committee for Pecans Inform all pecan growers of likely micronutrient deficiencies and associated problems in different areas of the state based on soil type	7/1/05-6/30/06	\$2,500
Georgia Commodity Committee for Peaches Summarize the resources and estimate the costs associated with producing peaches in Middle Georgia	1/4/05-12/31/05	\$2,762
Georgia Commodity Committee for Peaches Define the life history of white peach scale, the predators and parasites of scale, as well as the development of a degree-day-based model	1/2/05-12/1/05	\$1,000
Georgia Commodity Committee for Peaches Develop a degree-day model that predicts the onset of infestation by plum curculio	1/2/05-12/1/05	\$1,500
Georgia Commodity Committee for Peaches Develop restricting applications to the border of the orchard that will intercept plum curculio from migrating into the orchard throughout the season	1/2/05-12/1/05	\$1,500
Georgia Commodity Committee for Peanuts Develop and deliver educational programs on peanut economics and marketing to help Georgia peanut producers compete in a growing market-oriented environment	7/1/05-6/30/06	\$6,000
Georgia Commodity Committee for Peanuts Print peanut update publications and distribute to producers at local county peanut meetings	7/1/05-6/30/06	\$3,000
Georgia Commodity Committee for Peanuts Compare the performance of the brand name formulation (Dual Magnum) and generic formulation (Stalwart) of metolachlor for the control of tropical spiderwort in peanuts and develop cost-effective weed-management systems for the control of tropical spiderwort in peanuts	7/1/05-6/30/06	\$4,000

Georgia Commodity Committee for Peanuts Fund five Georgia county agents to attend the 2003 American Peanut Research and Education Society meeting to be held in July 2003 in Clearwater Beach, Florida	7/1/05-6/30/06	\$5,000
Georgia Commodity Committee for Peanuts Conduct on-farm result demonstrations and report results	7/1/05-6/30/06	\$3,000
Georgia Commodity Committee for Peanuts Establish agronomic research, on-farm demonstrations, travel, supplies, and support of educational programs	7/1/05-6/30/06	\$20,000
Georgia Department of Agriculture Provide educational programs to increase producer and veterinary practitioner's knowledge of Johne's Disease, and conduct two training sessions to train certified Johne's veterinarians	7/11/04-6/30/05	\$15,856
Georgia Department of Agriculture Develop diagnostic services relative to the control, diagnosis, treatment, prevention, and eradication of livestock disease	7/1/05-6/30/06	\$3,271,132
Georgia Department of Early Care and Learning Provide services for four-year-old children and their families served by Georgia's Prekindergarten program	7/1/05-6/30/06	\$68,979
Georgia Department of Natural Resources Develop Web interface and printed atlas that will facilitate environmental impact assessments, aid the accurate identification of fishes, and provide a foundation for future ichthyological research in Georgia	4/1/05-12/31/06	\$76,914
Georgia Department of Natural Resources Provide specialized services in connection with holding a Brownfields Program Outreach educational campaign	3/1/05-2/28/06	\$96,000
Georgia Department of Natural Resources Define the concept of watershed management support institutes covering specific geographic areas to provide technical, organizational, and legal assistance to stakeholder groups in order to increase their capacity to enhance and protect water quality	5/9/05-8/31/07	\$599,940
Georgia Department of Natural Resources Assist the Environmental Protection Division in developing the statewide comprehensive water management plan	6/1/05-12/31/05	\$202,150
Georgia Department of Natural Resources Develop programs and activities to promote voluntary pollution prevention by government, industry, and other	7/1/05-6/30/06	\$434,720

organizations in Georgia by agriculture		
Georgia Department of Transportation Develop and print “A Field Guide to Rare Plants in Georgia” with an appendix of invasive plants in Georgia	9/1/04-8/31/06	\$70,000
Georgia Governor’s Office of Consumer Affairs Develop a collaborative approach to support the Peer Financial Counseling program on the University of Georgia campus as well as up to seven other campuses in Georgia	6/1/05-6/30/06	\$59,022
Georgia Office of Planning and Budget Conduct training for state government officials at regional training programs, retreats, and statewide conferences annually to improve the knowledge and skills of state government officials and their effectiveness in performing their job responsibilities	7/1/03-6/30/06	\$605,000
Georgia Office of Planning and Budget Develop in cooperation with the Office of Planning and Budget, State Department of Audits, the State Merit System of Personnel Administration, and the State Government Financial Management Training Task Force curricula in accounting and other financial management topics for state government officials	7/1/05-6/30/06	\$185,250
Governor’s Office of Highway Safety Develop and implement a process whereby the data related to funded programs will be compiled and analyzed	10/1/04-9/30/05	\$16,800
Georgia Association of Code Enforcement Provide conferences, training, and certificate programs for Georgia Association of Code Enforcement membership	7/1/05-6/30/06	\$150,000
Georgia Vocational Staff Development Consortium Prepare individuals to provide specific intervention services to students with disabilities or disadvantages who are enrolled in support services in Georgia	7/1/04-6/30/06	\$93,150
Georgia Association of Code Enforcement Conduct training programs for Georgia zoning administrators and code enforcement officials designed to improve the knowledge and skills of local zoning and code enforcement officials	7/1/05-6/30/06	\$150,000

Georgia Southern University

Several Georgia County Administrations Provide summer workshops for prekindergarten through eighth grade teachers who receive training in science and hands-on classroom activities; deliver 400 science activity kits to schools throughout the year	7/1/05 – 6/30/06	\$60,000
Georgia Department of Education Provide funds for the School Nutrition Program/Culinary Institute 2005	4/20/05 – 4/15/05	\$41,165

TOTAL AMOUNT - SEPTEMBER	\$ 8,011,971
TOTAL AMOUNT FY 2006 TO DATE	\$ 8,760,829
TOTAL AMOUNT FY 2005 TO SEPTEMBER	\$ 6,113,462
TOTAL AMOUNT FY 2005	\$ 24,771,582

COMMITTEE ON FINANCE AND BUSINESS OPERATIONS

The Committee on Finance and Business Operations met on Tuesday, September 6, 2005, at approximately 3:35 p.m. in the Seventh Floor Training Room, room 7059. Committee members in attendance were Chair W. Mansfield Jennings, Jr., Vice Chair Patrick S. Pittard, and Regents Julie Ewing Hunt, Wanda Yancey Rodwell, Richard L. Tucker, and Joel O. Wooten, Jr. Chair Jennings reported to the Board on Wednesday that the Committee had reviewed 14 items, all of which required action. Item 14 was a walk-on item. With motion properly made, seconded, and unanimously adopted, the Board approved and authorized the following:

1. Approval of Continuation of the Georgia Department of Community Health Contract with Beech Street Corporation

Approved: The Board approved the continuation of the administrative services contract between the Board of Regents, the Georgia Department of Community Health (“DCH”), and Beech Street Corporation (“Beech Street”). The requested contract extension will be for the period from January 1, 2006, through December 31, 2006.

Background: Beech Street is the vendor for the preferred provider organization (“PPO”) healthcare plan for the national network service area. The national PPO service area includes a comprehensive network of healthcare providers that have signed direct contracts with Beech Street to provide medical treatment and services at discounted rates.

In the contract signed between DCH and Beech Street, the amount of the administrative fee was agreed to be 5% of “savings.” “Savings” is defined in the contract as the difference between the billed

charges from the PPO provider and the application of the Beech Street discounted fee schedule. Notwithstanding the percent-of-savingspayment methodology, the maximum administrative fee that the University System of Georgia will pay to Beech Street for access to its national network is \$0.35 per contract per month.

The administrative fee for the University System of Georgia for plan year 2006 will be unchanged from plan year 2005.

2. Approval of Continuation of the Health Insurance Administrative Services Contract with WellPoint Health Networks, Inc.

Approved: The Board approved the continuation of the health insurance administrative services contract with WellPoint Health Networks Inc. (“WellPoint”) from January 1, 2006, through December 31, 2006. The health insurance administrative services contract will be administered by WellPoint’s wholly owned subsidiary, Blue Cross Blue Shield of Georgia, Inc.

Background: The administrative fee for the University System of Georgia preferred provider organization and indemnity healthcare plans for plan year 2006 is \$21.61 per employee per month. The plan year 2006 administrative fee reflects an 8% increase above the plan year 2005 administrative fee. The plan year 2006 administrative fee is consistent with the contract that was signed between the Georgia Department of Community Health, on behalf of the Board of Regents, and WellPoint in June 2004.

Blue Cross Blue Shield of Georgia, Inc. will administer the health insurance administrative services contract.

3. Approval of Continuation of the Dental Insurance Administrative Services Contract With WellPoint Health Networks, Inc.

Approved: The Board approved the continuation of the dental insurance administrative services contract with WellPoint Health Networks Inc. (“WellPoint”) from January 1, 2006, through December 31, 2006. The dental insurance administrative services contract will be administered by WellPoint’s wholly owned subsidiary, Blue Cross Blue Shield of Georgia, Inc.

Background: The administrative fee for the University System of Georgia indemnity dental program for plan year 2006 is \$2.65 per employee per month. The plan year 2006 administrative fee reflects a 6.9% increase above the plan year 2005 administrative fee. The plan year 2006 administrative fee is consistent with the contract that was signed between the Georgia Department of Community Health, on behalf of the Board of Regents, and WellPoint in June 2004.

Blue Cross Blue Shield of Georgia, Inc. will administer the dental insurance administrative services

contract.

4. Approval of Continuation of the Administrative Services Contract Between the Board of Regents, the Georgia Department of Community Health, and Unicare

Approved: The Board approved the continuation of the administrative services contract between the Board of Regents, the Georgia Department of Community Health (“DCH”), and Unicare. The requested contract extension will be for the period of January 1, 2006, through December 31, 2006.

Background: The medical management services that are provided by Unicare for the University System of Georgia include the following: hospital inpatient precertification, alternative medical care, medical case management, outpatient review services, precertification of indemnity healthcare plan participants for behavioral health services, MedCall, PPO Network Channeling, access and utilization of the Asthma Disease State Management Program, access and utilization of the Diabetes Disease State Management Program, access and utilization of the Oncology Disease State Management Program, access and utilization of the Congestive Heart Failure Disease State Management Program, access and utilization of the Cardiovascular Disease (“CVD”) with stroke overlay Disease State Management Program, and compliance with the state-mandated Consumer’s Health Insurance Protection Act.

For plan year 2006, the Board of Regents will add a new disease state management program for obesity management. An estimated 97 million adults in the United States are overweight or obese. Obese individuals have a higher risk of hypertension, type 2 diabetes, coronary heart disease, stroke, certain types of cancer, and sleep apnea and respiratory problems.

According to a study published in *Health Affairs*, spending on health problems caused by obesity increased tenfold in the 15 years between 1987 and 2002. Spending on medical care related to obesity accounted for 11.6% of all private healthcare spending in 2002, compared with only 2% in 1987. Researchers found that per person, healthcare spending for obese adults was 56% higher than for normal weight adults. The report also noticed a link between the increase in the prevalence of obesity – from 14.5% in 1976 to 30.4% in 2000 – and the increased total prevalence of diabetes, which increased 53% during the same period.

