



**BOARD OF REGENTS OF THE UNIVERSITY SYSTEM OF GEORGIA**  
**270 Washington Street, S.W.**  
**Atlanta, Georgia 30334**

**BOARD OF REGENTS MEETING AGENDA**  
**Tuesday, August 10, 2010**

<u>Approximate Times</u>	<u>Tab</u>	<u>Agenda Item</u>	<u>Presenter</u>
<b>11:00 AM</b> Room 7019	<b>1</b>	Executive & Compensation Committee Meeting	Chair Willis Potts
<b>12:00 PM</b> Room 7010	<b>2</b>	Board Luncheon	
<b>1:00 PM</b> Room 7007	<b>3</b>	Call to Order	Chair Willis Potts
	<b>4</b>	Invocation	Regent C. Thomas Hopkins
	<b>5</b>	Pledge of Allegiance	Regent C. Thomas Hopkins
	<b>6</b>	Safety Briefing	Chief Bruce Holmes
	<b>7</b>	Attendance Report	Secretary Burns Newsome
	<b>8</b>	Approval of June Minutes	Chair Willis Potts
	<b>9</b>	Chair's Remarks	Chair Willis Potts
	<b>10</b>	Committee of the Whole: Student Success	Regent Larry Ellis Dr. Virginia Michelich
	<b>11</b>	Joint Committees of the Whole: Finance & Business Operations  Personnel & Benefits	Regent Benjamin Tarbutton Usha Ramachandran Linda Daniels Regent Wanda Yancey Rodwell
<b>3:20 PM</b> Room 5158		<u>Track I Committee Meetings</u>	
	<b>12</b>	Academic Affairs	Regent William NeSmith
	<b>13</b>	Organization & Law	Regent Larry Walker
<b>3:20 PM</b> Room 7007		<u>Track II Committee Meetings</u>	
	<b>14</b>	Real Estate & Facilities	Regent James Jolly

**BOARD OF REGENTS MEETING AGENDA**  
**Wednesday, August 11, 2010**

<u>Approximate Times</u>	<u>Tab</u>	<u>Agenda Item</u>	<u>Presenter</u>	
<b>9:00 AM</b> Room 7007	<b>15</b>	<u>Track II Committee Meetings Continued</u> Internal Audit, Risk, & Compliance	Regent Kessel Stelling	
<b>10:00 AM</b> Room 7007	<b>16</b>	Call to Order	Chair Willis Potts	
	<b>17</b>	Invocation	Regent C. Thomas Hopkins	
	<b>18</b>	Pledge of Allegiance	Regent C. Thomas Hopkins	
	<b>19</b>	Safety Briefing	Chief Bruce Holmes	
	<b>20</b>	Attendance Report	Secretary Burns Newsome	
	<b>21</b>	Chancellor's Report	Chancellor Erroll Davis	
	<b>22</b>	Report of the Special Residency Verification Committee	Regent James Jolly	
	<b>23</b>	State History Museum Update	Regent Larry Walker	
	<b>11:05 AM</b> Room 7007	<b>24</b>	Committee Reports: A. Executive & Compensation B. Academic Affairs C. COW: Finance & Business Operations D. Internal Audit, Risk, & Compliance E. COW: Personnel & Benefits F. COW: Student Success G. Organization & Law H. Real Estate & Facilities	Regent Willis Potts Regent William NeSmith Regent Benjamin Tarbutton Regent Kessel Stelling Regent Wanda Yancey Rodwell Regent Larry Ellis Regent Larry Walker Regent James Jolly
		<b>26</b>	Unfinished Business	Chair Willis Potts
<b>27</b>		New Business	Chair Willis Potts	
<b>28</b>		Petitions and Communications	Secretary Burns Newsome	
<b>29</b>		Executive Session	Chair Willis Potts	
<b>30</b>		Adjournment	Chair Willis Potts	

**AGENDA  
COMMITTEE OF THE WHOLE: STUDENT SUCCESS**

**August 10, 2010**

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**INFORMATION ITEM**

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**APPROVAL ITEM**

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| 1. BOR Policy 4.2.1.1 Revision | 2 |
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**AGENDA**  
**COMMITTEE OF THE WHOLE: STUDENT SUCCESS**

**August 10, 2010**

**1. Presentation of the Learning Support Taskforce Recommendations**

During the 2009-2010 academic year, the Learning Support Task Force conducted a detailed study of current organization, policy, and practice throughout the University System of Georgia. The Learning Support Task Force reviewed numerous data reports on student placement and eventual student success. After thorough study and discussion of all available data, the Learning Support Task Force finalized a set of recommendations that will be presented.

**AGENDA**  
**COMMITTEE OF THE WHOLE: STUDENT SUCCESS**

**August 10, 2010**

1. BOR Policy 4.2.1.1 Revision: Admission Requirements for Programs Leading to the Baccalaureate Degree

Recommended: That the Board approves the revision of BOR Policy 4.2.1.1 Freshman Requirements by adding the statement highlighted in the revised policy, below:

Background: In Fall 2005, the BOR approved a pilot admission project for two-year and state colleges. The original pilot eliminated the consideration of SAT/ACT test scores for students seeking admission to two-year and state colleges. The terms of the pilot were revised in June 2008 and the pilot was extended for an additional three years for freshman seeking associate degrees. The pilot ends Summer 2011. The proposed BOR policy revision would allow presidents of USG institutions the authority to reinstate the submission of SAT/ACT test scores and meeting of the Freshman Index as a requirement for admission or to remain with the criteria that eliminates the consideration of SAT/ACT test scores.

*Current Policy*

**4.2.1.1 Freshman Requirements**

Students applying for freshman admissions to a USG institution must meet the following criteria.

**Required High School Curriculum**

Completion of the USG's Required High School Curriculum ("RHSC") requirements and graduation from a high school accredited by a regional accrediting association (such as the Southern Association of Colleges and Schools) or the Georgia Accrediting Commission or from a public school regulated by a school system and state department of education.

Students applying to any institution must present credit for sixteen (16) specified units. Students who graduate from high school in 2012 or later must present credits for seventeen (17) specified units. The 16 (17 for students who graduate in 2012 or later) specified USG units are:

1. **MATHEMATICS**: Four (4) units of Mathematics, including Algebra I, Algebra II, and Geometry. For students who graduate from a Georgia Public School in 2012 or later, the 4 units of Mathematics must include a course at the level of Math 3 or higher.
2. **ENGLISH**: Four (4) units of English which have as their emphasis grammar and usage, literature (American, English, World), and advanced composition skills.

3. **SCIENCE:** Three (3) units of science, with at least one laboratory course from the life sciences and one laboratory course from the physical sciences. Students who graduate in 2012 or later must have four (4) units of science. Georgia Public high School graduates must have at least one (1) unit of biology, one (1) unit of physical science or physics, and one (1) unit of chemistry, earth systems, environmental science, or an advanced placement science course.
4. **SOCIAL SCIENCE:** Three (3) units of social science, with at least one (1) course focusing on United States studies and one (1) course focusing on world studies.
5. **FOREIGN LANGUAGE:** Two (2) units in the same foreign language emphasizing speaking, listening, reading, and writing. Two (2) units of American Sign Language may be used to satisfy this requirement.

In addition to these minimum requirements, students are encouraged to take additional academic units in high school to improve their probability for admission and success.

### **Freshman Index**

A designated score on the Freshman Index (“FI”), which is based on a combination of a student’s SAT I or ACT assessment scores and high school grade point average (HSGPA). The Freshman Index is:

1.  $FI = 500 \times (HSGPA) + SAT \text{ Verbal/Critical Reading} + SAT \text{ I Math (or)}$
2.  $FI = 500 \times (HSGPA) + (ACT \text{ Composite} \times 42) + 88$

The minimum FI required for admission to a:

1. Research university is 2500;
2. Regional university is 2040;
3. State university is 1940; and,
4. State or two-year college is 1830.

In addition to the FI, students must have a minimum SAT I Verbal score of 430 and Mathematics score of 400 (or ACT equivalent) for admission to a university (research, regional, or state).

Students without these minimum scores but with SAT I scores of at least 330 Verbal and 310 Mathematics may be considered for admission to a two-year college, but will be required to exempt or exit learning support (“LS”) in the areas of deficiency.

Institutions may set higher requirements for admission. Students meeting the minimum FI requirements are not guaranteed admission.

## *Proposed Policy:*

### **4.2.1.1 Freshman Requirements**

Students applying for freshman admissions to a USG institution must meet the following criteria.

#### **Required High School Curriculum**

Completion of the USG's Required High School Curriculum ("RHSC") requirements and graduation from a high school accredited by a regional accrediting association (such as the Southern Association of Colleges and Schools) or the Georgia Accrediting Commission or from a public school regulated by a school system and state department of education.

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3. **SCIENCE:** Three (3) units of science, with at least one laboratory course from the life sciences and one laboratory course from the physical sciences. Students who graduate in 2012 or later must have four (4) units of science. Georgia Public high School graduates must have at least one (1) unit of biology, one (1) unit of physical science or physics, and one (1) unit of chemistry, earth systems, environmental science, or an advanced placement science course.
4. **SOCIAL SCIENCE:** Three (3) units of social science, with at least one (1) course focusing on United States studies and one (1) course focusing on world studies.
5. **FOREIGN LANGUAGE:** Two (2) units in the same foreign language emphasizing speaking, listening, reading, and writing. Two (2) units of American Sign Language may be used to satisfy this requirement.

In addition to these minimum requirements, students are encouraged to take additional academic units in high school to improve their probability for admission and success.

#### **Freshman Index**

**Presidents of state and two-year colleges have the authority to: a) require submission of SAT/ACT test scores and meeting of the Freshman Index, as described below; or b) require a minimum high school grade point average (HSGPA) and mandatory placement testing in lieu of SAT/ACT test scores for admissions.**

A designated score on the Freshman Index (“FI”), which is based on a combination of a student’s SAT I or ACT assessment scores and high school grade point average (HSGPA). The Freshman Index is:

1.  $FI = 500 \times (HSGPA) + SAT \text{ Verbal/Critical Reading} + SAT \text{ I Math (or)}$
2.  $FI = 500 \times (HSGPA) + (ACT \text{ Composite} \times 42) + 88$

The minimum FI required for admission to a:

1. Research university
2. Regional university is 2040;
3. State university is 1940; and,
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In addition to the FI, students must have a minimum SAT I Verbal score of 430 and Mathematics score of 400 (or ACT equivalent) for admission to a university (research, regional, or state).

Students without these minimum scores but with SAT I scores of at least 330 Verbal and 310 Mathematics may be considered for admission to a two-year college, but will be required to exempt or exit learning support (“LS”) in the areas of deficiency.

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# AGENDA

## COMMITTEE OF THE WHOLE: PERSONNEL AND BENEFITS

August 10, 2010

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(Joint meeting with Finance & Business Operations / *To Be Addressed By Committee of the Whole*)
3. Approval of Dental Plan Premiums for Plan Year 2011 4  
(Joint meeting with Finance & Business Operations / *To Be Addressed By Committee of the Whole*)
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(Joint meeting with Finance & Business Operations / *To Be Addressed By Committee of the Whole*)

## AGENDA

### COMMITTEE ON PERSONNEL AND BENEFITS

August 10, 2010

#### 1. Approval of Health Insurance Plan Changes for Plan Year 2011

Recommended: That the Board approves the following health insurance plan changes for the University System of Georgia for Plan Year 2011 to become effective January 1, 2011.

- Implement a voluntary alternative network as an additional option for Preferred Provider Organization (PPO) and High Deductible Health Plan (HDHP)
- Self-fund Blue Cross Blue Shield (BC/BS) HDHP and Health Maintenance Organization (HMO)
- Continue to seed Health Savings Account (HSA) for both current and new enrollees at one-half of the 2010 levels
- Tobacco use surcharge of \$50 monthly
- Minor changes to prescription plan
- Implement various “wellness” provisions
- All future retirees and spouses of retirees will pay the full cost of insurance for not enrolling in Medicare Part B when they become eligible

The basic purposes for these recommendations are described briefly below:

The implementation of a voluntary alternative network as an additional option for PPO and HDHP will create a 15% - 20% greater average discount on claims paid, with a potential savings of \$8 - \$10 million dollars.

The self-funding of the BC/BS HDHP and HMO will save the USG excess premium fees/taxes, risk and retention fees. This plan change would produce an estimated annual savings of \$8.5 - \$10 million dollars.

Continuing to seed the Health Savings Account will assist in encouraging employees to enroll in the High Deductible Health PPO Plan.

The tobacco use surcharge will not only encourage employees to choose a healthy life style but it will create \$5 million dollars annually in additional employee contributions.

**1. Approval of Health Insurance Plan Changes for Plan Year 2011 (Continued)**

Medco, the USG's Pharmacy Benefit Manager has identified over \$4 million dollars in savings without major burdens placed on our employees. These include a \$5 per co-pay increase on brand name prescriptions, better coordination with Medicare coverage, better utilization of specialty pharmacies and waivers of some co-pays with use of generic vs. brand name prescriptions.

The implementation of various wellness incentives to include but not limited to a completion of an on-line health assessment, waiving of co-pays for continued use of maintenance medications, or a premium holiday for successfully completing a smoking cessation or weight loss program.

The implementation of all future retirees and spouses of retirees paying the full cost of insurance for not enrolling in Medicare Part B would encourage them to do so when they become eligible.

2. **Approval of Healthcare Plan Premiums for Plan Year 2011**

Recommended: That the Board approve the Healthcare Plan premiums for the University System of Georgia for Plan Year 2011 as shown in Appendix A, to become effective January 1, 2011.

Background: The Board of Regents has contracted with Mercer Consulting to conduct an actuarial analysis of premium requirements for its programs based on projections of medical cost increases, University System of Georgia employee demographics and recent claims experience.

**3. Approval of Dental Plan Premiums for Plan Year 2010**

Recommended: That the Board approve the Dental Plan premiums for the University System of Georgia for Plan Year 2011 to become effective January 1, 2011.

Background: The Dental Plan rates will increase for Plan Year 2011 by 10%, as reflected in Appendix B. The Dental Plan is fully employee paid.

4. **Approval of Revision to the Policy Manual Section 8.2.19 Tuition Assistance Program**

Recommended: That the Board approves the revision to the Policy Manual Section 8.2.19 Tuition Assistance Program to become effective January 1, 2011.

Background: The Tuition Assistance Program (“TAP”) of the USG is a general benefit provided to any full-time staff and faculty member of the USG. It enables full-time employees to take courses offered by USG institutions at no cost, assuming there is space remaining in class. As a general benefit, the employee acquires no additional obligations in return for this free access to courses.

The proposal to increase the number of hours would provide the employee the opportunity to take an additional credit hour or up to nine (9) academic semester credit hours for each of the three (3) designated semester periods. This number of credit hours is consistent with a student taking a three-fourth load.

This change will provide an incentive for motivated employees working full-time to complete their degree program in less time.

*Current Policy*

**8.2.19 Tuition Assistance Program**

The USG and its institutions will encourage full-time faculty, staff, and administrators to participate in development activities and study by remitting tuition for those activities that have been authorized by the employee’s institution. Participation in the Tuition Assistance Program shall be available to full-time benefits-eligible employees who have successfully completed at least six (6) months of employment in a benefits-eligible position as of the date of the Tuition Assistance Program application deadline for the desired academic semester.

Full-time employees (who meet the applicable admissions standards and who have received appropriate prior authorization from their institution) may enroll in up to eight (8) academic semester credit hours for each of the three (3) designated semester periods: fall semester, spring semester, and summer semester.

Student status will be secondary to employee status in all considerations, including student fee waivers. Tuition assistance is the waiver of tuition and the waiver of certain fees. Tuition

Assistance Program participation will be granted on a space-available basis. For limited-slot enrollment programs, approval must be granted by the teaching institution. An employee must receive a grade of C or better in each approved Tuition Assistance Program academic course.

Employees may not enroll in the following professional schools:

1. Dental
2. Medical
3. Pharmacy
4. Veterinary
5. Law
6. Executive/premiere or comparable graduate programs

*New Policy*

**8.2.19 Tuition Assistance Program**

The USG and its institutions will encourage full-time faculty, staff, and administrators to participate in development activities and study by remitting tuition for those activities that have been authorized by the employee's institution. Participation in the Tuition Assistance Program shall be available to full-time benefits-eligible employees who have successfully completed at least six (6) months of employment in a benefits-eligible position as of the date of the Tuition Assistance Program application deadline for the desired academic semester.

Full-time employees (who meet the applicable admissions standards and who have received appropriate prior authorization from their institution) may enroll in up to ~~eight (8)~~ **nine (9)** academic semester credit hours for each of the three (3) designated semester periods: fall semester, spring semester, and summer semester.

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waivers. Tuition assistance is the waiver of tuition and the waiver of certain fees. Tuition Assistance Program participation will be granted on a space-available basis. For limited-slot enrollment programs, approval must be granted by the teaching institution. An employee must receive a grade of C or better in each approved Tuition Assistance Program academic course.

Employees may not enroll in the following professional schools:

1. Dental
2. Medical
3. Pharmacy
4. Veterinary
5. Law
6. Executive/premiere or comparable graduate programs



**AGENDA**  
**COMMITTEE ON ACADEMIC AFFAIRS**

**August 10, 2010**

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| 4. Establishment of a Master of Science in Supply Chain Engineering, Georgia Institute of Technology  | 7 |
| 5. Establishment of a Collaborative Bachelor of Science / Master of Arts in Teaching Degree in STEM Fields, Georgia Institute of Technology (BS) and Georgia State University (MAT, STEM)               | 8 |
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## AGENDA

### COMMITTEE ON ACADEMIC AFFAIRS

August 10, 2010

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## I. Mission Statements

### 1. Revised Institutional Mission Statement, Georgia Southwestern State University

Recommended: That the Board approve the request of President Kendall A. Blanchard that Georgia Southwestern State University (“GSW”) be authorized to revise its institutional mission statement, effective August 11, 2010.

Abstract: GSW seeks approval to revise its institutional mission statement as a result of its ongoing planning efforts. The revised mission statement more succinctly iterates the institution’s commitment to providing students with a personalized and challenging experience in preparation for future roles and careers.

#### *Current Mission Statement*

Georgia Southwestern State University is a dynamic community of learning on a residential campus, offering students personalized and challenging experiences in preparation for successful careers, leadership roles, productive citizenship, and a satisfying quality of life. The respected faculty demonstrates dedication to teaching and offer outstanding professional and degree programs of study with a foundation in the liberal arts and sciences. Learning is strengthened by an effective student-oriented staff committed to the optimal development of each student. The location, atmosphere, and relationships of the University create a stimulating environment for intellectual inquiry in pursuit of truth and knowledge.

#### *Proposed Mission Statement*

**Georgia Southwestern State University cultivates excellence in learning and teaching that encourages intellectual, personal, and social growth for students, faculty, staff and the community. Georgia Southwestern State University is a comprehensive state university within the University System of Georgia that offers a full range of bachelor degree programs, along with selected master’s and specialist degree programs.**

## 2. **Revised Institutional Mission Statement, University of Georgia**

Recommended: That the Board approve the request of President Michael F. Adams that the University of Georgia (“UGA”) be authorized to revise its institutional mission statement, effective August 11, 2010.

Abstract: In preparation for the college’s review in year 2011 for reaffirmation of its accreditation by the Commission on Colleges of the Southern Association of Colleges and Schools (“SACS”), UGA seeks approval of a periodic update of its mission statement. Revisions between the current and proposed mission statements involve stylistic changes and updating those colleges and schools that have been approved through the institution’s governance process since the statement’s last revision. The current and proposed mission statements are provided below and on successive pages.

### ***Current Mission Statement***

The University of Georgia, a land-grant and sea-grant university with state-wide commitments and responsibilities is the state's oldest, most comprehensive and most diversified institution of higher education. Its motto, "to teach, to serve and to inquire into the nature of things," reflects the University's integral and unique role in the conservation and enhancement of the state's and nation's intellectual, cultural and environmental heritage.

The University of Georgia shares with the other research universities of the University System of Georgia the following core characteristics:

- a statewide responsibility and commitment to excellence and academic achievements having national and international recognition;
- a commitment to excellence in a teaching/learning environment dedicated to serve a diverse and well-prepared student body, to promote high levels of student achievement, and to provide appropriate academic support services;
- a commitment to excellence in research, scholarship and creative endeavors that are focused on organized programs to create, maintain, and apply new knowledge and theories; that promote instructional quality and effectiveness; and that enhance institutionally relevant faculty qualifications;
- a commitment to excellence in public service, economic development, and technical assistance activities designed to address the strategic needs of the State of Georgia along with a comprehensive offering of continuing education designed to meet the needs of Georgia's citizens in life-long learning and professional education;
- a wide range of academic and professional programming at the baccalaureate, master's, and doctoral levels.

## 2. **Revised Institutional Mission Statement, University of Georgia (Continued)**

With its statewide mission and core characteristics, the University of Georgia endeavors to prepare the University community and the state for full participation in the global society of the twenty-first century. Through its programs and practices, it seeks to foster the understanding of and respect for cultural differences necessary for an enlightened and educated citizenry. It further provides for cultural, ethnic, gender and racial diversity in the faculty, staff and student body. The University is committed to preparing the University community to appreciate the critical importance of a quality environment to an interdependent global society.

As a comprehensive land-grant and sea-grant institution, the University of Georgia offers baccalaureate, master's, doctoral and professional degrees in the arts, humanities, social sciences, biological sciences, physical sciences, agricultural and environmental sciences, business, environmental design, family and consumer sciences, forest resources, journalism and mass communication, education, law, pharmacy, social work and veterinary medicine.

The University attracts students nationally and internationally as well as from within Georgia. It offers the state's broadest array of responsibilities in graduate and professional education, and thus a large minority of the student body is post-baccalaureate. The predominantly Georgian undergraduate student body is a mix of highly qualified students originally admitted as freshmen and selected transfer students principally from other University System institutions.

With original scholarship, basic and applied research, and creative activities constituting an essential core from which to draw, the impact of the land-grant and sea-grant mission is reflected throughout the state. Cooperative extension, continuing education, public service, experiment stations and technology transfer are all designed to enhance the well-being of the citizens of Georgia through their roles in economic, social, and community development.

As it has been historically, the University of Georgia is responsive to the evolution of the state's educational, social and economic needs. It aspires through its strategic planning to even closer contact and interaction with public and private institutions throughout the state as well as with the citizens it serves.

### ***Proposed Mission Statement***

The University of Georgia, a land-grant and sea-grant university with statewide commitments and responsibilities is the state's oldest, most comprehensive, and most diversified institution of higher education. Its motto, "to teach, to serve, and to inquire into the nature of things," reflects the University's integral and unique role in the conservation and enhancement of the state's and nation's intellectual, cultural, and environmental heritage.

## 2. Revised Institutional Mission Statement, University of Georgia (Continued)

The University of Georgia shares with the other research universities of the University System of Georgia the following core characteristics:

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- a commitment to excellence in a teaching/learning environment dedicated to serve a diverse and well-prepared student body, to promote high levels of student achievement, and to provide appropriate academic support services;
- a commitment to excellence in research, scholarship, and creative endeavors that are focused on organized programs to create, maintain, and apply new knowledge and theories; that promote instructional quality and effectiveness; and that enhance institutionally relevant faculty qualifications;
- a commitment to excellence in public service, economic development, and technical assistance activities designed to address the strategic needs of the state of Georgia along with a comprehensive offering of continuing education designed to meet the needs of Georgia's citizens in life-long learning and professional education;
- a wide range of academic and professional programming at the baccalaureate, master's, and doctoral levels.

With its statewide mission and core characteristics, the University of Georgia endeavors to prepare the University community and the state for full participation in the global society of the twenty-first century. Through its programs and practices, it seeks to foster the understanding of and respect for cultural differences necessary for an enlightened and educated citizenry. It further provides for cultural, ethnic, gender, and racial diversity in the faculty, staff, and student body. The University is committed to preparing the University community to appreciate the critical importance of a quality environment to an interdependent global society.

As a comprehensive land-grant and sea-grant institution, the University of Georgia offers baccalaureate, master's, doctoral, and professional degrees in the arts, humanities, social sciences, biological sciences, physical sciences, agricultural and environmental sciences, business, **ecology**, environmental design, family and consumer sciences, forest resources, journalism and mass communication, education, law, pharmacy, **public health**, social work, and veterinary medicine.

The University attracts students nationally and internationally as well as from within Georgia. It offers the state's broadest array of **possibilities** in graduate and professional education, and thus a large minority of the student body is post-baccalaureate. The predominantly Georgian undergraduate student body is a mix of highly qualified students originally admitted as freshmen and selected transfer students principally from other University System institutions.

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2. **Revised Institutional Mission Statement, University of Georgia (Continued)**

As it has been historically, the University of Georgia is responsive to the evolution of the state's educational, social, and economic needs. It aspires through its strategic planning to even closer contact and interaction with public and private institutions throughout the state as well as with the citizens it serves.

## II. New Academic Programs

### 3. Establishment of a Master of Education in Teacher Leadership, Augusta State University

Recommended: That the Board approve the request of President William A. Bloodworth, Jr. that Augusta State University (“AUSU”) be authorized to establish a Master of Education in Teacher Leadership, effective August 11, 2010.

Abstract: Teacher leaders are educators who use their expertise to improve student learning by working outside the classroom to augment the professional skills of colleagues, strengthen the culture of the school, and improve the quality of instruction. The proposed program is an advanced degree designed for classroom teachers who hold current educational certification in a minimum of one area, and seek greater responsibility and influence beyond their individual classrooms.

Need: The proposed program aligns with the University’s strategic goals. The Georgia Professional Standards Commission is developing Teacher Leader Standards that will guide certification as a Teacher Leader. Although there is some overlap in what principals and teachers need to know, the focus of the advanced degree is keeping teachers in the classroom, allowing them to lead from their expertise in teaching, equipping them with the skills to lead peers through aiding and supporting administrators, and meeting demand for such a degree. Candidates will be provided with curricular, pedagogical, and organizational skills needed to become effective teacher leaders.

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



4. **Establishment of a Master of Science in Supply Chain Engineering, Georgia Institute of Technology**

Recommended: That the Board approve the request of President G. P. Peterson that Georgia Institute of Technology (“GIT”) be authorized to establish a Master of Science in Supply Chain Engineering, effective August 11, 2010.

Abstract: GIT seeks approval to establish a Master of Science in Supply Chain Engineering.

Need: Georgia’s ports, airports and intermodal rail links have led to its positioning as a global logistics gateway. As manufacturing has moved off-shore the institution’s Industrial and Systems Engineering academic center has focused on the efficient movement and storage of goods and related information from component manufacturing to product assembly and consumer delivery. Supply chain engineering is the planning and design of logistical processes and the control of such global supply chains. The proposed new degree program is aligned and coordinated with the strategic plan of Industrial and Systems Engineering. The proposed program has been developed to provide candidates with the knowledge, skills and dispositions required for managerial roles in a host of companies reliant upon personnel and processes to move and store goods, and increasingly dependent on global supply chains for manufacturing and service parts distribution. The program has been designed to develop highly-trained graduates to further develop Georgia’s logistics infrastructure and promote its role in global commerce.

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

5. **Establishment of a Collaborative Bachelor of Science / Master of Arts in Teaching Degree in STEM Fields, Georgia Institute of Technology (Bachelor of Science) and Georgia State University (Master of Arts in Teaching, STEM)**

Recommended: That the Board approve the request of Presidents Mark P. Becker and G. P. Peterson that Georgia State University (“GSU”) and Georgia Institute of Technology (“GIT”), respectively be authorized to establish collaborative opportunities for students to earn Bachelor of Science and Master of Arts in Teaching degrees in STEM fields, effective August 11, 2010.

Abstract: The institutions seek to establish a collaborative means by which students who complete degrees in STEM fields at GIT are recruited to complete Master of Arts in Teaching programs at GSU. The collaboration between the two institutions has been developed to increase the number of highly qualified K-12 educators in STEM fields. Students will be required to complete all appropriate existing requirements for study at each respective institution. The two institutions have determined that through completion of each degree and course transfer opportunities between one another, students would be able to complete the respective degrees as five-year BS/MAT degree programs. The proposed collaboration enables outstanding students to complete both degrees, one of which will be a teacher certification program in a critical needs teaching field.