The Board of Regents preferred provider organization (“PPO”), PPO Consumer Choice, and indemnity healthcare plans will be the first State of Georgia government employer programs to offer this particular disease state management program.

The plan year 2006 Unicare composite administrative fee for the Board of Regents, including the obesity management program, will be \$6.71 per contract per month. The current Unicare administrative fee is \$6.26 per contract per month. With the addition of an obesity management

disease state management program, the plan year 2006 Unicare composite fee represents a 7.2% increase over the plan year 2005 composite fee.

The University System of Georgia will continue to participate in the Unicare national transplant network. The Unicare national program provides coverage for heart, liver, lung, and bone marrow transplants. For plan year 2006, the System will pay Unicare an access fee of \$6,750 for each of these respective types of transplants. The Unicare national transplant network access fee for plan year 2006 will remain unchanged from plan year 2005.

5. Approval of Continuation of the Administrative Services Contract Between the Board of Regents, the Georgia Department of Community Health, and Magellan

Approved: The Board approved the continuation of the administrative services contract between the Board of Regents, the Georgia Department of Community Health (“DCH”), and Magellan. The requested contract extension will be for the period of January 1, 2006, through December 31, 2006.

Background: Magellan provides network access, utilization review, and managed care for preferred provider organization (“PPO”) plan participants who require behavioral healthcare services. The 2006 proposed administrative fee is determined by the amount of the increase in the Consumer Price Index (“CPI”).

The plan year 2005 administrative fee for the University System of Georgia is \$2.11 per contract per month. For plan year 2006, the CPI administrative fee increase approved by DCH was 2.5%. The administrative fee for the University System of Georgia for plan year 2006 is \$2.16 per contract per month.

6. Approval of Continuation of the Administrative Services Contract Between the Board of Regents, the Georgia Department of Community Health, and 1st Medical Network

Approved: The Board approved the continuation of the administrative services contract between the Board of Regents, the Georgia Department of Community Health (“DCH”), and 1st Medical Network. The requested contract extension will be for the period of January 1, 2006, through December 31, 2006.

Background: 1st Medical Network is the vendor for the preferred provider organization (“PPO”) healthcare plan for the Georgia network service area. The Georgia PPO service area includes a comprehensive network of healthcare providers that have signed direct contracts with 1st Medical Network to provide medical treatment and services at discounted rates.

The administrative fee for the University System of Georgia for plan year 2006 will be \$1.59 per contract per month. There is no increase in the administrative fee from the rate that has been charged for the last five plan years.

7. Approval of Continuation of the Administrative Services Contract Between the Board of Regents, the Georgia Department of Community Health, and Express Scripts, Inc.

Approved: The Board approved the continuation of the administrative services contract between the Board of Regents, the Georgia Department of Community Health (“DCH”), and Express Scripts, Inc. (“Express Scripts”) The contract extension will be for the period of January 1, 2006, through December 31, 2006.

The Board of Regents approved the payment of an additional Express Scripts administrative fee for costs associated with ensuring compliance with the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (“MMA”).

Background: In August 2000, the DCH executed a pharmacy benefit management contract with Express Scripts on behalf of the Board of Regents, the State Health Benefits Plan, the state Medicaid program, and the state PeachCare for Children program. The contract includes pharmacy cost-containment strategies and pharmaceutical rebate provisions to benefit each of the state stakeholders.

For plan year 2006, the Board of Regents will partner with Express Scripts to access and utilize its Progressive Drug Management Program (“PDMP”). The PDMP is a prescription drug protocol management resource that promotes the appropriate utilization of first line medications. PDMP is a clinically justified program that will assist physicians in prescribing the most appropriate and cost-efficient therapeutic prescription drugs for their patients.

Under the PDMP, a physician will usually prescribe a proven, less expensive medication that is known to be safe and efficient as an initial treatment strategy. If an initial prescribed medication does not achieve the desired outcome, a physician may progress to a different treatment strategy. A prior authorization may be required before a member will be approved to receive a new prescription medication.

The Board of Regents currently utilizes the Express Scripts PDMP on a limited basis. This decision has proven to be of benefit to our members, as demonstrated through the recent review of COX-2 inhibitors by the Food and Drug Administration (“FDA”). Celebrex is a well known example of a COX-2 prescription medication that was reviewed by the FDA.

The administrative fee for the University System of Georgia for plan year 2006 is \$0.38 per electronically filed pharmacy claims and \$1.50 per paper-filed pharmacy claims. There is no increase in the administrative fee from the rate that has been charged since the initial implementation of the

System's pharmacy benefit management program. There is no increase in the administrative fee for accessing the Express Scripts PDMP.

For the System's Medicare-eligible covered members, the MMA will become effective January 1, 2006. The MMA expands services for Medicare beneficiaries and it is the most significant recent development affecting prescription drug coverage in the United States. Among its major provisions is Part D, which offers Medicare enrollees an optional outpatient prescription drug benefit.

An estimated 43 million Medicare beneficiaries will be eligible for Medicare prescription drug coverage in 2006. Approximately 39 million Medicare beneficiaries (91%) will receive drug coverage through a Medicare prescription drug plan or through an employer's existing healthcare/pharmacy benefit plan. If a Medicare-eligible beneficiary elects to continue to participate in his/her employer's pharmacy benefit plan, the employer will be eligible to receive a retiree drug subsidy from the federal Center for Medicare & Medicaid Services ("CMS").

For plan year 2006, the Board of Regents will apply to receive the 28% employer subsidy for all self-insured Medicare-eligible healthcare plan members who continue to participate in the Board of Regents pharmacy benefit management program. To receive this employer subsidy, the Board of Regents will contract with Express Scripts to transmit Medicare-eligible member data to CMS. CMS will review the Board of Regents member data transmitted by Express Scripts. The Board of Regents will then be advised of which members have been certified by CMS as being Medicare Part D subsidy eligible.

For those individuals certified by CMS as being Medicare Part D subsidy eligible, the Board of Regents will be reimbursed for 28% of the program-approved drug claims expenditures incurred by the plan. These subsidy monies will be returned and reinvested in the System's healthcare plan reserves.

To provide these services, the Board of Regents will be charged an additional administrative fee. It would not be uncommon for a pharmacy benefit manager to charge its customers \$50,000 to \$100,000 annually for these services. For plan year 2006, Express Scripts has agreed to charge the Board of Regents a maximum annual fee of \$30,000 for these services.

8. Approval of Health Maintenance Organization Healthcare Plan Premiums for Plan Year 2006

Approved: The Board approved the health maintenance organization ("HMO") healthcare plan premiums for the University System of Georgia for plan year 2006. The Board of Regents has HMO contracts with Kaiser Permanente and with Blue Cross Blue Shield of Georgia, Inc. for its BlueChoice HMO product. The HMO contract extensions will be for the period of January 1, 2006, through December 31, 2006.

Background: As of February 1, 2005, there were approximately 11,164 HMO contracts in the University System of Georgia. This represents approximately 25% of all healthcare plan contracts for the University System of Georgia for plan year 2005. For plan year 2005, Kaiser Permanente has 3,129 contracts and BlueChoice has 8,035 contracts.

For plan year 2006, the Board of Regents will discontinue offering the Kaiser Permanente “Standard Plan” option. This decision was based upon the continuing low participation rate in this option for the previous two plan years. As of February 1, 2005, there were only 34 contract holders who had elected to utilize this option.

In July 2005, Hewitt Associates LLC reported that the premium increases for HMOs for 2006 were projected to be 13.2% nationally. There will be a 9.83% premium increase for the Kaiser Permanente HMO, effective January 1, 2006. For plan year 2006, the following changes in plan design will occur:

- A \$2 million maximum medical and pharmacy lifetime benefit limit will be implemented. Each of the four healthcare plan options will have a \$2 million lifetime benefit coverage level, effective January 1, 2006.
- The current maximum annual out-of-pocket member costs of \$2,000 per individual and \$6,000 per family will be eliminated.
- Home healthcare services, comprised of home nursing care and home hyperalimentation, will be covered at 100% with a limitation of 120 visits per person per plan year. Currently, there are no limitations regarding the number of patient visits for home hyperalimentation or home nursing care services.
- For inpatient substance abuse treatment, the plan will cover 100% for inpatient services after a \$200 copayment per admission, limited to 30 days per person per plan year. Currently, there is no member copayment for an inpatient admission.
- For outpatient substance abuse treatment, the plan will cover 100% for outpatient services after a \$25 copayment per personal visit and/or after a \$12 copayment for a group therapy session. For plan year 2006, personal visits and group therapy sessions will be increased to a combined maximum of 40 visits per person per plan year. Currently, the number of visits is limited to 20 visits per person per plan year.
- For plan year 2006, services for care in an extended care facility will be covered at 100% for up to 60 days per calendar year. Currently, such care is covered at 100% for up to 100 days per calendar year.

- For inpatient mental health services, the plan will cover 100% for inpatient services after a \$200 copayment per admission, limited to 30 days per person per plan year. Currently, there is no member copayment for an inpatient admission.
- For outpatient mental health services, the plan will cover 100% for outpatient services after a \$25 copayment per personal visit and/or after a \$12 copayment for a group therapy session. For plan year 2006, personal visits and group therapy sessions will be limited to a combined maximum of 20 visits per person per plan year. Currently, the number of group therapy session visits per person per plan year is unlimited.

The BlueChoice HMO will have a 9.75% premium increase for plan year 2006, effective January 1, 2006. The only plan design change for the BlueChoice HMO for plan year 2006 is that bariatric surgery will no longer be included as a covered benefit.

9. Approval of Preferred Provider Organization Healthcare Plan Premiums, Indemnity Medical Healthcare Plan Premiums, and Indemnity Dental Premiums for Plan Year 2006

Approved: The Board approved the preferred provider organization (“PPO”) healthcare plan premiums, the indemnity medical healthcare plan premiums, and the indemnity dental plan premiums for the University System of Georgia for plan year 2006 as shown in Appendix I.

Background: Towers-Perrin was retained by the University System Office to conduct an actuarial review of the System’s PPO healthcare plan, indemnity medical plan, and indemnity dental plan. The PPO healthcare plan, the indemnity healthcare plan, and the indemnity dental plan are self-insured options. Based upon the findings and recommendations of the Towers-Perrin report, the following plan year 2006 recommendations were proposed for the Board’s consideration and approval:

- That there be an 8% increase in the premiums for the University System of Georgia PPO healthcare plan for plan year 2006;
- That there be a 2% increase in the premiums for the University System of Georgia indemnity healthcare plan for plan year 2006; and
- That there be no increase in the premiums for the University System of Georgia indemnity dental plan for plan year 2006.

In July 2005, Hewitt Associates reported that medical and pharmacy claims for PPO healthcare plans for 2006 were projected to increase 13.0% nationally. Hewitt Associates also reported that the medical and pharmacy claims for indemnity healthcare plans for 2006 were projected to increase 14.6% nationally.

10. Approval of the Continuation of the University System of Georgia Indemnity Health Insurance Plan in the Blue Cross and Blue Shield National Plan of Participating Providers

Approved: The Board approved the continuation of its contract with Blue Cross and Blue Shield of Georgia, Inc. (“BCBS”) to access its national plan of participating healthcare providers. The contract extension will be for the period of January 1, 2006, through December 31, 2006.

Background: Effective January 1, 2003, the Board of Regents approved the recommendation for the University System of Georgia indemnity healthcare plan to access the BCBS plan of participating providers.

The BCBS national plan of participating providers is known as the Interplan Teleprocessing System (“ITS”). The ITS is a national network of providers that contract with local BCBS plans. The ITS network is available to all University System of Georgia indemnity healthcare plan participants who access/require medical services while residing/working/traveling outside of the State of Georgia.

The administrative fee for access to the ITS network will remain at \$11 per facility claim processed and \$5 per professional claim processed for plan year 2006. These administrative fees remain unchanged from those that were charged when the program was initially implemented in 2003.

11. Approval of the University System of Georgia Employer Contribution for Basic Life Insurance for Plan Year 2006

Approved: The Board approved the continuation of its contract with Cigna Group Insurance (“Cigna”) to administer the basic life insurance and supplemental life insurance programs for the University System of Georgia. The contract extension will be for the period of January 1, 2006, through December 31, 2006.

Background: Cigna administers the life insurance program for the University System of Georgia. As an item of information, the University System of Georgia pays the entire premium for the basic life insurance program. Employee participation in the supplemental life insurance is voluntary, and the cost for such participation is borne entirely by the employee.

There will be no increase in basic life insurance premiums or in supplemental life insurance premiums for plan year 2006.

12. Approval of the Continuation of the University System of Georgia in the Blue Cross National Network of Participating Dental Providers

Approved: The Board approved the continuation of the contract with Blue Cross and Blue Shield of Georgia, Inc. (“BCBS”) to access the Blue Cross National Network of participating dental providers. The contract extension is for the period of January 1, 2006, through December 31, 2006.

Background: The Blue Cross National Network of participating dental providers contracts with local BCBS plans. The Blue Cross National Network is available to all University System of Georgia indemnity dental plan participants who access/require services while residing/working/ traveling inside and outside of the State of Georgia.

There will be no separate administrative fee charged to the University System of Georgia for access to the Blue Cross National Network.

13. Adoption of the Amended Board of Regents of the University System of Georgia’s Optional Retirement Plan and Associated Corrections

Approved: The Board approved the adoption of the amended Board of Regents of the University System of Georgia’s Optional Retirement Plan (“ORP”) and associated corrections.

Background: In 1990, the Board of Regents created an ORP to offer its faculty and key administrators an alternative to the Teachers Retirement System (“TRS”). Over the past several years, federal laws that impacted the ORP have been created, changed, or repealed. As a result of these changes, corrections and modifications had to be made to the ORP and its associate procedures and operations.

The ORP currently offers four vendors to its System employees who participate in the ORP.

The amended ORP document is on file in the Office of Support Services.

14. Approval of Temporary Policies to Assist Students Enrolled in, or Accepted to, Higher Education Institutions Affected by Hurricane Katrina

Approved: The Board of Regents approved the temporary policies described below, which shall be effective as of August 30, 2005, and expire as of December 31, 2005, unless specific action is taken by the Board of Regents prior to that time to renew.

Walk-on: This item was added by unanimous consent as a walk-on item to the Committee’s agenda.

Background: Hurricane Katrina struck the Gulf Coast of the United States on August 29, 2005. It caused flooding of the City of New Orleans and surrounding locations in Louisiana and destroyed major communities along the coastline and interior sections of Louisiana, Mississippi, and Alabama. This caused many colleges and universities located in these areas to cease operations and displaced

many thousands of students. The purpose of these temporary policies is to facilitate the needs and desires of these students to continue or begin their higher education careers by enrolling in University System of Georgia institutions during the fall 2005 semester. Qualification for enrollment shall be determined by each System institution according to System policies and its current academic requirements.

Temporary Policies Concerning Students Enrolled in or Accepted to Institutions Affected by Hurricane Katrina

Effective August 30, 2005, each University System of Georgia institution shall waive out-of-state tuition for students who were enrolled in or accepted to institutions located in areas affected by Hurricane Katrina and who have been accepted for enrollment on an emergency basis for fall 2005. Each University System of Georgia institution shall request of such students documentation of enrollment in or acceptance to institutions in the affected area.

Several students enrolled in or accepted to institutions affected Hurricane Katrina may have made tuition and fee payments to those institutions or have had financial aid payments made to cover their tuition and fees. Therefore, each University System of Georgia institution shall defer payment of tuition and fees for such students, if required, and seek reimbursement from the institution in the affected area or the student, as appropriate.

Institutions shall defer room and board charges, if required, for students from affected institutions and provide housing on a space-available basis. This shall apply only to housing owned and operated by the University System of Georgia institution.

Institutions may use existing residence halls or other facilities to temporarily shelter displaced persons from the affected areas.

Institutions shall defer the immunization requirements for these students as described in Section 408.02 of The Policy Manual of the Board of Regents.

These temporary policies shall expire effective December 31, 2005.

COMMITTEE ON REAL ESTATE AND FACILITIES

The Committee on Real Estate and Facilities met on Tuesday, September 6, 2005, at approximately 3:35 p.m. in the Board Room. Committee members in attendance were Chair Allan Vigil, Vice Chair Hugh A. Carter, Jr., and Regents Donald M. Leebern, Jr., Elridge W. McMillan, and Martin W. NeSmith. Board Chair J. Timothy Shelnut and Chancellor Thomas C. Meredith were also in attendance. Chair Vigil reported to the Board on Wednesday that the Committee had reviewed six items, five of which required action. With motion properly made, seconded, and unanimously

adopted, the Board approved and authorized the following:

1. Naming of the “Acuity Brands Plaza,” Atlanta, Georgia Institute of Technology

Approved: The Board approved the naming of the outdoor plaza located on the southwest corner of West Peachtree Street and Fifth Street adjacent to the Georgia Institute of Technology (“GIT”) College of Management the “Acuity Brands Plaza” in recognition of the generosity of Acuity Brands, Inc. (“Acuity”) to GIT and in anticipation of additional grant monies.

Understandings: Acuity Brands Lighting, a subsidiary of Acuity, is one of the world’s leading providers of lighting fixtures and is headquartered in Atlanta, Georgia. Acuity employs approximately 11,000 people and has operations throughout North America and in Europe and Asia. There are a total of 53 GIT alumni working at Acuity. Acuity and its subsidiaries provide internships for GIT students and recruit graduates from both the Colleges of Engineering and Management.

In fall 2004, Acuity pledged \$1,250,000 to the Georgia Tech Foundation, Inc. in support of the College of Management. In addition, payments received prior to June 2007 qualify for dollar-for-dollar matching funds through an anonymous challenge grant. Acuity has also offered to work with the landscape architect to redesign the plaza and to donate all replacement lighting that will be installed.

Acuity Brands Lighting has previously supported GIT athletics and the Center for Computer Integrated Manufacturing Systems and also works closely with the School of Electrical and Computer Engineering on lighting research.

2. Subrental Agreements, University Terrace, 12220 Apache Avenue, Savannah, Armstrong Atlantic State University

Approved: The Board authorized the execution of a subrental agreement between University Terrace, LLC (the “LLC”), Sublandlord, and the Board, Subtenant, for 96 student housing beds located at 12220 Apache Avenue, Savannah, for the period August 1, 2005, through July 31, 2006, at a monthly rent of \$22,000 with options to renew on a year-to-year basis for 15 consecutive one-year periods with rent increasing 3% for each option period exercised for the use of Armstrong Atlantic State University (“AASU”).

The Board authorized the execution of a subrental agreement between the LLC, Sublandlord, and the Board, Subtenant, for 96 student housing beds located at 12220 Apache Avenue, Savannah, for the period August 1, 2006, through July 31, 2007, at a monthly rent of \$24,000 with options to renew on a year-to-year basis for 14 consecutive one-year periods with rent increasing 3% for each option period exercised for the use of AASU.

Authorization to execute these subrental agreements was delegated to the Vice Chancellor for Facilities.

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

Understandings: In May 2005, AASU President Thomas Z. Jones presented to the Committee a housing plan update, which proposed this student housing as part of phase II of the AASU housing plan.

Operating expenses, including insurance, janitorial services, trash removal, pest control, utility services, and maintenance, are estimated to be \$218,035 per year for the initial 96 beds with additional similar operating expenses for the subsequent 96 beds.

The LLC has entered into a master lease with Armstrong Apartments, LLC. The subrental agreements between the LLC and the Board are not subject to the terms and conditions of this master lease. However, should the LLC terminate the master lease, the subrental agreements would also terminate.

3. Amendment to Piedmont Ellis Student Housing Transaction, Atlanta, Georgia State University

Approved: The Board revised the ground lease approved by the Board in June 2005 to decrease the number of parking spaces at the Georgia State University (“GSU”) Piedmont Ellis student housing site to 786 parking spaces and to add approximately 18,308 square feet of retail space.

The Board revised the rental agreement approved by the Board in June 2005 to decrease the number of parking spaces at the GSU Piedmont Ellis student housing site to 786 parking spaces.

The Board required the Piedmont/Ellis, LLC (the “LLC”) to obtain a limitation of liability from the Georgia Environmental Protection Division (“EPD”) with the Board named as a prospective purchaser of the property prior to acceptance of the gift of property and that the site meet Type 1 or Type 2 residential risk-reduction standards for soil contaminants.

Understandings: Excellent progress is being made by the LLC to satisfy these requirements. During the environmental remediation, it was determined that excavation of the site to the elevation originally planned was not feasible, resulting in the elimination of one parking level and the reduction in the number of parking spaces. An evaluation of parking has been conducted, and GSU confirms that adequate parking is being provided.

All remaining actions and understandings contained in the June 2005 Board actions remain the same.

4. Authorization of Project, Renovation of Recital Hall, Arts & Humanities Building, Atlanta, Georgia State University

Approved: The Board authorized Project No. BR-50-0601, Renovation of Recital Hall, Arts & Humanities Building, Georgia State University (“GSU”), with a total project budget of approximately \$1,940,800 to be funded from private donations (\$1,090,800), general operating funds (\$300,000), and fiscal year 2006 major repair and renovation (“MRR”) funds (\$550,000).

Understandings: This project will provide improvements to the 408-seat recital hall located in the Arts and Humanities Building. The improvements will include a new building façade, new HVAC equipment, enhanced lighting, new orchestra pit lift system, acoustical improvements, and reupholstering of the auditorium seats. The recital hall is used extensively by the School of Music as a classroom and performance venue for students and community supporters.

GSU will proceed with the selection of appropriate professional consultants in accordance with the Board of Regents’ procedures.