6. **Ratification of the External (2 + 2, site-based), Bachelor of Science with a major in Early Childhood Education at the Paulding County Site with Georgia Highlands College, Kennesaw State University**

Recommended: That the Board ratify Chancellor Erroll B. Davis' approval of Kennesaw State University's ("KSU") request to provide the external delivery of a site-based, 2 + 2 Bachelor of Science with a major in Early Childhood Education at the Paulding County site in cooperation with Georgia Highlands College ("GHC"). At its June 2010 meeting, the Board of Regents authorized Chancellor Davis to take any actions necessary on behalf of the Board during the month of July with such actions to be ratified by the Board at the August meeting. This ratification supports action taken by the Chancellor in a letter dated July 1, 2010.

Abstract: As part of a joint project of Kennesaw State University and Georgia Highlands College, the Department of Elementary and Early Childhood Education at KSU will offer its upper-level courses in a face-to-face format at the Paulding County instructional site. The program was developed as a 2 + 2 partnership with GHC whereby students earn their associate's degrees at GHC and then complete a Bachelor of Science with a major in Early Childhood Education through KSU.

Need: The GHC-KSU partnership will help fill a void and provide access to Paulding County residents. The instructional site and cooperative effort are results of and responses to a USG study for addressing a need for academic programs in growing underserved areas. GHC students have indicated interest in an undergraduate early childhood program at the Paulding County site. Courses offered at the site also would be attractive to KSU students who live in the Paulding County area. U.S. Census Bureau statistics indicate Paulding County will have an increasing need for early childhood educators. The 2008 percentage of children under 5 years of age was above the state average.

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

### III. Program Terminations

#### 7. **Termination of the Doctor of Philosophy with a major in Pharmacology, University of Georgia**

Recommended: That the Board approve the request of President Michael F. Adams that the University of Georgia (“UGA”) be authorized to terminate the Doctor of Philosophy with a major in Pharmacology, effective August 1, 2015.

Abstract: The Department of Physiology and Pharmacology seeks a termination of the existing program due to low enrollments. The last cohort of students was admitted to the program in August 2009. There is currently one student enrolled in the program and that student will finish by August 2015.

The decline in enrollment has occurred as faculty participate more in interdisciplinary programs such as Toxicology and Neuroscience, and students show greater interest in the department’s Physiology major. The interdisciplinary programs have attracted an increased number of well-prepared applicants to a greater degree than the traditional Physiology and Pharmacology degree programs. All graduate faculty members in the department have agreed to phase out the program. Opportunities available within interdisciplinary graduate programs (i.e., Neuroscience and Toxicology) as well as the Integrative Physiology and Pharmacology program, will accommodate students and faculty with an interest in Pharmacology.

8. **Termination of the RN to BSN, Bachelor of Science in Nursing, Medical College of Georgia**

Recommended: That the Board approve the request of President Ricardo Azziz that the Medical College of Georgia (“MCG”) be authorized to terminate the RN to BSN, Bachelor of Science in Nursing, effective January 5, 2011.

Abstract: MCG requests approval to terminate its RN to BSN, Bachelor of Science in Nursing program after the final student graduates from this particular program in December 2010. The institution will retain the following current program offerings for persons seeking nursing degrees: Bachelor of Science in Nursing and Master of Clinical Nurse Leader. Neither students nor faculty will be adversely impacted by the aforementioned termination. The School of Nursing has shifted its educational focus to these programs.

#### **IV. Degree Credit Hour Waiver**

##### **9. Establishment of a Degree Credit-Hour Waiver for the Bachelor of Science in Health Information Administration, Medical College of Georgia**

Recommended: That the Board approve the request of President Ricardo Azziz that the Medical College of Georgia (“MCG”) be authorized to establish a degree credit-hour waiver for a specific allied health program of study, the Bachelor of Science in Health Information Administration, effective August 11, 2010.

Abstract: MCG requests a degree credit-hour waiver for the Bachelor of Science in Health Information Administration. The current upper-division program hours are 69 semester credits, for a total of 129 hours. The program’s curriculum change was approved to align the program with the accrediting requirement for two separate coding courses. MCG’s comparator institutions, the University of Alabama and East Carolina University also require 69 and 73 semester hours respectively. The credit hour requirements of the program at MCG are in alignment with accrediting standards and model curricula. Upon approval, the program will increase from 126 to 129 credits, a three credit-hour increase.

**V. Named/Endowed Positions**

**Establishment of Named Faculty Positions**

Summary: Recommendations for action encompassing the following items in this document have been submitted by university system institutions seeking to establish special faculty positions developed through the philanthropy of donors. Named faculty positions are often developed to recruit scholars who have made contributions to academic life and/or knowledge in their academic discipline.

All of the requested positions meet and/or exceed minimum funding requirements per institutional sector as prescribed in *The Policy Manual*, Section 8.3.2.2, as provided in the table below.

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

**10. Establishment of the Distinguished Donald L. Hollowell Professorship of Social Justice and Civil Rights Studies, University of Georgia**

Recommended: That the Board approve the request of President Michael F. Adams that the University of Georgia (“UGA”) be authorized to establish the Distinguished Donald L. Hollowell Professorship of Social Justice and Civil Rights Studies, effective August 11, 2010.

Abstract: Through continuous efforts that began in year 2005, the School of Social Work sought to establish the Donald L. Hollowell Professorship of Social Justice and Civil Rights Studies. The endowed position has been developed with the objective to broaden the School of Social Work’s focus on social justice and civil rights, and continue the legacy of Donald L. Hollowell, a leading civil rights lawyer in Georgia during the 1950s and 1960s. UGA has verified that \$500,000.45 is on deposit to establish the Distinguished Donald L. Hollowell Professorship of Social Justice and Civil Rights Studies. The trust has been established through the Arch Foundation. Mr. Vernon E. Jordan, Jr., who made a significant gift for the establishment of the Professorship, is the Chairman of the Hollowell Endowment Committee. Additional contributions to the endowed professorship, totaling more than \$250,000 to date, have been given by friends and associates of the late Mr. Hollowell.

The person chosen for the professorship will be at the rank of full professor with tenure and should demonstrate national or international recognition in the areas of social justice and civil rights. The person selected will engage in teaching, research, and public service, and collaborate with the Foot Soldier Project for Civil Rights Studies to advance civil rights scholarship while contributing more broadly to enhancing local and national discourses on diversity and equity. Additionally, the Hollowell Professor will advocate for social and economic justice for individuals, families, and communities; educate and prepare leaders and scholars who will be leaders in the elimination of oppression and inequality; and research, study, and disseminate information and scholarship on the civil rights movement, social justice and reform, and policy-related issues.

Biographical Sketch of Donald L. Hollowell:

Hollowell played a major role in the civil rights struggle. In addition to his success in the historic *Holmes v. Danner* case, Hollowell won a victory in the Georgia Court of Appeals in 1960 when he secured the release of Dr. Martin Luther King, Jr. from the Reidsville State Prison. Less than a year later, Hollowell prevented the electrocution of a 15-year-old black youth from Monticello, Georgia, five days before his scheduled execution.

Hollowell was chief counsel in landmark cases that led to the desegregation of public schools, public transportation, public hospitals, and in numerous other precedent-setting civil rights cases. His brilliance, dedication and masterful courtroom skills made him Georgia’s foremost civil rights attorney during the 1950s and 1960s, and led to his appointment in 1966 by President Lyndon B. Johnson as regional director of the Equal Employment Opportunity Commission, the first black regional director of a major federal agency.



**11. Establishment of the Athletic Association Professorship in Family and Consumer Sciences, University of Georgia**

Recommended: That the Board approve the request of President Michael F. Adams that the University of Georgia (“UGA”) be authorized to establish the Athletic Association Professorship in Family and Consumer Sciences, effective August 11, 2010.

Abstract: The College of Family and Consumer Sciences has received funding for the Athletic Association Professorship in Family and Consumer Sciences and requests approval for the formal establishment of the professorship.

The Athletic Association Professorship in Family and Consumer Sciences was funded by the Athletic Association through a commitment to strengthen programs within the College of Family and Consumer Sciences. The professorship is supported through an endowment of \$250,000. The Professorship was established by the Athletic Association following a recommendation from an ad hoc committee of the Athletic Board to the University’s Provost and President.

The Professorship will reside in the College of Family and Consumer Sciences. The appointed professor shall be engaged in teaching, research, public service, or a combination of such duties consistent with the purpose of the Professorship. The Professorship will be held by an individual with an outstanding reputation holding the rank of associate or full professor.

**12. Establishment of the K. Harrison Brown Family Chair, Georgia Institute of Technology**

Recommended: That the Board approve the request of President G. P. Peterson that Georgia Institute of Technology (“GIT”) be authorized to establish the K. Harrison Brown Family Chair, effective August 11, 2010.

Abstract: The GIT Foundation supports establishment of the K. Harrison Brown Family Chair in the amount of \$1,500,000. The chair is supported by the generosity of K. Harrison Brown. To allow maximum flexibility, Mr. Brown has requested that the chair be established as an “Institute Chair” and the focus of this position can be assigned at the President’s discretion to meet the Institute’s most pressing needs.

Biographical Sketch of K. Harrison Brown: Mr. K. Harrison Brown (IE 63) is president of Brown Stove Works, Inc. founded by Grover Cleveland Brown in 1935 in Cleveland, Tennessee. Brown Stove Works, Inc. was one of sixty stove manufacturers operating in the United States. Today, it is the only remaining privately held range manufacturer in America.

**13. Named Faculty Positions**

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

**14. Exception to the Awarding of Emeritus Status, Augusta State University**

Recommended: That the Board approve the request of President William A. Bloodworth, Jr. that Augusta State University (“AUSU”) be provided an exception to award emeritus status to Prof. Tom Nakashima, effective August 11, 2010.

Abstract: AUSU seeks an exception to Policy 8.3.13 and approval to award emeritus status to Prof. Tom Nakashima. The exception is requested because the professor has worked at the university for fewer than 10 years. According to *The Policy Manual*, Section 8.3.13, Emeritus/a Title (as stated below),

A president may, at his/her discretion, confer the title of emeritus/a on any retired faculty member or administrative officer who, at the time of retirement, had ten (10) or more years of honorable and distinguished USG service, provided, however, that the title of President Emeritus/a may be conferred only by the Board of Regents on the recommendation of the Chancellor (BoR Minutes, January 2009).

Prof. Nakashima has for the last eight years served as the William S. Morris Eminent Chair in Art. Prof. Nakashima is an internationally-known artist whose work has been exhibited in galleries around the world. Currently he is exhibiting in *The Missing Peace, Artists Consider the Dalai Lama*, Fundacion Canal, in Madrid, Spain. Prof. Nakashima’s work also hangs in several galleries. Recent acquisitions have been made by The Mint Museum in Charlotte, North Carolina; The Ogden Museum of Southern Art in New Orleans, Louisiana; and the Smithsonian American Art Museum in Washington, D.C.

**AGENDA**  
**COMMITTEE ON ORGANIZATION AND LAW**

**August 10, 2010**

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## AGENDA

### COMMITTEE ON ORGANIZATION AND LAW

August 10, 2010

1. **Applications for Review**

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

2. **Request for Waiver of Board of Regents Policy # 8.2.3**

Staff has received a request from a University President requesting that the Board waive policy 8.2.3.

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3. **Litigation Update** (*Information Item*)

In executive session, the Legal Affairs staff will update the Committee on litigation matters.

4. **Georgia Institute of Genetics** (*Information Item*)

Vice Chancellor Linda Daniels wishes to discuss the future use of property, which was previously donated to the University System with the Committee.

# AGENDA

## COMMITTEE ON REAL ESTATE AND FACILITIES

August 10, 2010

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**AGENDA**

**COMMITTEE ON REAL ESTATE AND FACILITIES**

**August 10, 2010**

**1. Executive Session**

Materials to be handed out in executive session.



2. **Authorization of Project, Project No. J-174, Infrastructure and IT Network, North Georgia College & State University**

Recommended: That the Board authorize Project No. J-174, Infrastructure and IT Network, North Georgia College and State University (“NGCSU”), with a total project budget of \$1.3 million to be funded from State General Obligation Bonds.

Understandings: The project will replace water and sewer infrastructure and complete the information technology data network (“IT”) upgrade within the original core campus/drill field area. A mini-chiller loop for four key core campus buildings (Barnes Hall, Young Hall, Hoag Student Center, and Stewart Library) will also be installed.

The project will replace 100-year old terra-cotta sewer pipes within the historic core campus, and ensure adequate utility and infrastructure capacity for renovation and new construction projects in progress.

The estimated construction cost for this project is \$1,165,000.

This project was approved for funding during the 2010 Legislative session as part of the FY 2011 capital budget.

The project is consistent with NGCSU’s Master Plan.

If authorized by the Board, the University System Office staff and NGCSU will proceed with design and construction of the project in accordance with Board of Regents procedures.

**3. Authorization of Project, Project No. J-184, Veterinary Medicine Learning Center, University of Georgia**

Recommended: That the Board authorize Project No. J-184, Veterinary Medicine Learning Center, University of Georgia (“UGA”), with a total project budget of \$113 million to be funded from \$38 million in non-State funds and \$75 million in General Obligation Bond funds.

Understandings: The approximately 287,000 square foot facility will comprise a teaching hospital to accommodate both large and small animals. This facility will include a community practice clinic, lameness center, large lecture hall and instructional spaces for veterinary students, offices for clinical faculty and staff, and outdoor spaces for animals.

The estimated construction cost for this project is \$87 million.

This project was approved for \$7.7 million of design funding during the 2010 legislative session as part of the fiscal year 2011 capital budget.

This project is consistent with UGA’s master plan.

If authorized by the Board, the University System Office staff and UGA will proceed with design and construction of the project in accordance with Board of Regents procedures.