5. Conceptual Approval of Development of Parking Deck, Columbus, Columbus State University

Approved: The Board authorized in concept the development of an approximately 550-space parking deck on the campus of Columbus State University (“CSU”) with a total development cost of approximately \$7,100,000 to be funded through a public-private partnership with Foundation Properties, Inc.

Understandings: In May 2005, President Frank D. Brown presented to the Committee an information item concerning plans for CSU’s public-private ventures. A parking deck was one of the public-private ventures presented. This proposed project is consistent with CSU’s master plan.

This approval was necessary to provide CSU and its partners the assurance needed to proceed with development of the parking deck and present to the Board at a future meeting a ground lease and a rental agreement with Foundation Properties, Inc. for consideration.

The parking deck is envisioned to be developed on approximately 1.2 acres of property adjacent to the Frank G. Lumpkin, Jr. Center on the CSU campus. The parking deck is currently planned to consist of approximately 550 parking spaces. The \$7,100,000 development cost will be obtained through a public-private partnership with Foundation Properties, Inc.

6. Information Item: Strategic Plan for Facilities Needs, Georgia Public Library Service

The State Librarian for the Georgia Public Library Service (“GPLS”), J. Lamar Veatch, Jr. presented information to the Committee concerning the GPLS strategic plan for facilities needs. GPLS came to the Board of Regents from the Department of Technical and Adult Education (“DTAE”) by an act of the General Assembly in July 2000. At that time, GPLS had been operating out of three different facilities for four years, and none of those facilities were ideal. The Board of Regents inherited these physical conditions and the University System Office and GPLS staff have been working ever since to make improvements. Some progress has been made but much more remains to be done. This presentation was intended to provide the Committee with an analysis of the situation, conditions that pose significant challenges, and a recommendation for a satisfactory solution.

In June 2002, Georgia Department of Audits and Accounts completed a performance audit on the Georgia Library for Accessible Services (“GLASS”), Georgia’s public library for the blind and physically handicapped. One of its recommendations was to secure new facilities for this operation. GPLS took the audit report quite seriously and has been taking actions to implement the recommendations. In the 2003 budget, the legislature included funding for a facilities study. The consultants made a thorough study of the agency’s needs, reviewed various scenarios, and made recommendations. Among them were the need for approximately 31,000 square feet and access to MARTA. The findings of this study were presented to the Committee on Real Estate and Facilities at its September 2003 meeting. Unfortunately, GPLS had to postpone relocation activities to focus on more pressing budget issues. In addition, multiple options have been explored. GPLS has worked extensively with the Georgia Building Authority over these past several years in searching for suitable property, both state-owned and commercial. A long-term DTAE sublease has proven particularly troublesome when looking at alternative sites and solutions.

There are no easy solutions, reported Dr. Veatch, but GPLS has arrived at a solution that is as close to ideal as these barriers and competing requirements will permit. It involves the rental of an available 22,000-square-foot facility at 1438 West Peachtree Street. This is really a two part proposal. The first step is to relocate all of the present GPLS operations and staff at 1800 Century Place to this more suitable facility. This will provide enhanced visibility, improved staff work areas, and needed meeting and conference spaces. In addition, GPLS would relocate part of the GLASS operation to this new facility. This would include all the GLASS administrative and public service staff and a small collection for walk-in patrons. This solution addresses several of the audit findings in the areas of management, operations, and services. The owner of this facility is the Southeastern Library Network (“SOLINET”).

Founded in the 1973, SOLINET is a nonprofit library membership organization that has a membership of several thousand libraries. SOLINET provides services, training, and products to its members. All 32 University System of Georgia institution libraries are SOLINET members, and a number of the important GALILEO databases are purchased through SOLINET. Together with the public libraries, the University System currently spends around \$1.5 million annually with

SOLINET. Dr. Veatch noted that GPLS and SOLINET have very common missions. The services that GPLS offers to the state's public libraries may well be enhanced through this colocation with SOLINET. SOLINET occupies the second floor of this building. Discussions with SOLINET indicate a competitive lease rate, one that would include utilities, staff parking, and custodial services. SOLINET would also provide the necessary tenant improvements that would be needed for appropriate state library service operations. In addition, this available space provides several other distinct advantages. It is on the ground floor, thus providing the needed floor-loading capacity for the library professional collection and the GLASS collection. It has a handicapped-accessible entrance, and it is walking distance from the MARTA Arts Center Station, which would be very good for both patrons and staff. Just a bit further down West Peachtree Street is the Center for the Visually Impaired, one of GPLS's significant partners in providing services to visually impaired users.

The second part of the proposal is the reuse of the 9,000-square-foot space at 1800 Century Place. GPLS would renovate the space, creating a more suitable environment for GLASS and move the statewide library of tape-recorded "talking books" to that location. It is on the ground floor and has an adequate loading dock for the U.S. Post Office tractor trailer pick ups and deliveries. This also permits GPLS and the Board of Regents to honor the DTAE sublease through June 2010. The Library of Congress, the parent agency for the Library for the Blind Service, is working to migrate the old cassette tape technology to a digital format, beginning in 2008. By the end of the sublease in 2010, it is very likely that this format change will diminish GPLS's space needs for this collection to the point that such a facility will no longer be needed. Dr. Veatch will return to the Committee with a proposed lease agreement with SOLINET for Board consideration.

EXECUTIVE AND COMPENSATION COMMITTEE

The Executive and Compensation Committee met on Tuesday, September 6, 2005, at approximately 4:20 p.m. in room 7019, the Chancellor's Conference Room. Committee members in attendance were Chair J. Timothy Shelnut, Vice Chair Patrick S. Pittard, and Regents William H. Cleveland, Donald M. Leebern, Jr., Elridge W. McMillan, and Richard L. Tucker. Chair Shelnut reported to the Board on Wednesday that Chancellor Meredith had updated the Committee on current presidential searches. The Committee had reviewed one item, which did not require action. That item was as follows:

1. Executive Session: Personnel and Compensation Issues

At approximately 4:20 p.m. on Tuesday, September 6, 2005, Chair J. Timothy Shelnut called for an Executive Session for the purpose of discussing personnel and compensation issues. With motion properly made and variously seconded, the Regents who were present voted unanimously to go into Executive Session. Those Regents were as follows: Chair Shelnut, Vice Chair Patrick S. Pittard, and Regents William H. Cleveland, Donald M. Leebern, Jr., Elridge W. McMillan, and Richard L. Tucker.

Secretary Gail S. Weber was also in attendance. In accordance with H.B. 278, Section 3 (amending O.C.G.A. § 50-14-4), an affidavit regarding this Executive Session is on file with the Chancellor's Office.

At approximately 5:25 p.m., Chair Shelnut reconvened the Committee meeting in its regular session and announced that no actions had been taken.

AUDIT COMMITTEE

The Audit Committee met on Tuesday, September 6, 2005, at approximately 4:20 p.m. in the Sixth Floor Training Room, room 6041. Committee members in attendance were Chair Julie Ewing Hunt, Vice Chair Connie Cater, and Regents James R. Jolly and Wanda Yancey Rodwell. Chair Hunt reported to the full Board on Wednesday that the Committee had reviewed three items, none of which required action. Those items were as follows:

1. Information Item: Summary of Fiscal Year 2005 Internal Audits

The Associate Vice Chancellor for Internal Audit, Ronald B. Stark, presented to the Committee a summary of audits completed by University System Office and campus-based auditors. Each institution ranks its audit findings and reports its individual audit rating. Mr. Stark then reviews the institutional audit reports and ratings to ensure consistency among the ratings and to evaluate the risk on each campus. He reported that 130 audits were completed with notable improvements over the prior year.

Mr. Stark also discussed the work to be performed by the Department of Audits and Accounts. Because the Governor has requested that the state Consolidated Annual Financial Report be issued by December 31, 2005, which is several months earlier than usual, state auditors have modified their audit process to only audit the research institutions, regional universities, and select other institutions, including Albany State University. As a consequence of these changes, the majority of institutions will not have testing of transactions or evaluations of internal controls this year.

2. Information Item: Best Practices for Sarbanes-Oxley Act

Implementation of Sarbanes-Oxley Act of 2002 is currently not required for nonprofit organizations, such as institutions of higher education. However, the University System of Georgia has the opportunity and challenge to take advantage of the fundamental intention of the law, which is to promote good business practices through transparency of financial transactions. This is consistent with achieving one of the stated goals of the System's strategic plan – to seek most efficient, effective, and sound business practices. The Associate Vice Chancellor for Internal Audit, Ronald B. Stark, presented the Sarbanes-Oxley Act best practices implemented by colleges across the country. Mr. Stark compared those practices with current efforts in the University System of

Georgia. Most of the discussion focused on creating a hotline for Systemwide reporting. At the next Committee meeting, Mr. Stark will present a proposal including potential costs for possible implementation.

3. Information Item: Information Technology Incident Report

Various institutions of higher education across the country, as well as institutions within the University System of Georgia, have had their information technology systems penetrated and information stolen or compromised. This has resulted in bad publicity, damaged reputations, and expense to the institutions. The Information Technology Audit Manager, Scott C. Woodison, presented to the Committee a summary of the damages resulting from the penetrations and the current implementation status of the System's actions to prevent further occurrences.

COMMITTEE ON INFORMATION AND INSTRUCTIONAL TECHNOLOGY

The Committee on Information and Instructional Technology met on Tuesday, September 6, 2005, at approximately 4:20 p.m. in the Board Room. Committee members in attendance were Chair Hugh A. Carter, Jr., Vice Chair Joel O. Wooten, Jr., and Regents W. Mansfield Jennings, Jr., and Allan Vigil. Chair Carter reported to the full Board on Wednesday that the Committee had reviewed two items, neither of which required action. Those items were as follows:

1. Information Item: Introduction to Information and Instructional Technology in the University System of Georgia

Information and instructional technology plays a major role in virtually all activities of the University System of Georgia. The Vice Chancellor for Information and Instructional Technology and Chief Information Officer, Randall A. Thursby, and the Assistant Vice Chancellor for Information Technology, Thomas L. Maier, provided a high-level overview of information and instructional technology's basic function and the supporting structure that is employed in establishing a System approach to an integrated learning environment.

Chair Hugh A. Carter, Jr. circulated the Committee on Information and Instructional Technology Task Statement, which was originally approved in October 2000 when the Committee was established. He asked the Committee members to review this document and to suggest changes and/or modifications to be discussed further at the October 2005 meeting.

2. Information Item: Technology Approvals in the University System – Processes and Challenges

Technology acquisition decisions are often expensive with far-reaching implications. In order to enhance the selection process by individual institutions, the University System Office at various

points in the process has established steps that require approval. The Vice Chancellor for Information and Instructional Technology and Chief Information Officer, Randall A. Thursby, outlined how the System manages the procurement of technology in conjunction with its institutions. The role of the Office of Information and Instructional Technology is to develop the best possible combination of policies and procedures that meet the demands of the state and provide the most effective and efficient solutions for the System's institutions.

COMMITTEE ON ORGANIZATION AND LAW

The Committee on Organization and Law met on Tuesday, September 6, 2005, at approximately 5:30 p.m. in room 7019, the Chancellor's Conference Room. Committee members in attendance were Chair James R. Jolly, Vice Chair Joel O. Wooten, Jr., and Regents Connie Cater and Elridge W. McMillan. Board Vice Chair Patrick S. Pittard was also in attendance. Chair Jolly reported to the Board on Wednesday that the Committee had reviewed three items, two of which required action. Item 1 included ten applications for review. In accordance with H.B. 278, Section 3 (Amending O.C.G.A. § 50-14-4), an affidavit regarding this Executive Session is on file with the Chancellor's Office. With motion properly made, seconded, and unanimously adopted, the Board approved and authorized the following:

1. Applications for Review

- a. In the matter of James Edmonds at Georgia College & State University ("GCSU"), concerning alleged trespassing on the campus of GCSU, the application for review was denied.
- b. In the matter of file no. 1783 at the University of Georgia, concerning denial of granting an extension of time to complete coursework, the application for review was remanded to the institution with instructions.
- c. In the matter of Juone Brown-Johnson at Fort Valley State University, concerning employment matters of alleged gender discrimination, the application for review was denied.
- d. In the matter of Betty J. New at Albany State University ("ALSU"), concerning removal from her position as Interim Director of Alumni Affairs at ALSU, the application for review was continued for further information.
- e. In the matter of Dr. Willie Ashley at ALSU, concerning nonrenewal of employee contract, the application for review was denied as moot.

- f. In the matter of Sharon “Nyota” Tucker at ALSU, concerning denial of her application for promotion from Assistant Professor to Associate Professor, the application for review was remanded to the institution for reconsideration.
- g. In the matter of John Soloski at the University of Georgia, concerning alleged violation of UGA’s Non-Discrimination and Anti-Harassment Policy, the application for review was denied.
- h. In the matter of Kornelia Probst-Mackowiak at the University of Georgia, concerning her termination as Program Coordinator of James M. Cox International Center (UGA’s Grady College of Journalism and Mass Communications), the Committee recommended referral to the Office of State Administrative Hearings.
- i. In the matter of file no. 1788 at the Georgia Institute of Technology, concerning alleged obstruction of academic progress, the application for review was withdrawn at the appellant’s request.
- j. In the matter of Pattie C. Billups at Georgia Southern University, concerning termination of employment, the application for review was denied.

2. Approval of the North Georgia College & State University Mutual Aid Agreement with Lumpkin County

Approved: The Board approved the following mutual aid agreement between North Georgia College & State University and Lumpkin County, effective September 7, 2005.

Background: North Georgia College & State University has reached an agreement with Lumpkin County to provide for the rendering of extraterritorial assistance as defined in Georgia Code 36-69-2 (local emergency) and under the conditions established in Georgia Code 36-69-2 (extraterritorial cooperation and assistance to local law enforcement agencies or fire departments; commander of operations). The mutual aid agreement follows a statutory format and has been approved by the Office of Legal Affairs.

3. Information Item: Litigation Matters

The Committee heard recommendations for litigation matters from the following representatives from the Office of the Attorney General: Senior Assistant Attorney General George Zier, Senior Assistant Attorney General John Ballard, and Assistant Attorney General Tiffany Lucas.

CHANCELLOR'S REPORT TO THE BOARD

After the Committee meeting reports, Chair Shelnut called for a brief recess at approximately 10:10 a.m. He reconvened the meeting at approximately 10:25 a.m., at which time Chancellor Meredith gave the following report to the Board:

Mr. Chairman, this will be my last report to this Board of Regents. You will be relieved to know that, unlike elected officials who are leaving office or former office holders, I won't be spending time in this report talking about accomplishments during my time here.

I reported yesterday on the outstanding efforts of our institutions and the System staff to accommodate students and evacuees from the ravages of Hurricane Katrina, so I won't repeat that today. I would report to you, however, that two of the Mississippi board members you met when they visited here earlier this year lived in Gulfport. They both survived the storm, although we didn't know of their condition until last Thursday night.

As you know, my passion is education. Many years ago, I thought my love for law meant I should be an attorney, but after being accepted to the law school at the University of Kentucky, I decided at the last minute that education was where my heart really was. This fall marks my forty-second fall semester working in education. It has been a wonderful journey, and it is not over yet.

Ten of you were here when I was recruited to be in the search process. Two of those ten have since been reappointed by the current Governor. I was reluctant to leave my responsibilities in Alabama, but the intrigue of being in a state where higher education received strong financial support was intoxicating. There were so many innovative programs I had always wanted to initiate but could not because I was in states without much discretionary money.

Within a month of my hiring in 2001, the cuts began and didn't let up until the 2005 legislative session. With the good work of our institutions and our staff and the support of the Regents, we began multiple processes for being more efficient, enhancing quality in spite of cuts, boosting morale, developing partnerships, establishing positive relationships in a rapidly changing legislative landscape, and having the System poised to launch anew when the economy turned positive. Thankfully, we were successful in achieving all of these goals.

When the cuts became inequitable for higher education, we put forth plans to counter the effects. A midyear tuition increase was proposed that was endorsed by this Board, the presidents, and key state officials. Those plans were later dropped. However, those plans put us in a position of strength that resulted in a significant increase for the current fiscal year.

I felt strongly the Chancellor has a duty and responsibility to stand up and make a strong and clear case when necessary. The Chancellor must be the public spokesman and champion for Georgia's public higher education community.

Let me only briefly mention the conflict with the University of Georgia Foundation, Inc. My goal was to do everything possible to fix the problem without causing bridges to be burned. Many critical objectives were accomplished in the multiple hours of discussions that were held. Unfortunately, those who were operating in good faith could not win the day, and this Board appropriately had to finally end the relationship permanently.

This past academic year will certainly be recorded as memorable for the Merediths. From last fall's budget nightmare to our near fatal car accident, to Susan's follow-up surgery in March, to the events that unfolded beginning in April, it has been quite a journey. Because so many critical decisions have to be made in this position and some people will occasionally disagree, I keep a hand-stitched framed quote from Proverbs in my office, which says, "When others speak ill of you, live your life so none will believe it." We have always tried to do just that.

There are many items I had hoped to accomplish, but that ever-elusive discretionary money has not been available to pursue all of them. Our office budget is almost \$2 million less than it was when I arrived, and not counting technology support, we have 16 fewer people. During these times of shortfall, we have purposely pushed every dollar possible to the campuses. Although the University System Office is critical, the important action is occurring on the campuses.

We have installed a number of accountability items, such as formal annual presidential evaluations, but I had hoped to have implemented by now an extensive accountability system and a leadership development program for administrators and potential administrators within the System. These are among many items on a long list I had for the future when money became available through an improving economy.

I have always felt I have been put every place I have been for a reason. It is clear now that I was put here to deal with very unusual budget cuts. I now have the opportunity to return to the great State of Mississippi. My 16 years there, family ties on Susan's side, and many personal and professional friends make this move special. The impact of Hurricane Katrina provides an even greater opportunity for service than had been anticipated.

This is a critical time for public higher education in Georgia. The strength of this System has been its constitutional authority and the resulting protection of the activities of the System and its individual campuses. Our campuses depend on it. I am confident you will uphold it.

I want to thank the dedicated faculty and staff on our campuses and especially the presidents for their good work. We have honored and respected each other's roles and responsibilities. They have accomplished all I have asked them to do, and they have done so with a good spirit and a sense of humor. They are valued colleagues and friends. I also want to thank our staff for their good work. I appreciate your friendship and your talent. Maybe the positive economy will now allow all of the plans we developed together to finally come to fruition.

Corlis Cummings, we have been working closely together since you were named Interim Chancellor. It is clear you will do an excellent job as interim. So, at the conclusion of this meeting, the decision making will be shifted to you. Of course, I will stand ready to assist in any way you wish.

And, thank you, the Board of Regents, for the opportunity, for almost four years, to be of service to you, our institutions, and the State of Georgia. I wish you well!

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Chair Shelnut noted that Chancellor and Mrs. Meredith had been honored the previous night by the Board of Regents at dinner. The Board had also honored Chancellor Meredith with the presentation of a proclamation at this meeting. Chair Shelnut wished the Chancellor good luck and thanked him for his service to the University System of Georgia.

STRATEGIC PLANNING COMMITTEE, "COMMITTEE OF THE WHOLE"

Chair Shelnut 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 said that there would be two presentations at this meeting of the Strategic Planning Committee. The first presentation would be the second part of an update on the Board's African-American Male Initiative ("AAMI"). The second presentation would be an update on the status of the reformulated strategic plan. In June 2005, the Associate Vice Chancellor for Media and Publications, Arlethia Perry-Johnson, had presented the first part of the AAMI update. He called upon her to deliver the second part of this update. He noted that Ms. Perry-Johnson would be joined by Dr. Said Sewell III, Assistant Professor of Political Science at the University of West Georgia ("UWG"), and Dr. Deryl Bailey, Assistant Professor of Counseling and Human Development at the University of Georgia ("UGA").

Ms. Perry-Johnson said that this would be an exciting presentation. She thanked the Regents for this opportunity to conclude her update on the AAMI. In June, she had recapped for the Board how the AAMI was first launched. It began with a research study that has been nationally recognized. She had also discussed the AAMI pilot programs and what they have achieved to date with regard to

black male recruitment, progression, and graduation (“RPG”) rates in the University System of Georgia. At this meeting, the presenters would focus on two specific AAMI pilot programs. The first pilot program at UGA is called Gentlemen on the Move (“GOTM”). The second pilot program at UWG is called the Center for African-American Male Research, Success, and Leadership (“CAAMRSL”). She would also update the Regents on pilot program funding and the future direction of this important initiative. She had distributed to the Regents a packet of information about the AAMI.

Ms. Perry-Johnson introduced Dr. Sewell, who joined UWG initially as a faculty member in residence from Albany State University. He was encouraged to become a permanent faculty member at UWG, and he is demonstrating outstanding leadership there. Ms. Perry-Johnson noted that *Atlanta Journal-Constitution* articles about his most recent program, a learning community for black men, were included in the Regents’ packets. Dr. Bailey would follow Dr. Sewell. Ms. Perry-Johnson said that Dr. Bailey has been her personal inspiration for the AAMI. He has worked with black men in three different states. He began his work in North Carolina, where he was working as a high school guidance counselor. He then moved on to the University of Virginia, where he earned his doctorate. While in Virginia, he again created programs aimed at black men. Now, he is continuing his nationally recognized work as a faculty member at UGA. She thanked Dr. Bailey for his contributions to the AAMI, and she noted that there were several articles about him in the Regents’ packets as well.

Dr. Sewell thanked the Board of Regents for allowing UWG the opportunity to share its academic strategies for improving the RPG challenges facing African-American male college students. He noted that four such men had accompanied him to this meeting. They are current participants in either the Black Men With Initiative (“BMW”) program or the African-American Male Learning Community (“AAMLC”). Those men were as follows: Jonathan Bush, Robert Kelly, Terrence Lewis, and Marvin Smith. He thanked President Beheruz N. Sethna for his leadership and strong support of the issues on the UWG pertaining to African-American men.