**4. Authorization of Project and Appointment of Program Management Firm, Project No. PPV-94-1001, Student Activity Center, Atlanta Metropolitan College**

Recommended: That the Board authorize Project No. PPV-94-1001, Student Activity Center, Atlanta Metropolitan College (“AMC”), with a total budget of \$9 million to be funded through a public private venture.

Recommended further: That the Board appoint the first-named program management firm listed below for the identified project and authorize the execution of a contract with the identified firm. Should it not be possible to execute a contract with the top-ranked firm, staff will then attempt to execute a contract with the other listed firms in rank order.

Understandings: In May 2010, the Executive Director for Real Estate Ventures, Marty Nance, presented information concerning the need to expand the student center on the campus of AMC through a privatized process.

The approximately 33,000 square foot Student Activity Center will include physical fitness, dance studio, student study, game room, lounge spaces, a bookstore, and meeting and support spaces.

In May 2010, the Board approved a mandatory \$100 student center fee for this facility.

The project is consistent with AMC’s master plan.

It is anticipated that the Board will be requested to take further action concerning this project, including the approval of ground leases and rental agreements.

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

Total Project Cost:	\$9,000,000
Construction Cost (Stated Cost Limitation):	\$6,750,000

Number of firms that applied for this commission: 16

Recommended firms in rank order:

- 1)
- 2)
- 3)

**5. Authorization of Project and Appointment of Program Management Firm, Project No. PPV-87-1001, Student Center, Georgia Highlands College – Bartow Campus**

Recommended: That the Board authorize Project No. PPV-87-1001, Student Center, Georgia Highlands College (“GHC”) - Bartow Campus, with a total project budget of \$16.4 million to be funded through a public private venture.

Recommended further: That the Board appoint the first-named program management firm listed below for the identified project and authorize the execution of a contract with the identified firm. Should it not be possible to execute a contract with the top-ranked firm, staff will then attempt to execute a contract with the other listed firms in rank order.

Understandings: In May 2010, the Executive Director for Real Estate Ventures, Marty Nance, presented information concerning the need for a student center on the Bartow Campus of GHC through a privatized process.

The approximately 55,000 square foot Student Center will include physical education space, indoor recreation space, offices, food service facilities, an auditorium, student union spaces, student study areas, a book store and a student life center.

In May 2010, the Board approved a mandatory \$100 student support services fee for this facility.

The project is consistent with GHC’s master plan.

It is anticipated that the Board will be requested to take further action concerning this project, including the approval of ground leases and rental agreements.

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

Total Project Cost:	\$16,400,000
Construction Cost (Stated Cost Limitation):	\$12,000,000

Number of firms that applied for this commission: 17

Recommended firms in rank order:

- 1)
- 2)
- 3)

**6. Authorization of Project and Appointment of Design Build Firm, Project No. PPV-69-1101, Student Housing, Savannah State University**

Recommended: That the Board authorize Project No. PPV-69-1101, Student Housing, Savannah State University (“SSU”), with a total project budget of \$24 million to be funded through a public private venture.

Recommended further: That the Board appoint the first-named design build firm listed below for the identified project and authorize the execution of a contract with the identified firm. Should it not be possible to execute a contract with the top-ranked firm, staff will then attempt to execute a contract with the other listed firms in rank order.

Understandings: In June 2010, the Board approved the conceptual authorization of the project and appointment of the program management firm.

This project will include demolition of existing Peacock Hall (approved by the Board in September 1999 as one of several buildings to be demolished over a period of time) renovation of existing Adams and Morgan Halls, as a learning environment and recreation space for the new housing and the construction of approximately 600 new beds of student housing in semi-suite and suite style with single and double occupancy rooms.

The project is consistent with SSU’s master plan.

It is anticipated that the Board will be requested to take further action concerning this project, including the approval of ground leases and rental agreements.

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

Total Project Cost:	\$24,000,000
Construction Cost (Stated Cost Limitation):	\$19,900,000

Number of firms that applied for this commission: 19

Recommended firms in rank order:

- 1)
- 2)
- 3)

7. **Authorization of Project Budget Modification, Project No. J-137, Health & Human Sciences Renovation, Georgia Southern University**

Recommended: That the Board modify the budget of Project No. J-137, Health & Human Sciences Renovation, Georgia Southern University (“GSOU”), to increase the total project budget from \$6,841,000 to \$6,973,000.

Understandings: The Health & Human Sciences Renovation project, approved by the Board in August 2007, and modified by the Board in August 2009, is in construction. The project scope was increased to include network data and cabling. The Stated Cost Limitation will increase from \$5,561,120 to \$6,118,012.

Funding of this cost increase of \$132,000 will be from GSOU institutional funds.

	<u>August 2009</u>	<u>Now</u>
Total Project Cost	\$6,841,000	\$6,973,000
Construction Cost (Stated Cost Limitation)	\$5,561,120	\$6,118,012

**8. Ground Lease and Rental Agreement, Dining Hall, South Georgia College**

Recommended: That the Board declare an approximately 0.666 acre tract of unimproved real property on the campus of South Georgia College (“SGC”), to be no longer advantageously useful to SGC or other units of the University System of Georgia, but only to the extent and for the purpose of allowing this real property to be ground leased to the SGC Real Estate Foundation III, LLC, (the “LLC”) for the purpose of providing an approximately 15,773-square-foot dining hall (the “Dining Hall”) and site amenities.

Recommended further: That the Board authorize the execution of a ground lease, including necessary access, use, and construction easements and encroachments, between the Board of Regents, Lessor, and the LLC, Lessee, for the above-referenced approximately 0.666 acre tract of real property on the campus of SGC for a period not to exceed 32 years (not to exceed 30 years from the date the LLC obtains a certificate of occupancy for the Dining Hall and providing a construction period of not more than two years), with an option to renew for up to an additional five years should there be debt outstanding at the end of the original ground lease term, for the purpose of providing the Dining Hall and site amenities.

Recommended further: That the Board authorize the execution of a rental agreement between the LLC, Landlord, and the Board of Regents, Tenant, for the Dining Hall and site amenities for the period commencing on the first day of the first month after the LLC obtains a certificate of occupancy for the Dining Hall, but not earlier than August 1, 2011, and ending the following June 30, at a rent not to exceed \$250,000, with an option to renew for one year at a rent not to exceed \$500,000, with further options to renew on a year-to-year basis for up to 28 consecutive one-year periods (the total not to exceed 30 years from the date the LLC obtains a certificate of occupancy for the Dining Hall), with rent increasing no more than 3% for each further option period exercised.

Recommended further: That the terms of these agreements be subject to review and legal approval of the Office of the Attorney General.

Recommended further: That the Board authorize the execution of site licenses between the LLC, Licensee, and the Board of Regents, to allow early site access to mobilize and install erosion control, commence site work including clearing and grading, install access roads, and relocate utilities.

Understandings: In May 2010, the Executive Director for Real Estate Ventures, Marty Nance, presented information concerning the need for a new dining hall on the campus of SGC through a privatized process.

The project will convert and expand the Nursing and Industrial Technology Building into an approximately 15,325 square foot dining hall.

**8. Ground Lease and Rental Agreement, Dining Hall, South Georgia College  
(Continued)**

The anticipated schedule is for the LLC to have a bond closing by the end of October 2010, and commence construction immediately thereafter. Construction is expected to be complete in August 2011 to allow use for the fall semester 2011.

At the end of the term of the ground lease, the real property, all improvements, and any accumulated capital reserves will become the property of the Board of Regents



**9. Rental Agreement, Golf Course, South Georgia College**

Recommended: That the Board declare approximately 37.47 acres of land located on the campus of South Georgia College (“SGC”) to be no longer advantageously useful to SGC or other units of the University System of Georgia, but only to the extent and for the purpose to allow this land to be rented to the City of Douglas, Georgia, for the operation of a golf course for the benefit of SGC and the Douglas community.

Recommended further: That the Board authorize the execution of a rental agreement between the Board of Regents and the City of Douglas, Georgia, covering the above-referenced approximately 37.47 acres of land at SGC for use by the City of Douglas in the operation of a golf course for the period beginning July 1, 2010 and ending June 30, 2011, with option to renew for four consecutive one-year periods at an annual rental of \$1 with either party having the right to cancel upon 90 days notice.

Recommended further: That the terms of the above-referenced rental agreement be subject to review and legal approval of the Office of the Attorney General.

Understandings: The golf course property has been rented to the City of Douglas since March 1988. The original agreement was renewed by the Board in 1992, 1997 and again in 2002.

The rental of the golf course has permitted its rehabilitation for use by the community and SGC. Its private operation has enabled proper operation and maintenance.

SGC uses this golf course as part of its Physical Education program. The use of this facility without charge is partial consideration for this rental agreement.

**10. Delegation of Naming, Pedestrian Walkways and Plazas, Campuswide, Valdosta State University**

Recommended: That the Board approve the delegation of naming six (6) outdoor walkways and plazas at Valdosta State University (“VSU”) in recognition of particular donors and participants to the President of VSU.

Understandings: The President confirms that these namings will conform to the VSU naming guidelines and Board of Regents naming policy.

VSU and the Valdosta State University Foundation (the “Foundation”) have identified certain outdoor walkways and plazas that receive significant amounts of campus pedestrian traffic for sponsorship opportunities. These sponsorships will be offered to individuals, businesses, foundations, and other entities external to VSU.

Sites that have been identified include:

- (1) The brick area facing Oak Street in front of the new Student Union.
- (2) The brick area at the base of the front steps at the Odum Library.
- (3) The area surrounding the fountain at courtyard entrance to Hopper Residence Hall.
- (4) The covered kiosk located at the northwest corner of Nevins Hall.
- (5) The concrete area between Langdale and Georgia Residence Halls.
- (6) The concrete walkway in front of the Bailey Science Center.

Sponsorships will be offered for a minimum sponsorship agreement of \$10,000 per year for a maximum time period of ten (10) years per agreement. Each sponsorship will be independently negotiated and is anticipated that certain sponsorships will be negotiated at a rate significantly higher than the \$10,000 annual minimum. Sponsorship agreements will be renewable at a rate not less than the previous agreement.

All signage shall conform to campus architectural standards and shall not deviate from appropriate color schemes and shall not include any advertising slogans or sponsor contact information.

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

Recommended: That the Board authorize projects to be funded by the American Recovery and Reinvestment Act (the “ARRA”).

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

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

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

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

**11.a. Authorization of Project, Project No. BR-81-1002, Public Computing Center, Darton College**

Recommended: That the Board authorize Project No. BR-81-1002, Public Computing Center, Darton College (“DC”), with a total project budget of \$2,605,000 to be funded from the American Recovery and Reinvestment Act through the Broadband Technology Opportunities Program.

Understandings: The project will add a public computing center to the Technology Building on the DC campus. This facility will provide Southwest Georgia with free access to computers and broadband and to free training in computer/internet skills through workshops and seminars.

If authorized by the Board, and upon selection of the project by the National Telecommunications and Information Administration (“NTIA”), the University System Office staff and DC will proceed with design and construction of the project in accordance with Board of Regents procedures.

**12. Ratification of Chancellor's Action**

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

**12.a. Authorization of Project Budget Modification, Physical Plant Administrative Building, Georgia Southern University**

Recommended: That the Board ratify Chancellor Erroll B. Davis’ authorization of the following item which was approved in accordance with the authority delegated by the Board of Regents at the June 2010 meeting for Chancellor Davis to take actions necessary on behalf of the Board between the June 2010 meeting and the August 2010 meeting with such actions to be ratified by the Board at the August 2010 meeting. This ratification supports action taken by the Chancellor during this period.

Approved: The Chancellor administratively modified the budget of Project No. BR-66-1001, Physical Plant Administrative Building, Georgia Southern University (“GSOU”), to increase the total project budget from \$1,750,000 to \$2,687,000.

Understandings: The Physical Plant Administrative Building project, approved by the Board in March 2010, is in design. During the conceptual design phase, the scope of the program increased by approximately 5,000 square feet to accommodate an additional user group, the Environmental Services Department. This budget modification will provide for the increase in construction costs related to the additional square footage. The Stated Cost Limitation will increase from \$1,305,000 to \$2,130,625.

Funding of this project (including the cost increase of \$937,000) will be from institutional funds.

	<u>March 2010</u>	<u>Now</u>
Total Project Cost:	\$1,750,000	\$2,687,000
Construction Cost (Stated Cost Limitation):	\$1,305,000	\$2,130,625

**12.b. Authorization of Project, Project No. 052-4-2008, Renovate Ground Floor, Boggs Chemistry Building, Georgia Institute of Technology**

Recommended: That the Board ratify Chancellor Erroll B. Davis' authorization of the following item which was approved in accordance with the authority delegated by the Board of Regents at the June 2010 meeting for Chancellor Davis to take actions necessary on behalf of the Board between the June 2010 meeting and the August 2010 meeting with such actions to be ratified by the Board at the August 2010 meeting. This ratification supports action taken by the Chancellor during this period.

Approved: The Chancellor administratively authorized Georgia Tech Project No. 052-4-2008, Renovate Ground Floor, Boggs Chemistry Building, Georgia Institute of Technology ("GIT"), with a total budget of \$3,187,000 to be funded from GIT institutional funds.

Understandings: This project will relocate the Radiation Containment Zone ("RCZ") from the Neely Research Building and construct a new RCZ on the ground floor of Boggs Chemistry Building.

The Neely Research Building is in deteriorating condition, has failing mechanical systems, and is slated for decommissioning and demolition. The Board approved demolition of this building in November 2003. The level of safety, security and access in the RCZ does not meet current industry standards.

The estimated construction cost for this project is \$2,898,000.

The project is consistent with GIT's master plan.

The University System Office staff and GIT will proceed with design and construction of the project in accordance with Board of Regents policy.

**12.c. Change in Name, Ground Leases and Rental Agreement, Student Housing and Student Center, Albany State University**

Recommended: That the Board ratify Chancellor Erroll B. Davis' authorization of the following item which was approved in accordance with the authority delegated by the Board of Regents at the June 2010 meeting for Chancellor Davis to take actions necessary on behalf of the Board between the June 2010 meeting and the August 2010 meeting with such actions to be ratified by the Board at the August 2010 meeting. This ratification supports action taken by the Chancellor during this period.