At this meeting, Dr. Sewell would update the Board on the initiatives of the CAAMRSL, which has three goals: 1) to expand the conversations about African-American males’ success and leadership, particularly in postsecondary institutions; 2) to formulate and implement initiatives that address the societal, cultural, psychological, spiritual, economic, and historic challenges of African-American males; and 3) to create a formal framework for working with African-American males on a predominately white college campus. Out of these three goals, six innovative initiatives emerged. At this meeting, Dr. Sewell would discuss two of these initiatives: the BMW and the AAMLC. He noted that the CAAMRSL is fortunate to have the strong financial and advisory support of a number of corporate and community sponsors, including the UPS Foundation and the Georgia-Pacific Foundation. The BMW and the AAMLC programs have been recently highlighted in the *Atlanta Journal-Constitution*, *Inside Higher Education*, *Black Enterprise*, and other publications.

First, Dr. Sewell discussed the BMW’s mission to develop strategies and create an environment that

will support academic performance, build character, change perceptions, instill confidence, and provide future opportunities for African-American male students at UWG and beyond. The BMWI is an academic enhancement initiative, a character development initiative, a leadership development initiative, a culturally deepening initiative, and a mentoring program. The BMWI accomplishes its academic mission by providing four hours of supervised, mentored weekly study sessions, as well as academic support sessions and monthly progress reports. It addresses character development through community service, volunteerism, and mentoring. The program teaches the young men business and social etiquette, how to dress for success, and effective communication. It teaches them what it means to be a professional. The BMWI has a new partnership with Carrollton Middle School in which the program will work with 20 sixth-grade boys through the eighth grade. The program addresses leadership development by developing basic leadership and conflict resolution skills. It encourages students to seek leadership opportunities in campus organizations, attend leadership retreats and seminars, and find internships and co-op opportunities. The program achieves its cultural goals through such activities as monthly book and movie discussions and special programs at the Alliance Theatre and the High Museum of Art.

Dr. Sewell noted that this program, which was created in his office in 2001 with only three students and no funding, has now served over 30 young African-American men at UWG and now has a budget of \$4,000. To date, the program has graduated four young men, one who recently completed his Master of Business Administration degree and is currently employed in Atlanta. BMWI members have for the last three years on average academically outperformed non-BMWI African-American male students when comparing cumulative grade point averages (“GPA”). Dr. Sewell stated that student Jonathan Bush was in attendance at this meeting. Prior to being in the BMWI, he had a cumulative 2.23 GPA. His first semester in the program, he achieved a 3.7 GPA and was later put on the Dean’s List. Mr. Bush credits the program with his academic achievement. Dr. Sewell said that half the BMWI members are currently carrying cumulative GPAs of 3.0 or better. BMWI members have also garnered some exceptional internship and co-op experiences with such organizations as NASA, Nissan Corporation, and Norfolk Southern Corp. BMWI members are not just scholars, but also leaders in every level of university organizations from the student government association to university ambassadors.

The AAMLC is the newest part of UWG’s AAMI, said Dr. Sewell. It helps black male students adjust academically and socially to college life by grouping 25 black freshmen with similar interests in a set of common courses and living environment. He stressed that neither the dorm nor the classes are segregated. African-American men in the AAMLC receive individualized mentoring from Dr. Sewell and BMWI members. The AAMLC receives very little monetary support, he said, but what it lacks in funding it makes up in high expectations, desire to make a difference, friendship, mentorship, and a commitment to academic excellence. Dr. Sewell thanked the Regents for allowing him to share his ideas and the university’s commitment to the AAMI.

Next, Dr. Bailey discussed GOTM at UGA. He said that the program targets African-American

males in K-12 schools. Many components of the program can be found in other similar programs around the country. Dr. Bailey said it is not the things the program does that makes the difference, but rather it is how the program does them. The Saturday Academy is one component of the program. Every Saturday from 8:30 a.m. to 1:00 p.m., students go to classes for the first three hours and then receive individual tutoring for the last half hour. In addition, academic monitoring happens behind the scenes. The volunteers in the program go to the schools every week to talk to the teachers, check on the students, and observe the classrooms in order to track students' performance before it is too late. There are also fall and spring exam lock-in programs during which high school students are locked in the school from Friday afternoon to Sunday afternoon in an intensive exam preparation exercise. The results show that students in this program score higher on their exams than students who do not participate. There is now a professional development workshop component for teachers. Program volunteers meet with the students' teachers about how to work with the students. There are also monthly two-hour parent meetings that help parents understand their role in helping young black males get ready for college.

Dr. Bailey said that during the 2003-2004 academic year in which GOTM received AAMI funding, there were 82 African-American males in the program. The students came from 4 different school districts and 18 schools, 2 of which were private schools. Cedar Shoals High School was one of these schools. The enrollment in the school that year was 1,582. Of those students, only 105 African-American boys were in the college preparatory curriculum ("CPC") or advanced placement courses. Before joining GOTM, only 35% of African-American male participants were enrolled in such courses. After joining GOTM, 91% of African-American male participants were enrolled in one or more of these courses. Dr. Bailey reported research shows that students who take a rigorous curriculum in high school fare better in college. So, the goal is to encourage African-American male high school students to take these courses and to give them the support they need to succeed. He noted that the mission of GOTM is to nurture both academic and social excellence with a primary focus on African-American males. Since 2003, 18 GOTM participants have graduated from high school. Of program participants, there were no dropouts, and 100% of them graduated on time. Of the 18 graduates, 16 are in college or technical school, 1 is in the armed forces, and 1 is in the workforce.

The impact of GOTM is felt statewide, said Dr. Bailey. Presentations of GOTM have been made to school counselors on the campuses of Clayton State University, Columbus State University, Fort Valley State University, Georgia Southern University, Kennesaw State University, and Valdosta State University. Dr. Bailey also receives invitations outside the State of Georgia to present about the program. For example, Saint Philips College in San Antonio, Texas, has brought Dr. Bailey in to duplicate the program at that institution. He has also been invited to countries around the world to make presentations on the GOTM model, including Scotland, Belize, Australia, Canada, Singapore, and Jamaica. GOTM has received nine awards: five local, one state, and three national.

Dr. Bailey said that while \$10,000 may not seem like a lot to some, the AAMI pilot funding allowed

GOTM to increase its impact on the lives of young men, challenge stereotypes, and leverage support from local businesses, private foundations, the Clarke County School District, and the community at large. Moreover, it sent a very loud message to everyone that this is still a very important issue. As evidenced by the multitude of requests Dr. Bailey receives for consultation, replication, and awards and recognition of the GOTM model, it is obvious that the impact of the Board's support has not only been felt locally and across the State of Georgia, but also nationally and internationally. In closing, he thanked the Regents for their support and commended them on their courage and willingness to take on a challenge that others saw as impossible.

Ms. Perry-Johnson thanked Drs. Bailey and Sewell for their presentations. She said that Dr. Bailey's passion is an inspiration to her and many others in the University System of Georgia working on the issue of African-American male enrollment, retention, and graduation. Ms. Perry-Johnson noted that President Dorothy L. Lord of Coastal Georgia Community College ("CGCC") had spoken to the Regents in June 2005 about her college's AAMI initiative. President Lord is a pioneer in this effort who has been working on this for 13 years. She noted that many programs geared at African-American men are funded by the institutions because the System can only support a sampling of AAMI pilot programs. Ms. Perry-Johnson said that the goal in the evolution of these programs has been to encourage the institutions to recognize that the System can only fund a few examples of the innovation that could develop but that these programs should be looked upon as models. It is important that the institutions own this work at the institutional level. The AAMI is well-positioned to implement the third round of pilot funding. She will be working with the Office of Strategic Research and Analysis to evaluate each of the AAMI pilot programs. She is also expanding conversations with potential funding partners around this issue as the program continues to garner national attention. Ms. Perry-Johnson noted that while the AAMI study was initially funded with legislative support, the subsequent two years have been funded internally with \$300,000 allocated each year by Chancellor Meredith. In the past, Ms. Perry-Johnson and the Senior Vice Chancellor for Academics and Fiscal Affairs, Daniel S. Papp, handpicked those programs they knew had merit. This year, all 34 System institutions will be able to participate in a competitive request for proposals process. The Board of Regents will award grants of \$10,000 to \$30,000 with a requirement that each institution is going to have to match the money it receives. The programs must also have civic partners to ensure community involvement. These civic partners may put up part of the matching funds, but not the total amount. Grant recipients will be announced on or around October 24, 2005.

Next, Ms. Perry-Johnson discussed marketing. She said that the AAMI has several television and radio commercials, as well as two short videos to inform black boys and their parents about the importance of getting a college degree and increasing public awareness of the University System of Georgia's goal of having more black men attend college. She reiterated Dr. Bailey's point about the low black male participation in the college preparatory curriculum ("CPC"). Getting this message out is a key focus of the AAMI's efforts. If black males are going to go college, they must earn the CPC diploma, so they must get in the college pipeline at a very early age. Ms. Perry-Johnson then showed the Regents a few commercials for the AAMI. She noted that Erika Triplett, Administrative

Assistant II in the Office of Internal Audits, starred in one of the commercials.

In closing, Ms. Perry-Johnson said that the Regents' leadership in taking on this challenge is being rewarded with reciprocal leadership from the institutions. The research study and the pilot programs have served as strong incentives for innovation and enterprise by campus leaders. There are now 15 programs around the System aimed at increasing the recruitment, retention, and graduation of black men. When the AAMI was started, there were only two, the one at CGCC and GOTM at UGA. So, in just two years, the System has made incredible progress. Ms. Perry-Johnson noted that she will be partnering with the Education GO Get It ("GO") and GAcollege411 initiatives in fiscal year 2006 to make sure there is an integrated marketing effort around high school graduation and college recruitment. In addition, national funding organizations are taking note of the AAMI. Ms. Perry-Johnson was invited to a work group in Seattle sponsored by the Bill and Melinda Gates Foundation. Also, a representative of the Kellogg Foundation is visiting Georgia this fall to learn about the AAMI.

Ms. Perry-Johnson said that although the challenge is systemic and will require long-term solutions, the prognosis is positive for the University System of Georgia to have a significant impact in changing the current status of black male participation in higher education. This would not be possible without the Board's courageous AAMI. She thanked the Regents for letting her work on this initiative, which she said is the most exciting element of her 20-year higher education career. She also thanked Chancellor Meredith for setting aside funding for the AAMI for the past two years. She thanked Dr. Papp for his leadership from the academic perspective. Finally, she thanked Regent McMillan for his mentorship even when it looked like the program might not exist.

Seeing that there were no questions, Chair Leebern thanked the presenters for their accomplishments in this critical area. He then called upon Dr. Papp to update the Board on the status of the reformulated strategic plan.