Approved: The Chancellor administratively authorized the change in name of the Lessee for the ground leases for approximately 4.80 acres of real property on the campus of Albany State University ("ASU"), approved by the Board in June 2010, from ASU Campus Facilities I, LLC to Campus Facilities I, LLC.

The Chancellor also administratively authorized the change in name of the Landlord for the rental agreements for approximately 626 student housing beds and site amenities on the campus of ASU, approved by the Board in June 2010, from ASU Campus Facilities I, LLC to Campus Facilities I, LLC.

The Chancellor also administratively authorized the change in name of the Landlord for the rental agreements for an approximately 59,890-square-foot student center and site amenities on the campus of ASU, approved by the Board in June 2010, from ASU Campus Facilities I, LLC to Campus Facilities I, LLC.

Understandings: All remaining actions and understandings contained in the June 2010 Board action remain the same.



## AGENDA

### COMMITTEE ON INTERNAL AUDIT, RISK, AND COMPLIANCE

August 10, 2010

**Agenda Item** **Page No.**

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#### APPROVAL ITEMS

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## AGENDA

### COMMITTEE ON INTERNAL AUDIT, RISK, AND COMPLIANCE

August 10, 2010

#### 1. **Policy Addition: 7.15 Risk Management Policy**

Recommended: That the Board approve the proposed addition to the *Policy Manual*, 7.15 Risk Management Policy.

Background: The adoption and implementation of an Enterprise Risk Management (ERM) program previously has been identified as a key goal for the University System of Georgia. Chief Audit Officer and Associate Vice Chancellor Mr. John Fuchko, III was charged with facilitating several ERM pilots to include a pilot at Armstrong Atlantic State University and the University System Office. With the assistance of Director of Compliance and Enterprise Risk Mr. Scott Woodison, a draft Board Policy has been developed that requires the University System Office and USG institutions to adopt a risk management framework and procedures modeled on ERM best practices. The following policy has been reviewed by the Chancellor's Cabinet, USG Presidents, USG audit directors, and the Audit Advisory Committee.

The Risk Management Policy will:

1. Provide a definition of risk;
2. Define the purpose of risk management;
3. Broadly establish the Board's risk tolerance;
4. Establish risk management objectives to be met by USG institutions; and,
5. Specify required steps to implement a risk management framework and procedures at each USG institution and within the University System Office.

At this meeting, Chief Audit Officer and Associate Vice Chancellor John Fuchko and Director of Compliance and Enterprise Risk Scott Woodison will present this item for approval.

#### ***Proposed Policy Addition***

##### 7.15 Risk Management Policy

##### 7.15.1 Risk

Risk refers to the probability of an event and potential consequences to an organization associated with that event's occurrence. Risks do not necessarily exist in isolation from other

**1. Policy Addition: 7.15 Risk Management Policy (Continued)**

risks; as a result, a series of risk events may result in a collective set of consequences that is more impactful than the discrete set of consequences associated with risk events taking place in isolation. Risk is inherent to any activity. It is neither possible, nor advantageous, to entirely eliminate risk from an activity without ceasing that activity. The safest ships are the ones that do not sail, but that is not what they are designed for.

A risk is defined as **Major** when the combination of an event's probability and the potential consequences is likely to:

1. Impair the achievement of a University System of Georgia (USG) strategic goal or objective;
2. Result in substantial financial costs either in excess of the impacted institution's ability to pay or in an amount that may jeopardize the institution's core mission;
3. Create significant damage to an institution's reputation or damage to the USG's reputation; or,
4. Require intervention in institutional or USG operations by the Board of Regents and/or an external body.

**Major Risks** are a subset of the larger category of **Significant Risks** referenced in the Risk Management Policy. **Major Risks** are the most critical risks and must meet the definition of **Major Risk** as defined in Section 7.15.1 of this Policy Manual. **Significant Risks** includes **Major Risks** but also include less critical risks. The definition of **Significant Risk** will be detailed in the System-level procedures manual referenced in Section 7.15.5.4 of this Policy Manual. However, the level at which a risk becomes **Significant** will vary by institution given each institution's risk tolerance, resources, and ability to manage risk events.

**7.15.2 Purpose**

The Board of Regents recognizes that the proper management of risk is a core leadership function that must be practiced throughout the USG. The Enterprise Risk Management (ERM) framework shall be the accepted framework for USG risk management. ERM is defined as a process-driven tool that enables management to visualize, assess, and manage significant risks that may adversely impact the attainment of key organizational objectives. It is the responsibility of USG and institutional leaders to identify, assess, and manage risks using the ERM process. The successful implementation of ERM policies and practices can enhance potential opportunities to help achieve organizational objectives.

Some level of risk is not only expected in normal everyday activities but can be beneficial. However, acceptance of risk shall not include:

**1. Policy Addition: 7.15 Risk Management Policy (Continued)**

1. Willful exposure of students, employees, or others to unsafe environments or activities;
2. Intentional violation of federal, state, or local laws;
3. Willful violation of contractual obligations; or,
4. Unethical behavior.

Risk management decisions should be made after conducting a cost-benefit analysis; such analysis should take into account the potential costs associated with the identified risk should the risk event take place as compared to the costs associated with mitigating the risk. It should be noted that these costs are not only financial but may also include substantial damage to reputation, opportunity costs, potential litigation, distraction from core missions, obsolescence and others.

While it is challenging to properly assess some risk events prior to them happening, **Major Risks** that could result in significant long-term damage to the USG or a USG institution must be identified to the Board and the Chancellor as soon as possible. Acceptance of **Major Risks** must be at the discretion of the Board and the Chancellor. The System-level procedures manual referenced in Section 7.15.5.4 of this Policy Manual shall provide additional guidance on the timing and form pertaining to the reporting of **Major Risks**. **Significant Risks** should be identified in a timely manner. **Significant Risks** specific to an institution or unit shall be accepted and/or managed by the institution's president or the president's designee.

Categories of risks managed through the ERM framework include:

1. Strategic Risks – Affect ability to carry out goals and objectives as articulated in the USG Strategic Plan and individual Institution Strategic Plans;
2. Compliance Risks – Affect compliance with laws and regulations, student, faculty and staff safety, environmental issues, litigation, conflicts of interest, etc;
3. Reputational Risks – Affect reputation, public perception, political issues, etc;
4. Financial Risks – Affect loss of or ability to acquire assets, technology, etc; and,
5. Operational Risks – Affect on-going management processes and procedures.

An identified risk may fall into multiple categories.

### 7.15.3 General Objectives

The purpose of the Risk Management Policy is to strengthen the proper management of risks through proactive risk identification, risk management, and risk acceptance pertaining to all activities within the University System Office and USG institutions.

**1. Policy Addition: 7.15 Risk Management Policy (Continued)**

The Risk Management Policy is intended to:

1. Ensure that **Major Risks** are reported to the Board and the Chancellor for review and acceptance;
2. Result in the management of those risks that may significantly affect the pursuit of the stated strategic goals and objectives;
3. Embed a culture of evaluating and identifying risks at multiple levels within the USG and USG institutions;
4. Provide a consistent risk management framework in which the risks concerning USG and institutional business processes and functions are identified, considered, and addressed in key approval, review and control processes;
5. Ensure that institutions communicate **Significant Risks** to the USG level so risk can be measured across the System;
6. Inform and improve decision-making throughout the University System;
7. Meet legal and regulatory requirements;
8. Assist in safeguarding USG and institutional assets to include people, finance, property and reputation; and,
9. Ensure that existing and emerging risks are identified and managed within acceptable risk tolerances.

7.15.4 Applicability

The Risk Management Policy applies to all USG institutions and the University System Office.

7.15.5 Implementation

7.15.5.1 Frameworks and Procedures

An institution-wide approach to risk management shall be adopted by all USG institutions. It is expected that risk management processes will be embedded into the institution's management systems and processes. All risk management efforts will be focused on supporting the institution's objectives. Therefore, each institution president shall develop a campus risk management framework and associated procedures that include:

1. Formal and ongoing identification of risks that impact the institution's goals;
2. Development of risk management plans;
3. Monitoring the progress of managing risks;
4. Periodic updates of risk management plans; and
5. Reporting of risks so that **Significant Risks** can be rolled up to the System level.

1. **Policy Addition: 7.15 Risk Management Policy (Continued)**

7.15.5.2 Risk Management Methodology

Risks may be managed by using one or more of the following methods:

1. Avoid (eliminate, withdraw from or do not become involved in an activity creating risk);
2. Retain (accept the risk and plan for the expected impact);
3. Transfer/Share (move the risk to another party by hedging against undesired outcome or reduce the risk through processes such as insurance); and,
4. Reduce (control the risk through additional or optimized controls).

7.15.5.3 Oversight

Each president shall designate in writing a Risk Management Policy coordinator to assist campus administrators in maintaining the campus risk management framework and procedures. The Risk Management Policy coordinator shall have sufficient authority to ensure high-level management of the institution's risk management efforts.

At the System level, the Chancellor shall designate an executive-level position to oversee implementation of the Risk Management Policy across the University System of Georgia. The Chancellor also shall designate a Risk Management Policy coordinator to assist University System Office (USO) administrators in maintaining the USO risk management framework and procedures. The Committee on Internal Audit, Risk and Compliance is the Board committee that shall provide oversight to implementation of the Risk Management Policy and review **Major Risks** on behalf of the Board of Regents.

7.15.5.4 Accountability

Campus risk management framework and procedures shall be reviewed annually. Periodic reviews for compliance with the system wide guidelines shall also be conducted by internal audit or a similar accountability function. Additional procedures for risk management policy reporting and implementation shall be established in a System-level procedures manual.

**2. Policy Revision: 7.10.2 Internal Audits**

Recommended: That the Board approve the proposed revision to the *Policy Manual*, 7.10.2 Internal Audits.

Background: Internal audit professional standards mandate that the internal audit function report to a level within the organization that is sufficient to protect the independence and objectivity of the audit function. Compliance with internal audit professional standards is periodically assessed by an external reviewer. The most recent external review of the USG audit function identified some opportunities for improvement. One of the action steps in response to the external review was to propose a clarification of USG internal audit reporting lines.

Currently, an institutional audit director dually reports to the institution president and to the USG chief audit officer. The USG chief audit officer dually reports to the USG Chancellor and to the Committee on Internal Audit, Risk, and Compliance of the Board of Regents. The proposed clarification to Board policy would outline coordination requirements pertaining to significant personnel actions, to include appointment and termination, involving institutional audit directors. Specifically, institutional presidents would be required to consult with the USG chief audit officer prior to appointing or terminating an institutional audit director. Under the policy revision, an institution president may also consult with the Committee on Internal Audit, Risk, and Compliance. The revised policy would also require that the Committee on Internal Audit, Risk, and Compliance approve the appointment and termination of the USG chief audit officer. The revised policy also affirms the president's primary responsibility for risk management at that president's institution while recognizing that the USG chief audit officer's input to institutional audit planning is primarily intended to address system-wide issues.

Note that Board policy refers to the institutional director of internal audit. However, the actual title varies among USG institutions and is meant to refer to the individual charged with overall responsibility for the internal audit function at a particular institution.

At this meeting, Chief Audit Officer and Associate Vice Chancellor John Fuchko will present this item for approval.

**Current Policy 7.10.2 Internal Audits**

7.10.2 Internal Audits

The Board of Regents shall establish and support an internal audit function to assist the Board, the Chancellor, and institution presidents in the effective discharge of their responsibilities. The internal audit function shall be governed by an audit charter approved by the Board, which shall describe the purpose of an internal audit, reporting requirements, responsibility, authority and scope of work. Responsibility for approving an annual audit plan and reviewing audit results,

2. **Policy Revision: 7.10.2 Internal Audits (Continued)**

reports and recommendations shall be assigned to the Committee on Internal Audit, Risk and Compliance of the Board of Regents.

All directors of internal audit at institutions having an internal auditor or internal audit department shall have a direct reporting relationship to the president of that institution and the USG chief audit officer. The president of each institution having an internal auditor shall determine the organizational and operating reporting relationships of the internal auditors at their institution. The USG chief audit officer shall have the authority to direct the internal auditors to audit specific functions at their institutions.

The director of internal audit of each USG institution with an internal auditor shall meet at least annually with the USG chief audit officer to discuss audits, audit findings, audit department independence and a proposed audit schedule.

The USG chief audit officer is responsible for internal auditing and the directors of internal audit for USG institutions with an internal auditor. The USG chief audit officer shall provide a system-wide annual report to the Committee on Internal Audit, Risk and Compliance of the Board of Regents (BoR Minutes, 1935, p.73; 1991, p. 378).

**Proposed Policy 7.10.2 Internal Audits**

7.10.2 Internal Audits

The Board of Regents shall establish and support an internal audit function to assist the Board, the Chancellor, and institution presidents in the effective discharge of their responsibilities. The internal audit function shall be governed by an audit charter approved by the Board, which shall describe the purpose of an internal audit, reporting requirements, responsibility, authority and scope of work. Responsibility for approving an annual audit plan, ~~and~~ reviewing audit results, reports and recommendations, **and approving the Chancellor's appointment and termination of the USG chief audit officer** shall be assigned to the Committee on Internal Audit, Risk and Compliance of the Board of Regents.

All directors of internal audit at institutions having an internal auditor or internal audit department shall have a direct reporting relationship to the president of that institution and the USG chief audit officer. The president of each institution having an internal auditor shall determine the organizational and operating reporting relationships of the internal auditors at their institution **and exercise oversight of institutional risk management as defined in Section 7.15 of this Policy Manual. However,** the USG chief audit officer shall have the authority to direct the internal auditors to audit specific functions at their institutions **as needed to address system-**



2. **Policy Revision: 7.10.2 Internal Audits (Continued)**

**wide issues or directives. The president of each institution having an internal auditor shall consult with the USG chief audit officer on significant personnel actions involving the institutional internal auditor to include appointment and termination. The president may also consult with the Committee on Internal Audit, Risk, and Compliance as to proposed personnel actions involving the institutional internal auditor.**

The director of internal audit of each USG institution with an internal auditor shall meet at least annually with the USG chief audit officer to discuss audits, audit findings, audit department independence and a proposed audit schedule.