Dr. Papp stated that this strategic plan was initially developed in 2001. The original strategic plan included 11 goals and 116 recommendations and action steps. In spring 2004, as a result of budgetary setbacks, the Regents revised their strategic plan. Approved in May 2004, the reformulated strategic plan has 9 goals and 35 different recommendations and actions steps. At this meeting, Dr. Papp would provide a status report on those recommendations and actions steps. Overall, 14 of these have been fully implemented or completed, 15 are underway or continuing, 5 have been initiated with acceleration beginning to occur as a result of the improving budget situation, and 1 is on hold as the budget situation continues to improve.

The first goal of the reformulated strategic plan is to "educate graduates who are intellectually and ethically informed individuals with well-defined skills and knowledge who are capable leaders, creative thinkers, and contributing citizens." This particular goal has four different recommendations or action steps. The first is to concentrate on quality within all programs by ensuring that

comprehensive program review is fully implemented. Dr. Papp reported that the System has completely implemented comprehensive program review. The second recommendation is to promote the inclusion of international issues, where appropriate, across the curriculum and in extra-curricular activities. Dr. Papp said that there is a System target of 4% participation in study-abroad programs. The Senior Advisor for Academic Affairs and Director of International Programs, Richard Sutton, spent a considerable amount of time negotiating with each of the institutions to develop specific institutional targets as well. Meanwhile, the System target is being increased from 4% of the total number of students to 25% of all graduates, which is the national norm for measurement. The third recommendation is to set target pass rates for professional licensure tests, including teacher education, nursing, law, and other programs requiring certification. Dr. Papp said that the System has done this. The fourth recommendation is to develop more opportunities for internships and cooperative programs with businesses, government, and community service organizations. Dr. Papp said that this effort is underway. For most System institutions, developing internship opportunities and cooperative programs is a very time-intensive undertaking, but he hopes this effort will accelerate in the next year.

The second goal of the reformulated strategic plan is to “expand participation by increasing access, enhancing diversity, improving service to nontraditional students, expanding use of distance education, advancing public library usage, and marketing the advantages of postsecondary education.” This goal has seven recommendations. The first is to plan for significant growth in the number of students served by the University System of Georgia. Dr. Papp reported that over the past few years, the staff have performed a statewide assessment. A study is currently underway to examine the projected growth of the number of students in the metropolitan Atlanta area. The Vice Chancellor for Facilities, Linda M. Daniels, and the Director of Planning, Alan S. Travis, are moving this study forward. The new state college in Gwinnett County is part of the effort to meet the growing demand, as is the new site for Georgia Perimeter College in Newton County. So, the System is preparing to meet the need for significant enrollment growth. The second recommendation is to develop and initiate an institutional mission review process, taking statewide needs into account. Dr. Papp reported that five mission review modifications have already been submitted by System institutions and approved by the Board, and a number of others are in the pipeline. The third recommendation is to expand the type of degrees that may be offered at selected institutions. He reported that the Board recently approved education degrees at Macon State College and Dalton State College, and others are in the pipeline. Additionally, President Daniel W. Rahn is chairing a statewide committee to study health education needs in the State of Georgia. There will be other initiatives in science, technology, and engineering as well. The fourth recommendation is to reexamine the role, structure, and organization of university centers to ensure that they are serving the needs of local communities. Dr. Papp noted that the Gwinnett University Center is transitioning to be the System’s thirty-fifth institution. There is a new Liberty Center site in Hinesville. Other center modifications are under review. Some sites are expanding, such as the Camden Center. The fifth recommendation is to develop additional programs in which four-year universities offer four-year degree programs at two-year colleges (“4-4-2 programs”). During the life of this strategic plan, 13 new 4-4-2 programs have

been established. Two 4-4-2 programs have been disbanded because of low enrollments and budget considerations, while others are being considered for creation. The sixth recommendation is to implement programs to raise Georgia's educational aspirations and to overcome barriers to access for minority and nontraditional students. The AAMI on which the Regents had just been briefed is one program that has been implemented for these purposes. GO is another such initiative. There are also many institutional efforts taking place across the System. The final recommendation for the second goal is to use distance learning technologies and form consortia of System institutions to develop and deliver certificate and degree programs. Dr. Papp stated that WebCT™ use has tripled to nearly 6% over the course of the past few years. Servers are being centralized at three sites to increase the efficiency of distance learning delivery. Three distance learning degree consortia have been created: the WebMBA® and the Web-based Bachelor of Science in Information Technology ("B.S.I.T.") and Bachelor of Applied Sciences ("B.A.S."). The consortia allow for there to be multiple sites at which degree programs are offered online to keep costs of development and administration down.

The third goal of the reformulated strategic plan is to "increase academic productivity through improved recruitment, increased retention, accelerated graduation, expanded credit generation, augmented continuing education opportunities, and current technology." There are two recommendations for this goal. The first is to expand the use of freshman and sophomore experience programs, learning communities, and other initiatives to increase student retention rates and graduation rates. Dr. Papp said that this is a central component of the RPG initiative that he had discussed earlier at this meeting. It will be a long-term and very successful initiative, he said. The second recommendation is to offer courses, programs, and degrees in formats, at times, and in locations that are convenient for students. This is something with which the institutions have been moving forward very successfully. Several institutions have shortened some courses to seven or even five weeks in an effort to provide flexibility for students. Weekend and evening course offerings are also increasing. Additionally, courses are being offered at over 350 off-campus sites, including high schools, businesses, and public libraries. Dr. Papp said that this is very important for the System.

The fourth goal of the reformulated strategic plan is to "emphasize the recruitment, hiring, and retention of the best possible faculty, staff, and administration." The first recommendation for this goal is to make salaries competitive in the South and nationally. Dr. Papp reported that the University System of Georgia ranks fourth among Southern Regional Education Board ("SREB") states, but there is room for improvement. The University System Office is working with state political leadership in this regard. The second recommendation is to require each System institution to evaluate its compensation practices, have its compensation practices reflect its strategic plan, and link its compensation practices to market data and performance management. Dr. Papp reported that the salary policy has been adjusted to meet needs of salary compression in high-demand markets. Additional work in this area is needed as the System moves forward in reviewing institutions' strategic plans in upcoming years. The third recommendation is to require systematic planning for resource needs to ensure that employees have the right tools to perform their jobs effectively and

efficiently. All institutions now have in place a phased information technology replacement program. This has been absolutely critical, he said. The fourth recommendation is to develop opportunities for institutions to enhance, develop, and promote flexible work schedules and telecommuting opportunities. Dr. Papp stated that flexible scheduling and telecommuting are in place at many System institutions and have been greatly emphasized at the University System Office. The fifth recommendation is to make professional development a key priority. The Tuition Assistance Program (“TAP”) has been updated and expanded. Other professional development programs are also expanding as the budget situation improves. The final recommendation pertaining to this goal is to create mentorship programs. There are Systemwide orientation programs in place for mid-level and senior administrators. These efforts need to be expanded. Dr. Papp said it is absolutely critical not only to identify but also to mentor the next generation of leadership in the University System of Georgia.

The fifth goal of the reformulated strategic plan is to “help accelerate Georgia’s economic development by providing needed graduates, offering appropriate academic programs, and marketing the System and its institutions as economic assets of the state.” There are four recommendations pertaining to this goal. The first is to develop academic-business-government partnerships to enhance entrepreneurship, innovation, and commercialization of research. Particularly at the research institutions, there are efforts to expand technology transfer undertakings. The second recommendation is to strategically promote and contribute to Georgia’s economic development. The System has five centers of innovation in Savannah, Macon, Augusta, Tifton, and Columbus. Each of these focuses on an area in which institutions can work with local and statewide businesses to bring technological innovations into the marketplace. The third recommendation is to create a Systemwide think tank to study issues facing the state and suggest policies to resolve them. Dr. Papp said that this is the one recommendation the System has put on hold, but the hope is to include this think tank within the Office of Strategic Research and Analysis. The final recommendation with regard to this goal is to permit institutions to suggest new names appropriate to changed mission and/or expanded locations. Dr. Papp said that this effort has been completed. Three institutions have requested name changes, and another may be presented for Board consideration in October. The State University of West Georgia has become the University of West Georgia; Floyd College has become Georgia Highlands College; and Clayton College & State University has become Clayton State University.

The sixth goal of the reformulated strategic plan is to seek the most efficient, effective, and technologically sound business and service best practices and regularly compare the System and its institutions to their national peers. This goal has three recommended action steps. The first is to monitor and report on institutional best practices, recognizing outstanding efforts with awards. Dr. Papp noted that this will be the third year that the Board of Regents will present Best Practices Awards. Some of the specific best practices that are being replicated Systemwide include voice-over Internet protocol (“VoIP”) phone systems, automated payments, and hybrid courses, among others. The second recommendation is to require best practices benchmarking to be part of institutional

strategic plans. This has been incorporated in strategic planning guidelines. The final recommendation regarding this goal is to reaffirm internal controls for audits. Dr. Papp reported that these have been reaffirmed. He said that audit ratings have improved considerably under this strategic plan.

The seventh goal of the reformulated strategic plan is to provide and maintain superior facilities funded by innovative mechanisms that shorten the time that elapses between approval and use. The first recommendation is to gain support to initiate a comprehensive building program to accommodate the expected significant growth in the number of System students. Dr. Papp stated that this is a critical part of the Chairman's strategic initiative this year. The second recommendation is to address long-term maintenance, renovation, and/or replacement of facilities to ensure efficiency, effectiveness, and return on investment. Major repair and renovation ("MRR") funds were reduced considerably in recent budget cycles, but they are growing once again. Other state agencies are now using the System's MRR methodology as a model. The third recommendation is to improve coordination of privatization efforts and incorporate coordination processes in Board policies. The rigor of the System's policies and practices has been significantly increased. Two staff members have been hired to work on privatized projects. The Committee on Real Estate and Facilities was briefed on the progress in this area just last month.

The eighth goal of the reformulated strategic plan is to ensure coordination, where appropriate, between University System of Georgia policy and practices and those of the Department of Education ("DOE") and the Department of Technical and Adult Education ("DTAE"). There are three recommendations relating to this goal. The first is to coordinate System policies and practices with the DOE to enhance mutual understanding of requirements, to ensure curriculum alignment, and to resolve issues that may arise between the University System of Georgia and DOE. The second is to coordinate System policies and practices with the DTAE to ensure mutual understanding of requirements and to resolve issues that may arise between the System and DTAE. Dr. Papp reported that there is an education coordinating committee in place among the three agency, which includes three members of the Board of Regents. At the October 2005 Board meeting, he will update the Regents on University System of Georgia relations with DOE and DTAE. He noted that DOE included System professors in the development of its new Georgia Performance Standards. So, there was extensive System participation in this process. There has also been significant improvement in System cooperation and collaboration with DTAE over the course of the past few years. The third goal in this regard is to improve transferability and transfer processes between System institutions. Dr. Papp said that the general education committee ensures that the general education curriculum is fully aligned within the University System of Georgia. He noted, however, that it is time to examine the impact of the general education curriculum on RPG rates. The ombudsperson program has been an incredible success in terms of reducing the number of complaints regarding transferability among institutions. Each of the institutions has an ombudsperson in place to help students transfer from one institution to another.

The ninth goal of the reformulated strategic plan is to increase, diversify, and strategically allocate resources. There are three recommendations associated with this goal. The first is to review and refine the allocation methodology to better capture missions, costs, and quality indicators. Dr. Papp stated that there is a strategic allocation fund in place and that the allocation methodology is under continual review. The second recommendation is to identify options to diversify and increase flexibility in use of existing resources. Dr. Papp reported that Senate Bill 73 allows technology fees and continuing education funds, among other revenues, to be carried forward from one fiscal year to the next. So, that has been a boon to the University System of Georgia. The third recommendation is to initiate a formula revision process when conditions warrant. Dr. Papp stated that the staff have developed concepts and presented them to the Board of Regents. The staff are also in discussions with the Governor's Office of Planning and Budget about this issue.

Dr. Papp reiterated that 14 recommendations in the reformulated strategic plan have been fully implemented or completed, 15 are underway or continuing, 5 have been initiated with acceleration beginning to occur as a result of the improving budget situation, and 1 the staff hope to move forward on very soon. In closing, he asked whether the Regents had any questions on this update on the reformulated strategic plan.

Seeing that there were no questions, Chair Leebern thanked Dr. Papp for this update. He then adjourned the meeting of the Strategic Planning Committee as a Committee of the Whole and turned the chairmanship of the meeting back to Regent Shelnut.

UNFINISHED BUSINESS

There was no unfinished business at this meeting.

NEW BUSINESS

Chair Shelnut called upon the Executive Director of the University System of Georgia Foundation, Inc. (the "Foundation"), Jan Kettlewell, to make an announcement to the Board about the upcoming Regents' Awards for Excellence in Higher Education Celebration.

Dr. Kettlewell distributed to the Regents the Foundation's annual report for fiscal year 2005. She noted that on the inside cover, three current Regents are listed as serving on the Foundation board of trustees: Chair Shelnut, Regent Carter, and Regent Leebern. The Chancellor is an ex-officio member. The other Foundation board members are lay board members who volunteer their time. Last year, the Foundation had its first Regents' Awards for Excellence in Higher Education Celebration. Regent McMillan was awarded the lifetime achievement award, which was subsequently named after him. The purpose of this annual celebration is to honor University System of Georgia faculty, alumni, and students. The primary purpose of the celebration is to raise money for student scholarships. The celebration is the one time a year that all System institutions come together to

celebrate the accomplishments of students, faculty, and alumni. Last year's celebration under Chair Shelnut's leadership was the first, but the Foundation will continue this new tradition again this year. Dr. Kettlewell said that the Regents' involvement in this celebration is critical to its success and that she hopes the Regents will all participate again this year. The celebration will be held on Saturday, January 28, 2006, at the new Georgia Aquarium.

Dr. Kettlewell noted that the Foundation does not really have a full-time staff. She serves as Executive Director in addition to her full-time position as Associate Vice Chancellor for Academic Affairs and Co-Facilitator of the Georgia P-16 Initiative. The success of this event is largely dependent upon the members of the Foundation board of trustees, who donate their time to raise money for the Foundation for the benefit of the students, faculty, and alumni of the University System of Georgia. She introduced the Assistant Vice President, Latin Affairs, for The Coca-Cola Company, Frank P. Ros, who serves on the Foundation board and leads the corporate fund raising for this event. She noted that without the support of the Foundation's corporate friends, it would not be possible to have this annual celebration.

Mr. Ros greeted the Regents. He said that by all measures, last year's event was more successful than expected. This Board of Regents has an opportunity to leave a legacy, he said. This is, after all, the Regents' Foundation. Its mission to provide scholarships to all System institutions is unique. Last year's event was successful for many reasons, most importantly, the leadership of the Board of Regents. Mr. Ros recognized Regent Leebern and Chair Shelnut for their generosity, which in turn helped leverage corporate fund raising. The Regents' contributions and their attendance at the event left quite an impression on the presidents of the institutions. Moreover, this was an opportunity to bring business, government, and educational leadership together.

Last year, the Georgia Institute of Technology took the lead in planning the celebration with the help of Georgia State University ("GSU"). Together with representatives from the University System Office, they did a terrific job on this monumental task. The celebration raised enough money to give \$181,000 in scholarships across the University System of Georgia. Mr. Ros noted that for the first year in particular, this was a fantastic outcome. He reiterated that this is the Regents' Foundation and the Regents' opportunity to leave a legacy for the University System. He said that the celebration would be among the first events to be held in the new Georgia Aquarium and that it would be a wonderful evening. This year, GSU is taking the lead, and the University of Georgia is helping.

The key to the success of the celebration is the support of the Board of Regents, said Mr. Ros. A number of businesses around the state have an interest in supporting higher education because they understand that the long-term economic strength of the state depends upon the intellectual capital of the citizens. Mr. Ros distributed to the Regents a list of many of the larger corporations in the state that are committed to supporting higher education. He asked the Regents to look over the list to see whether they have any relationships with these corporations and could secure sponsorship

from them. Once the Regents have identified the companies with which they have a rapport, Mr. Ros would send them a letter to confirm that they would approach them for their sponsorship. He thanked the Regents for their leadership in this effort.

Chair Shelnut thanked Dr. Kettlewell and Mr. Ros for this information.

Regent Carter asked that Mr. Ros send this list to all of the Regents.

Chair Shelnut agreed that this might be easier. He stated that last year's event raised \$688,000. This year's goal is to raise \$1 million. The objective is not to compete with other foundations in the System or to build a large foundation with a lot of money. Rather, the objective is to raise a reasonable amount of money to fund scholarships and awards for key faculty and alumni around the state at this annual event. This is an opportunity to bring together key business and legislative leaders together with the higher education community to tout the achievements of the University System of Georgia and recognize key faculty.

Chair Shelnut then asked Regent McMillan to update the Board on the Chancellor Search Advisory Committee ("CSAC").

Regent McMillan reported that the CSAC had met for the first time on September 6, 2005. This was basically an organization meeting. Mr. Dan Parker of Baker-Parker and Associates, Inc. ("Baker-Parker") took the lead and provided initial information to the CSAC. Of the 14 invited CSAC members, 3 were absent due to short notice of the meeting. The members who were in attendance introduced themselves and got to know each other and what characteristics they felt the CSAC ought to be looking for in the next Chancellor. Mr. Parker gave the CSAC a timeline for the Chancellor search as well as a position paper. Regent McMillan said that the latter describes the University System of Georgia for external audiences. He said that the HOPE Scholarship is a particularly good selling point for the University System. He noted that there were some concerns about the Open Records Act among the CSAC members. The Associate Vice Chancellor for Media and Publications, Arlethia Perry-Johnson, had advised them on the requirements of the law. The CSAC members also committed to a meeting schedule that will accommodate the search timeline established by Baker-Parker. Regent McMillan noted that the Secretary to the Board, Gail S. Weber, would be the Board of Regents liaison to the CSAC.

Chair Shelnut thanked Regent McMillan for this update on the CSAC. He noted that the CSAC is an enthusiastic group that will do a fine job under the leadership of Regent McMillan, who will update the Board of Regents and the media regularly on the search process.

Chair Shelnut announced that the new Interim Chancellor of the Board of Regents is Corlis Cummings, who has served as the Senior Vice Chancellor for Support Services and chief legal counsel for the University System of Georgia for many years. He assured her of the Board's support in her

new role and welcomed her.

Regent Jolly asked whether a motion to endorse the CSAC timeline and position paper was necessary at this time.

Regent McMillan said that Board approval is necessary at some point.

Regent Jolly made a motion to endorse these two documents, which was variously seconded and unanimously approved by the Board of Regents.

Regent McMillan thanked Regent Jolly and the Board for this approval, which will allow the work of the CSAC to move forward.

PETITIONS AND COMMUNICATIONS

Secretary Gail S. Weber announced that the next Board meeting would take place on Tuesday, October 11, and Wednesday, October 12, 2005, on the campus of Southern Polytechnic State University in Marietta, Georgia.

EXECUTIVE SESSION

At approximately 11:55 a.m. on Wednesday, September 7, 2005, Chair J. Timothy Shelnut called for an Executive Session for the purpose of discussing personnel and compensation issues. With motion properly made and variously seconded, the Regents who were present voted unanimously to go into Executive Session. Those Regents were as follows: Chair Wooten, Vice Chair Patrick S. Pittard, and Regents Hugh A. Carter, Jr., Connie Cater, William H. Cleveland, Joe Frank Harris, Julie Ewing Hunt, W. Mansfield Jennings, Jr., James R. Jolly, Donald M. Leebern, Jr., Elridge W. McMillan, Martin W. NeSmith, Doreen Stiles Poitevint, Richard L. Tucker, Allan Vigil, and Joel O. Wooten, Jr. Also in attendance were the Secretary to the Board, Gail S. Weber, and Mr. Dan Parker of Baker-Parker and Associates, Inc. ("Baker-Parker"). 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 12:15 pm., Chair Shelnut reconvened the Board meeting in its regular session and announced that the Board had considered several personnel and compensation issues in Executive Session but had taken no actions.

Regent Vigil made a motion to sell the Chancellory and establish instead a housing allowance for the next Chancellor. This motion was seconded by Regent Leebern and unanimously approved.

Chair Shelnut remarked that this action was in the best interest of the University System of Georgia

financially and otherwise. Mr. Parker has advised that current practice and Chancellor preference is generally to provide a housing allowance rather than a home.

As Chair of the Special Regents' Committee for the Albany State University Presidential Search, Regent Cater next made a motion that Dr. Everette J. Freeman be appointed President of Albany State University ("ALSU"). Dr. Freeman currently serves as Senior Vice President and Provost of the University of Indianapolis. He has served in his current position since July 2001. Previously, he served in leadership positions at Tennessee State University in Nashville and Jackson State University in Jackson, Mississippi. Dr. Freeman holds a Bachelor of Arts in Sociology and Economics from Antioch College, a Master of Labor and Industrial Relations from the University of Illinois, and a Doctor in Education from Rutgers University. On behalf of the Committee, which also included Regents Hunt and Rodwell, Regent Cater made this motion. With motion properly made and seconded, the Board unanimously appointed Dr. Everette J. Freeman as President of ALSU.

As Chair of the Special Regents' Committee for the Presidential Search for the new college in Gwinnett County ("Gwinnett"), Regent Tucker made a motion that Dr. Daniel J. Kaufman be appointed President of the new college in Gwinnett. Dr. Kaufman recently retired after a long and illustrious career at the United States Military Academy at West Point (the "USMA"). Most recently, he was the chief academic officer at the USMA. He holds a Bachelor of Science from the USMA, a Master's in Public Administration from Harvard University, and a Doctorate in Political Science from the Massachusetts Institute of Technology. On behalf of the Committee, which also included Regents Carter and Pittard, Regent Tucker made this motion. With motion properly made and seconded, the Board unanimously appointed Dr. Daniel J. Kaufman as President of the new college in Gwinnett.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at approximately 12:20 p.m. on September 7, 2005.

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

s/ _____
J. Timothy Shelnut
Chair, Board of Regents
University System of Georgia