The USG chief audit officer is responsible for internal auditing and the directors of internal audit for USG institutions with an internal auditor. The USG chief audit officer shall provide a system-wide annual report to the Committee on Internal Audit, Risk and Compliance of the Board of Regents (BoR Minutes, 1935, p.73; 1991, p. 378).

**3. Approval Item: Internal Audit Charter**

Recommended: That the Board approve the revised Internal Audit Charter.

Background: The Internal Audit Charter defines the purpose, authority, and responsibility of the internal audit function of the University System of Georgia. The professional standards governing internal audit state that the chief audit executive must “periodically review the internal audit charter and present it to senior management and the board for approval.” The charter was last approved in November 2009. The proposed charter includes the following significant revisions:

- Removes reference to the oversight right of the Committee on Internal Audit, Risk, and Compliance as that role will be defined in a separate charter.

At this meeting, Chief Audit Officer & Associate Vice Chancellor John Fuchko will present the Internal Audit Charter for approval.

**4. Approval Item: Compliance Charter**

Recommended: That the Board approve the revised Compliance Charter.

Background: The Compliance Charter defines the purpose, authority, and responsibility of the University System of Georgia compliance and ethics function. The federal standards governing compliance programs states that the “organization’s governing authority shall be knowledgeable about the content and operation of the compliance and ethics program and shall exercise reasonable oversight with respect to the implementation and effectiveness of the compliance and ethics program.” A charter is a recognized tool to enhance oversight of the compliance function.

The charter was last approved in November 2009. The proposed charter includes the following significant revisions:

- Removes reference to the oversight right of the Committee on Internal Audit, Risk, and Compliance as that role will be defined in a separate charter.

At this meeting, Director of Compliance and Enterprise Risk Scott Woodison will present the Compliance Charter for approval.

**5. Approval Item: Committee on Internal Audit, Risk and Compliance Charter**

Recommended: That the Board approve the Committee on Internal Audit, Risk, and Compliance Charter.

Background: The oversight role of the Committee on Internal Audit, Risk, and Compliance (hereafter Committee) was previously defined within the “Internal Audit Charter” and the “Compliance Charter.” An external peer review of the USG internal audit function recommended that the role of the Committee formally be defined in a separate charter. Additionally, the Committee’s role with respect to oversight of USG risk management is defined within the proposed charter.

At this meeting, Chief Audit Officer & Associate Vice Chancellor John Fuchko will present the Committee on Internal Audit, Risk, and Compliance Charter for approval.

## AGENDA

### COMMITTEE OF THE WHOLE FINANCE AND BUSINESS OPERATIONS

August 10, 2010

**Agenda Item**

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#### APPROVAL ITEMS

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## AGENDA

### COMMITTEE OF THE WHOLE FINANCE AND BUSINESS OPERATIONS

August 10, 2010

1. **Fiscal Year 2011 Amended and Fiscal Year 2012 Operating and Capital Budget Request**

Recommended: That the Board approve the FY 2012 operating and capital budget request, and the reduction plans at 4%, 6% and 8% for FY 2011 Amended and continuing into FY 2012. In addition, the Board will be asked to approve a 10% reduction plan for FY 2012 only.

Background: The continued economic downturn resulted in lower than anticipated state revenue collections, which decreased 9.1% in FY 2010. The continuing reductions present a challenge to the University System in preserving quality and meeting the needs associated with increasing enrollment demand. Due to the revised revenue projections, the Governor's Office of Planning and Budget ("OPB") has requested that state agencies develop and submit reduction plans for an FY 2011 amended budget at the following three levels: 4%, 6% and 8%. In addition, the cash draw from the state has been effectively decreased 4%. Further, for FY 2012 agencies have been asked to develop and submit reduction plans at 6%, 8% and 10%; however, the budget instructions from OPB allow the University System of Georgia to request the formula fund increase and other limited items for FY 2012.

Significant components of the recommended request are outlined in Appendix I (FY 2012 Operating Budget Request). Appendix II summarizes the reduction targets by institution; Appendix III provides details of the individual institutional plans to meet the various reduction targets (up to 8%).

**Requested Additions for FY 2012 (Appendix I, \$181.9M):**

**Formula Funding (\$177.1M):**

Full funding for the University System enrollment growth, as well as for maintenance and operations, remains the most essential factor of the annual budget request. These funds assist the System in meeting the continued growth in enrollment demand, provide for new facilities maintenance, ensure affordable student tuition costs, and allow the Board to pursue key strategic initiatives. The formula request contains the following major components:

1. **Fiscal Year 2011 Amended and Fiscal Year 2012 Operating and Capital Budget Request (Continued)**

**Enrollment Increase (\$145.3M):**

The total credit hours generated by the 35 institutions of the University System of Georgia were 8.1 million in FY 2010, which represents an increase of 7.8%, or 588,912 credit hours, when compared to FY 2009. The credit hours for access institutions

increased at the highest level, 14.3%. Increases for the comprehensive institutions and the research institutions were 6.5% and 4.7%, respectively. Historically, when there is an economic decline, enrollment increases as more individuals pursue higher education for the first time or seek advanced degrees. This trend is expected to continue for several years.

The formula funds provide essential funding to the University System to meet the increased costs associated with higher enrollment. This funding supports key activities, including teaching, research, student services, academic support and institutional support.

**Maintenance and Operations (\$8.7M):**

The total resident instruction square footage in the University System is 51.1 million square feet for FY 2012, up from 49.5 million square feet in the FY 2011 formula. The increase of 1,632,901 square feet generates an additional \$8.7 million in state funds, which are essential for plant operations such as utilities, custodial services, building maintenance and other related operating expenditures.

**Fringes for New Retirees (\$4.9M):**

The additional funds required for the projected 1,042 retirees in FY 2012 for health and life insurance premiums are \$4.9 million.

**Health Insurance (\$18.1M):**

The University System of Georgia offers four health insurance options for employees: (1) the Preferred Provider Option (PPO) plan; (2) the High Deductible Health Plan (HDHP), which includes a health savings account (HAS); (3) Blue Choice HMO, and (4) Kaiser Permanente HMO. The employer contributions vary from 90% on the PPO HSA HDHP to 70% for the HMO and other PPO plans. Effective in plan year 2010, the Board of Regents approved elimination of the indemnity plan and offered a one-time seeding of the health savings account in the amount of \$750 for single coverage and \$1,500 for family coverage for the PPO HSA HDHP plan.

**1. Fiscal Year 2011 Amended and Fiscal Year 2012 Operating and Capital Budget Request (Continued)**

For plan year 2011, additional cost savings measures will be implemented, which include the following: (1) a new voluntary, alternative network that will be offered as an additional option for the Preferred Provider Option (PPO) plan and the High Deductible Health Plan (HDHP); (2) transition from the fully insured option to self-funding the Blue Cross Blue Shield (BC/BS) HDHP and Blue Choice Health Maintenance Organization (HMO) plans, and (3) a tobacco-use surcharge of \$50 monthly.

For plan year 2011, the increase for the PPO, BC/BS HDHP, and Blue Choice HMO plan will be 9.7%; the Kaiser Permanente HMO increase will be 8.3%.

**Medical Education Expansion (\$1.7M):**

Expansion of medical education is a key strategic priority of the Board of Regents. In August 2010, the first entering class of 40 students will begin medical school in Athens. The base funding from the state for this initiative is \$16.4M. For FY 2012, additional funding in the amount of \$1.7M is being requested to accomplish two goals (1) double the enrollment from 40 students to 80 students, with a second cohort of students in fall 2011; and (2) create clinical capacity for 3<sup>rd</sup> and 4<sup>th</sup> year students by establishing a clinical campus in Rome, Georgia.

**Formula for the Georgia Public Library System (\$125K):**

The FY 2012 increase for the Georgia Public Library System line item in the Appropriations Act totals \$125,560, which represents the formula funding request for the Library System.

**Increases for B Units (\$1.8M):**

The increase for FY 2012 for health insurance and new retirees for the B units costs an additional \$1.8M. It represents a 9.7% increase in healthcare premiums for the PPO, Blue Choice HMO and HDHP, and 8.3% for Kaiser HMO.

**Maintenance and Operations for Resident Instruction PPV Projects (\$1.3M):**

Increased funding in the amount of \$1,282,682 is requested to support maintenance and operations costs for the additional 234,017 square feet in Resident Instruction Public/Private Venture projects. These funds are essential to maintaining quality facilities for student use.



1. **Fiscal Year 2011 Amended and Fiscal Year 2012 Operating and Capital Budget Request (Continued)**

**Reduction Plans for FY 2011 Amended and FY 2012 (Appendix II and Appendix III):**

The Governor's Office of Planning and Budget directed state agencies to submit reduction plans of 4%, 6% and 8% for the amended FY 2011 budget. In a majority of cases, the reduction actions are continuing for both FY 2011 and FY 2012; therefore, a single reduction plan is applicable for both fiscal years. Accordingly, each institution has developed budget reduction plans at the appropriate levels.

Appendix II includes the targets by institution at the various levels. Appendix III includes details of institutional plans to meet the various reduction targets at the 4%, 6% and 8% levels. Since the FY 2012 budget instructions requiring the 10% reduction plan were received August 3, the plan for the 10% reduction target is addressed at the system level.

**Summary of Institutional Plans at 4%, 6% and 8%:**

- 4% Reduction Target = \$77M
- 6% Reduction Target = \$115M
- 8% Reduction Target = \$154M

**Institutional Strategies at 4%, 6% and 8%:**

1. **Proactively plan for reductions** – Institutions will use funds that were previously set aside to serve the new students associated with enrollment increases, which included hiring new faculty and staff, increasing instructional space, upgrading available technology and increasing availability of on-line courses.
2. **Structural Changes in Institutional Operations** – Plans include review and reduction of existing academic programs, delay in expansion of academic programs, reduction in funding for instructional equipment, and limiting hours in student and learning centers.
3. **Eliminate positions and reduce workforce** – Institutional plans include eliminating full-time, part-time, and temporary faculty and staff positions,
4. **Freeze and delay hiring critical positions** – Actions proposed by the institutions include delays in hiring full-time and limited-term faculty, staff, lecturers, and academic advisors as well as freezing vacant faculty and staff positions, a portion of which will delay new initiatives and campus expansion efforts.
5. **Decline in campus maintenance** – Plans include continued deferral of building maintenance and repairs to campus facilities, delay in planned campus renovation projects and facility upgrades, and postponing availability of additional resident instructional space essential to meeting the needs of increased enrollment.

**1. Fiscal Year 2011 Amended and Fiscal Year 2012 Operating and Capital Budget Request (Continued)**

6. **Reduce library subscriptions, books, and hours** – Plan details include reduced purchases of subscriptions, journals and databases, reduced library hours, and library staff support for students.
7. **Other reductions** – Other actions proposed by institutions included limiting faculty and staff development, reduced funding for public service and outreach, and reduced operating expenditures, travel and equipment, including computers and other furnishings needed for an increased student population.

**System-wide Strategies at 10%:**

A reduction of 10% is \$192M for the University System. If the reduction were to reach this level for FY 2012, a combination of some of the following actions will be taken:

1. Selected enrollment caps
2. Further restrictions on learning support
3. Review all institutional fees
4. Further institutional reduction actions.

**Capital Request (Appendix IV)**

To Be Sent Under Separate Cover

2. **Approval of Professional Program Tuition for Master of Science in Supply Chain Engineering, Georgia Institute of Technology**

Recommended: That the Board approve the request of the Georgia Institute of Technology (“GIT”) for a professional program, in-state student tuition rate of \$5,569 per semester and a professional program, out-of-state student tuition rate of \$17,480 per semester for the Master of Science in Supply Chain Engineering degree program, effective fall semester 2010, contingent upon approval of the program by the Board of Regents.

Background: The Board of Regents will be considering approval of the establishment of a Master of Science in Supply Chain Engineering degree program at the GIT during the August 2010 meeting. Since this degree program, upon Board approval, is scheduled to begin fall semester 2010 (August 2010), GIT has requested that the program’s proposed tuition rate be considered for approval at the Board’s August 2010 meeting as well. The program will be located in the H. Milton Stewart School of Industrial and Systems Engineering, and is designed to: (1) produce graduates capable of addressing existing and emerging problems in supply chain design and control through combining strong analytical skills, approaches and knowledge with the practical business acumen to ensure the successful implementation of solutions; and (2) improve U.S. global competitiveness by furnishing graduates who are prepared to be productive employees in the supply chain area, which has emerged as an area of the business operation that poses a critical competitive challenge for global industries, and is an especially important factor in promoting and supporting product export growth.

GIT is requesting Board approval of the professional program tuition at the rate of \$5,569 per semester for in-state students and \$17,480 per semester for out-of-state students, effective fall semester 2010. The proposed tuition rates are identical to the rates for the GIT’s Master of Science in Quantitative and Computational Finance, which also is housed in the School of Industrial and Systems Engineering. All tuition funds collected will be applied directly towards funding of the Master of Science in Supply Chain Engineering program.

3. **Approval of Health Insurance Plan Changes for Plan Year 2011 (Joint meeting with Personnel & Benefits)**

Recommended: That the Board approve the following health insurance plan changes for the University System of Georgia for Plan Year 2011 to become effective January 1, 2011.

- Implement a voluntary, alternative network as an additional option for Preferred Provider Organization (PPO) and High Deductible Health Plan (HDHP)
- Self-fund Blue Cross Blue Shield (BC/BS) HDHP and Health Maintenance Organization (HMO)
- Continue to seed Health Savings Account (HSA) for both current and new enrollees at one-half of the 2010 levels
- Institute a tobacco use surcharge of \$50 monthly
- Implement minor changes to prescription plan
- Implement various “wellness” provisions
- All future retirees and spouses of retirees will pay the full cost of insurance for not enrolling in Medicare Part B when they become eligible

The basic purposes for these recommendations are described briefly below:

The implementation of a voluntary, alternative network as an additional option for PPO and HDHP will create a 15% - 20% greater average discount on claims paid, with a potential savings of \$8 - \$10 million dollars.

The self-funding of the BC/BS HDHP and HMO will save the USG excess premium fees/taxes, risk and retention fees. This plan change would produce an estimated annual savings of \$8.5 - \$10 million dollars.

Continuing to seed the Health Savings Account will assist in encouraging employees to enroll in the High Deductible Health PPO Plan.

The tobacco-use surcharge will not only encourage employees to choose a healthy life style, but also will result in \$5 million dollars annually in additional employee contributions.

Medco, the USG's Pharmacy Benefit Manager, has identified over \$4 million dollars in savings without placing major burdens on our employees. These include a \$5 per co-pay increase on brand name prescriptions, better coordination with Medicare coverage, better utilization of specialty pharmacies and waivers of some co-pays with use of generic vs. brand name prescriptions.

3. **Approval of Health Insurance Plan Changes for Plan Year 2011 (Joint meeting with Personnel & Benefits)(Continued)**

The implementation of all future retirees and spouses of retirees paying the full cost of insurance for not enrolling in Medicare Part B would encourage them to do so when they become eligible.

4. **Approval of Healthcare Plan Premiums for Plan Year 2011 (Joint meeting with Personnel & Benefits)**

Recommended: That the Board approve the Healthcare Plan premiums for the University System of Georgia for Plan Year 2011 as shown in Appendix A, to become effective January 1, 2011.

Background: The Board of Regents has contracted with Mercer Consulting to conduct an actuarial analysis of premium requirements for its programs based on projections of medical cost increases, University System of Georgia employee demographics and recent claims experience.

5. **Approval of Dental Plan Premiums for Plan Year 2011 (Joint meeting with Personnel & Benefits)**

Recommended: That the Board approve the Dental Plan premiums for the University System of Georgia for Plan Year 2011 as shown in Appendix B, to become effective January 1, 2011.

Background: The Dental Plan rates will increase for Plan Year 2011 by 10%, as reflected in Appendix B. The Dental Plan is fully employee paid.

**6. Approval of Revisions to *The Policy Manual*, Section 8.2.19 Tuition Assistance Program (Joint meeting with Personnel & Benefits)**

Recommended: That the Board approve the proposed revisions to the Board Policy 8.2.19 Tuition Assistance, effective January 1, 2011.

Background: The Tuition Assistance Program (“TAP”) of the USG is a general benefit provided to any full-time staff and faculty member of the USG. It enables full-time employees to take courses offered by USG institutions at no cost, assuming there is space remaining in class. As a general benefit, the employee acquires no additional obligations in return for this free access to courses.

The proposal to increase the number of hours would provide the employee the opportunity to take an additional credit hour, or up to nine (9) academic semester credit hours, for each of the three (3) designated semester periods. This number of credit hours is consistent with a student taking a three-fourths load.

This change will provide an incentive for motivated employees working full-time to complete their degree program in less time.

**Current Policy 8.2.19 Tuition Assistance Program**

**8.2.19 Tuition Assistance Program**

The USG and its institutions will encourage full-time faculty, staff, and administrators to participate in development activities and study by remitting tuition for those activities that have been authorized by the employee’s institution. Participation in the Tuition Assistance Program shall be available to full-time benefits-eligible employees who have successfully completed at least six (6) months of employment in a benefits-eligible position as of the date of the Tuition Assistance Program application deadline for the desired academic semester.

Full-time employees who meet the applicable admissions standards and who have received appropriate prior authorization from their institution) may enroll in up to eight (8) academic semester credit hours for each of the three (3) designated semester periods: fall semester, spring semester, and summer semester.

Student status will be secondary to employee status in all considerations, including student fee waivers. Tuition assistance is the waiver of tuition and the waiver of certain fees. Tuition Assistance Program participation will be granted on a space-available basis. For limited-slot enrollment programs, approval must be granted by the teaching institution. An employee must receive a grade of C or better in each approved Tuition Assistance Program academic course.



**6. Approval of Revisions to *The Policy Manual*, Section 8.2.19 Tuition Assistance Program (Joint meeting with Personnel & Benefits)(Continued)**

Employees may not enroll in the following professional schools:

1. Dental
2. Medical
3. Pharmacy
4. Veterinary
5. Law
6. Executive/premiere or comparable graduate programs

**New Policy 8.2.19 Tuition Assistance Program**

**8.2.19 Tuition Assistance Program**

The USG and its institutions will encourage full-time faculty, staff, and administrators to participate in development activities and study by remitting tuition for those activities that have been authorized by the employee's institution. Participation in the Tuition Assistance Program shall be available to full-time, benefits-eligible employees who have successfully completed at least six (6) months of employment in a benefits-eligible position as of the date of the Tuition Assistance Program application deadline for the desired academic semester.

Full-time employees (who meet the applicable admissions standards and who have received appropriate prior authorization from their institution) may enroll in up to ~~eight (8)~~ **nine (9)** academic semester credit hours for each of the three (3) designated semester periods: fall semester, spring semester, and summer semester.

Student status will be secondary to employee status in all considerations, including student fee waivers. Tuition assistance is the waiver of tuition and the waiver of certain fees. Tuition Assistance Program participation will be granted on a space-available basis. For limited-slot enrollment programs, approval must be granted by the teaching institution. An employee must receive a grade of C or better in each approved Tuition Assistance Program academic course.

Employees may not enroll in the following professional schools:

1. Dental
2. Medical
3. Pharmacy
4. Veterinary
5. Law
6. Executive/premiere or comparable graduate programs

## Appendix II

### Board of Regents University System of Georgia Reduction Targets for FY 2011 Amended and FY 2012

Institution	4% Reduction Target	6% Reduction Target	8% Reduction Target	10% Reduction Target - 2012 Only
Georgia Institute of Technology	\$ (8,361,434)	\$ (12,542,151)	\$ (16,722,868)	\$ (20,903,585)
Georgia State University	\$ (7,574,169)	\$ (11,361,254)	\$ (15,148,338)	\$ (18,935,423)
Medical College of Georgia	\$ (5,804,489)	\$ (8,706,733)	\$ (11,608,978)	\$ (14,511,222)
University of Georgia	\$ (12,887,909)	\$ (19,331,864)	\$ (25,775,818)	\$ (32,219,773)
Georgia Southern University	\$ (3,262,048)	\$ (4,893,072)	\$ (6,524,096)	\$ (8,155,120)
Valdosta State University	\$ (1,953,976)	\$ (2,930,964)	\$ (3,907,953)	\$ (4,884,941)
Albany State University	\$ (792,082)	\$ (1,188,122)	\$ (1,584,163)	\$ (1,980,204)
Armstrong Atlantic State University	\$ (1,181,827)	\$ (1,772,740)	\$ (2,363,654)	\$ (2,954,567)
Augusta State University	\$ (1,035,771)	\$ (1,553,656)	\$ (2,071,542)	\$ (2,589,427)
Clayton State University	\$ (956,201)	\$ (1,434,301)	\$ (1,912,401)	\$ (2,390,502)
Columbus State University	\$ (1,346,807)	\$ (2,020,211)	\$ (2,693,615)	\$ (3,367,019)
Fort Valley State University	\$ (839,274)	\$ (1,258,910)	\$ (1,678,547)	\$ (2,098,184)
Georgia College & State University	\$ (1,221,000)	\$ (1,831,501)	\$ (2,442,001)	\$ (3,052,501)
Georgia Southwestern State University	\$ (484,809)	\$ (727,213)	\$ (969,618)	\$ (1,212,022)
Kennesaw State University	\$ (3,128,281)	\$ (4,692,421)	\$ (6,256,562)	\$ (7,820,702)
North Georgia College & State University	\$ (925,461)	\$ (1,388,191)	\$ (1,850,921)	\$ (2,313,652)
Savannah State University	\$ (738,716)	\$ (1,108,074)	\$ (1,477,432)	\$ (1,846,790)
Southern Polytechnic State University	\$ (859,180)	\$ (1,288,770)	\$ (1,718,360)	\$ (2,147,950)
University of West Georgia	\$ (1,828,702)	\$ (2,743,054)	\$ (3,657,405)	\$ (4,571,756)
Abraham Baldwin Agricultural College	\$ (549,869)	\$ (824,804)	\$ (1,099,739)	\$ (1,374,673)
College of Coastal Georgia	\$ (531,309)	\$ (796,964)	\$ (1,062,618)	\$ (1,328,273)
Dalton State College	\$ (556,924)	\$ (835,386)	\$ (1,113,848)	\$ (1,392,310)
Gainesville State College	\$ (823,053)	\$ (1,234,579)	\$ (1,646,105)	\$ (2,057,632)
Georgia Gwinnett College	\$ (1,357,754)	\$ (2,036,631)	\$ (2,715,508)	\$ (3,394,385)
Gordon College	\$ (454,279)	\$ (681,418)	\$ (908,557)	\$ (1,135,697)
Macon State College	\$ (778,600)	\$ (1,167,900)	\$ (1,557,200)	\$ (1,946,500)
Middle Georgia College	\$ (651,083)	\$ (976,625)	\$ (1,302,167)	\$ (1,627,709)
Atlanta Metropolitan College	\$ (323,428)	\$ (485,141)	\$ (646,855)	\$ (808,569)
Bainbridge College	\$ (359,212)	\$ (538,818)	\$ (718,424)	\$ (898,030)
Darton College	\$ (596,893)	\$ (895,340)	\$ (1,193,787)	\$ (1,492,233)
East Georgia College	\$ (262,785)	\$ (394,178)	\$ (525,571)	\$ (656,963)
Georgia Highlands College	\$ (577,200)	\$ (865,800)	\$ (1,154,400)	\$ (1,443,000)
Georgia Perimeter College	\$ (2,244,443)	\$ (3,366,665)	\$ (4,488,887)	\$ (5,611,109)
South Georgia College	\$ (285,603)	\$ (428,404)	\$ (571,205)	\$ (714,007)
Waycross College	\$ (146,759)	\$ (220,138)	\$ (293,518)	\$ (366,897)
Skidaway Institute of Oceanography (A&B)	\$ (93,133)	\$ (139,699)	\$ (186,265)	\$ (232,831)
Office of Information Technology Services	\$ (1,295,898)	\$ (1,943,847)	\$ (2,591,796)	\$ (3,239,745)
Regents Central Office (A&B)	\$ (543,840)	\$ (815,760)	\$ (1,087,680)	\$ (1,359,599)
SREB Payments	\$ (44,459)	\$ (66,689)	\$ (88,918)	\$ (111,148)
AMAC	\$ (42,278)	\$ (63,417)	\$ (84,556)	\$ (105,695)
System Services & Initiatives	\$ (269,660)	\$ (404,488)	\$ (539,317)	\$ (674,149)
Shared Services Center	\$ (271,026)	\$ (406,539)	\$ (542,052)	\$ (677,565)
	<b>\$ (68,241,624)</b>	<b>\$ (102,362,432)</b>	<b>\$ (136,483,245)</b>	<b>\$ (170,604,059)</b>

**Appendix II**  
**Board of Regents**  
**University System of Georgia**  
**Reduction Plans at 4%, 6%, 8% and 10%**

Institution	4% Reduction Target	6% Reduction Target	8% Reduction Target	10% Reduction Target - 2012 Only
<b>Other Organized Activities (Line Item Units)</b>				
Advanced Tech. Dev. Ctr. - Econ. Dev. Inst.	\$ (325,373)	\$ (488,059)	\$ (650,745)	\$ (813,432)
Agricultural Experiment Station	\$ (1,454,704)	\$ (2,182,055)	\$ (2,909,407)	\$ (3,636,759)
Cooperative Extension Service	\$ (1,225,619)	\$ (1,838,428)	\$ (2,451,238)	\$ (3,064,047)
Forestry Cooperative Extension Service	\$ (22,549)	\$ (33,823)	\$ (45,098)	\$ (56,372)
Forestry Research	\$ (109,722)	\$ (164,583)	\$ (219,444)	\$ (274,305)
Georgia Tech Research Institute	\$ (244,450)	\$ (366,675)	\$ (488,901)	\$ (611,126)
Marine Extension Service	\$ (51,336)	\$ (77,005)	\$ (102,673)	\$ (128,341)
Marine Institute	\$ (31,239)	\$ (46,859)	\$ (62,479)	\$ (78,099)
MCG Hospitals & Clinics	\$ (1,268,376)	\$ (1,902,564)	\$ (2,536,751)	\$ (3,170,939)
Public Libraries	\$ (1,402,057)	\$ (2,103,085)	\$ (2,804,114)	\$ (3,505,142)
Veterinary Medicine Experiment Station	\$ (110,560)	\$ (165,840)	\$ (221,119)	\$ (276,399)
Veterinary Medicine Teaching Hospital	\$ (18,860)	\$ (28,290)	\$ (37,719)	\$ (47,149)
<b>Special Funding Initiatives</b>	\$ (674,168)	\$ (1,011,253)	\$ (1,348,337)	\$ (1,685,421)
<b>Research Consortium</b>	\$ (669,602)	\$ (1,004,404)	\$ (1,339,205)	\$ (1,674,006)
<b>Pass-Through Line Items</b>				
Georgia Cancer Coalition Payments	\$ (414,164)	\$ (621,246)	\$ (828,327)	\$ (1,035,409)
Georgia Military College Payments	\$ (96,982)	\$ (145,473)	\$ (193,964)	\$ (242,456)
Ga. Pub. Telecom. Commission Payments	\$ (560,832)	\$ (841,248)	\$ (1,121,663)	\$ (1,402,079)
<b>Total Other Org. Activities (Line Items)</b>	<b>\$ (8,680,593)</b>	<b>\$ (13,020,890)</b>	<b>\$ (17,361,184)</b>	<b>\$ (21,701,481)</b>
<b>TOTAL</b>	<b>\$ (76,922,217)</b>	<b>\$ (115,383,322)</b>	<b>\$ (153,844,429)</b>	<b>\$ (192,305,540)</b>

Appendix III

University System of Georgia  
Actions Proposed by Institutions for a 4% Reduction Plan

	Proactively plan for reductions: set aside funds that would have been used to hire faculty and staff to serve students	Eliminate/Delay academic programs	Structural Changes in institutional operations	Eliminate positions/reduce workforce	Freeze & Delays on Hiring critical positions	Decline in campus maintenance	Library: cut subscriptions, books, hours, no new resources	Other actions: cut operating expenses, travel, equipment, training, technology, etc.
<b>Georgia Institute of Technology</b>	\$3M of reserve funds set aside for reductions			Eliminate 47 position (35 full-time and 12 part-time), \$3.6M		Reduce facilities budget by \$900,000 leading to further decline in campus maintenance and increase in deferred maintenance backlog	\$350,000 reduction will lead to further elimination of existing subscriptions, no purchase of new journals or databases, reduction of library hours	\$200,000 reduction in workforce development and process improvement programs affecting retention and productivity; \$100,000 reduction in printing and advertising; \$200,000 reduction in training and travel, limiting faculty development
<b>Georgia State University</b>	\$4.6 million of tuition set-aside funds that were intended for extending library hours, computer labs and student support services, plus classroom renovation for enrollment increase.		Brookhaven campus hours reduced to evening only operation, \$115K; winter break campus shut-down (2 weeks), \$180K; downsize moving crew & outsource, \$122K; eliminate state subsidy for Capitol Hill Child Enrichment Center, \$106K	\$2.4 million reduction in part-time instructors and adjunct faculty resulting in decrease of almost 5% in course sections for students, affecting retention and graduation				
<b>Medical College of Georgia</b>		Reduction of \$547K will limit medical education expansion for clinical campuses in Albany, Savannah and Augusta	Shift \$1.45M cost of Graduate Medical Education to MCGHI/or transfer cost to margin allocation from MCGHI; Transfer \$2.1M cost of operations to non-state funds	Eliminate 36 faculty and staff positions, \$1.7M				
<b>University of Georgia</b>		Delay expansion of premier graduate and professional programs, \$300K; delay expansion of programs at Griffin, \$200K; delay offering additional Summer school courses, \$475K			Delay President's Faculty Hiring initiative to fill 25 positions, \$4.2M; delay hiring Distinguished Research Faculty & lecturers, \$900K	Reduce funding for deferred maintenance by \$2M, which would impact the operations of the campus mechanical, electrical and plumbing systems	Delay restoration of library materials budget \$1M, resulting in 40% fewer journals than FY 2008, cancelled 600 journals in FY 2009	Delay restoration of 25 Ph.D graduate assistantships \$1M; delay expansion of start up equipment investments for research faculty, \$1M; reduce operating exp. \$1.8M
<b>Regional Universities</b>								
<b>Georgia Southern University</b>					Implement 60-day hiring delay for all staff vacancies, \$1.6M; suspend 26 faculty searches, \$1.3M, which will decrease course offerings, increase class size, and negatively impact graduation rate			Reduce travel budget by 25%, \$376K
<b>Valdosta State University</b>		Eliminate existing programs: Masters in Education Leadership, Secondary Education Bachelor's degree, Business Education, Coaching Pedagogy, Criminal Justice Bachelors and masters online, criminal justice post-bac certificate, English Prof. writing certificate, \$1.5M	Eliminate University Honors College, \$150K; eliminate Sophomore Experience Program, \$70K; eliminate Auto Shop, \$100K; eliminate Physical Plant Warehouse, \$100K				Eliminate new acquisitions for library special collections, \$60K	
<b>State Universities</b>								
<b>Albany State University</b>			Transfer the Admissions and Recruitment department to tuition funds, \$480k	Move 2 positions to Student activity budget \$64K; eliminate Chief of Staff position, \$94K				Reduce operating budgets, \$42K; reduce equipment budgets, \$112K
<b>Armstrong Atlantic State University</b>			Enhance current energy practices - affecting temperature and light usage across campus, \$400K; Transfer 6 faculty positions to tuition funds, \$431K		60 day-hold on all non-critical positions, \$350K; review positions for necessity			
<b>Augusta State University</b>	Tuition Carry forward funds, \$636K		Energy savings from aggressive conservation techniques, \$250K			Eliminate office construction projects to convert conference rooms to faculty offices, \$150K		
<b>Clayton State University</b>				Reduce faculty by \$425K, which will impact music composition, advising in math, dental hygiene, undergrad business offerings in Fayette County, health care mgt, etc.		Reduce funding for classroom upgrades (paint, lighting, acoustical tiles, window shades, electricity, whiteboards, new student desks, chairs, etc.), \$200K	Reduction in library upgrades/acquisitions will not meet SACS accreditation standards for space and holdings, \$56K	Reduce spending for network technology upgrades for classrooms, \$200K; reduce funding for audio visual upgrades to classrooms, \$75K

**Actions Proposed by Institutions for a 4% Reduction Plan**

	<b>Proactively plan for reductions: set aside funds that would have been used to hire faculty and staff to serve students</b>	<b>Eliminate/Delay academic programs</b>	<b>Structural Changes in institutional operations</b>	<b>Eliminate positions/reduce workforce</b>	<b>Freeze &amp; Delays on Hiring critical positions</b>	<b>Decline in campus maintenance</b>	<b>Library: cut subscriptions, books, hours, no new resources</b>	<b>Other actions: cut operating expenses, travel, equipment, training, technology, etc.</b>
<b>Columbus State University</b>			Salary reallocations from state funds to other sources of revenue, \$151K	Reduce part-time faculty \$293K; delete academic support positions \$156K; delete non-academic positions, \$208K				Reduce equipment, \$226K; reduce supplies, \$292K; reduce software. \$20K
<b>Fort Valley State University</b>			Shut down between Christmas and New Years' Day \$200K; consolidate common functions \$351K	Eliminate 30% of all temporary faculty and staff, \$175K		Postpone maintenance and repair \$113K		
<b>Georgia College &amp; State University</b>	\$948K of funds from contingency planning that would have been used for permanent positions therefore graduation rates will be impacted						Reduce libraries collections account, \$25K. Inadequate library resources can impact regional accreditation	Reduce funding for faculty development provided by institutional overhead from the Summer revenue model, \$200K
<b>Georgia Southwestern State University</b>				Leave all current vacant positions unfilled \$306K		Reduce maintenance funds \$179K		
<b>Kennesaw State University</b>	\$2.8 M of funds that were earmarked to use for temporary staffing, faculty, and custodial services			Eliminate non-critical positions, \$343K				
<b>North Georgia College &amp; State University</b>	Use tuition carry-forward funds, \$507K				Fill only critical vacant positions, \$318K, resulting in reduced class availability, delayed graduation timelines, larger class sizes, reduced student support services, and unrealistic goals for existing employees		Freeze library collections purchases, \$100K, which could impact discipline-specific accreditations	
<b>Savannah State University</b>	Use reserves of \$348K that would have been used to respond to increased enrollment and expanding service requirements, transfer from Auxiliary Funds to General Operations, \$270K		Merge divisions to achieve cost savings \$120K, eliminate the VP for Administration position					
<b>Southern Polytechnic State University</b>			Reduce funds for technology upgrades in large-lecture spaces for an institution that specializes in teaching technology to its students, \$610K					35% reduction in funds to replenish computers older than 5 years, \$229K; 10% reduction in computers and furniture for faculty and staff hires, \$20K
<b>University of West Georgia State Colleges</b>		Downsize one entire academic program, eliminate one off-campus program, cut 12 sections taught by part-time instructors, \$534K		Eliminate six tenure-track faculty lines, \$350K; eliminate 15 graduate assistantships, \$45K; reduce undergraduate assistant hires, \$6K; cut two staff support positions, \$68K; do not hire one police officer needed for the expanded campus environment, \$51K; do not hire a contracts manager for the purchasing department, \$72K; do not hire a development officer for the College of Arts & Sciences, \$64K; do not hire a Young Alumni Coordinator, \$41K; reduce custodial staff by 3.0 FTE, \$82K; decrease 2 additional student jobs, \$7K.			Reduce library acquisitions resulting in loss of access to basic information and knowledge, \$79K	Reduce supplies and expenses budget, \$34K; travel 10K, equipment, \$6K; operating expenses at the Coliseum and Theatre, \$20K; eliminate major speakers budget, \$150K; delay data center and fiber optic connectivity condition analysis, \$95K; assistance for SAC's accreditation, \$31K; utilities savings by adjusting temperature setting, \$77K; reduce research grants to faculty, \$7K
<b>Abraham Baldwin Agricultural College</b>				Campus-wide reduction in force among retirement-eligible personnel, \$332K				Eliminate motor pool, \$59K; reduce travel, operating, and supply, \$159K.

**Actions Proposed by Institutions for a 4% Reduction Plan**

	<b>Proactively plan for reductions: set aside funds that would have been used to hire faculty and staff to serve students</b>	<b>Eliminate/Delay academic programs</b>	<b>Structural Changes in institutional operations</b>	<b>Eliminate positions/reduce workforce</b>	<b>Freeze &amp; Delays on Hiring critical positions</b>	<b>Decline in campus maintenance</b>	<b>Library: cut subscriptions, books, hours, no new resources</b>	<b>Other actions: cut operating expenses, travel, equipment, training, technology, etc.</b>
<b>College of Coastal Georgia</b>		Delay programs in Biological Sciences, Nursing and Health Informatics program will have enrollment caps \$328K			Delaying 6 upper division faculty and 2 academic leadership positions, freeze 4 positions in President's Office, Academic Affairs, & Student Affairs \$167K		Close Library and all non-essential services on Saturday \$36K	
<b>Dalton State College</b>		Reduce First Year Experience (Freshman Orientation), \$50K	Close two weeks at Winter Break, \$50K; delay opening DS East Building for part of fall, \$50K; lower teaching rate of pay for summer school, \$150K			Reduce Plant operations, \$107K	Reduce Library acquisitions, \$100K	Reduce Travel, \$50K
<b>Gainesville State College</b>					Remaining critical staff positions budgeted but not yet filled in 2011 will be frozen \$240K			Reduce travel, operating and equipment \$573K, and utilities \$10K
<b>Georgia Gwinnett College</b>				Stop hiring FT Faculty/Eliminate PT faculty, \$1.3M				
<b>Gordon College</b>	Re-direct interest earnings, \$100K		Eliminate credit card merchant fees which supports Learning Support faculty salaries, \$75K		Not fill custodial and maintenance positions for new Nursing Building, \$58K; not fill full time advising position, \$44K; not fill limited term faculty positions in Math and Learning Support Math, \$107K			
<b>Macon State College</b>	Utilize tuition carry-forward, \$294K	Elimination of the Learning Support, \$122K		Eliminate three staff positions, \$137K				Reduce travel by 25% \$90K; reduce Operating Expenses, \$135K
<b>Middle Georgia College</b>		Delay implementation of Criminal Justice program and additional Education Programs, \$420K	Restructure Financial Aid and Student Accounts, \$33K		Hold 3 faculty positions vacant, \$198K			
<b>Two-Year Colleges</b>								
<b>Atlanta Metropolitan College</b>					Freeze hiring of one Department Chair and three faculty positions, \$275K			Delay expansion for Plant Ops, \$48K
<b>Bainbridge College</b>			Reorganization of entire Student Affairs, \$105K; reorganization of VP of Academic Affairs, \$160K; permanent adoption of 4 ½ day work week, \$65K					Reduction to academic technology purchases, \$29K
<b>Darton College</b>				Reduce 2 full-time staff positions, \$109K				Reduce funds for supplies, materials and other operating expenses, \$240K; reduce funds for equipment, \$248K
<b>East Georgia College</b>	Tuition reserves will be utilized before any further reductions are implemented to avoid reducing the quality of operations, \$141K		Lower transportation cost by having additional faculty based at the Statesboro campus, \$7K					Travel expenditures reduced by 10% for all departments; overall 4% reduction in operating expenses; marketing expenditures will be reduced, \$115K
<b>Georgia Highlands College</b>	Utilize tuition carry forward funding, \$75K			Eliminate 2 faculty positions in Nursing & Learning support Reading, \$112K; eliminate a Tutor position, \$32K; eliminate staff positions in HR, Budget, Accounting, Custodial, Main. & Disability Services, \$268K				Eliminate funding for replacement of equipment, \$90K
<b>Georgia Perimeter College</b>	Contingency planning funds, \$553K				Freeze approximately 34 non-faculty positions across the institution, \$1.7M			
<b>South Georgia College</b>				Eliminate staff positions, \$76K				Reduce operating supply costs, \$120K; reduce technology expenditures, \$90K
<b>Waycross College</b>	Utilize tuition carry forward which was specified for this purpose, \$61K							Reduction in Travel, Operating & Equipment budget, \$86K
<b>Skidaway</b>					Delay in hiring of Research faculty in Hydrogeology, \$93K (12 mos)			

**Actions Proposed by Institutions for a 4% Reduction Plan**

	<b>Proactively plan for reductions: set aside funds that would have been used to hire faculty and staff to serve students</b>	<b>Eliminate/Delay academic programs</b>	<b>Structural Changes in institutional operations</b>	<b>Eliminate positions/reduce workforce</b>	<b>Freeze &amp; Delays on Hiring critical positions</b>	<b>Decline in campus maintenance</b>	<b>Library: cut subscriptions, books, hours, no new resources</b>	<b>Other actions: cut operating expenses, travel, equipment, training, technology, etc.</b>
<b>Information Technology Services (ITS)</b>			Transfer 2 positions to Departmental Sales and Services, \$189K; Transfer 5 positions to SFI funds, \$400K	Reduce workforce which will slow down support to institutions, \$484K				Reduce Distance Education (GOML), \$200K; reduce faculty development workshops, \$19K
<b>Regents Central Office (RCO)</b>			Analysis of functions to outsource to institutions, \$301K; transfer 3 positions to non-state funding, \$181K	Eliminate vacant positions, \$61K				
<b>SREB</b>								Reduce funding for Doctoral Scholars segment of SREB Payment, \$22K; reduce funding for the Optometry and Osteopathic Medicine slots for the Regional Contract Program portion of the SREB Payment, \$22K
<b>Alternative Media Access Center (AMAC)</b>								Reduce Braille textbook service and production of Braille tests, \$42K

**Appendix III**

**University System of Georgia  
Additional Actions (2%) Proposed by Institutions for a 6% Reduction Plan**

	<b>Proactively plan for reductions: set aside funds that would have been used to hire faculty and staff to serve students</b>	<b>Eliminate/Delay academic programs</b>	<b>Structural Changes in institutional operations</b>	<b>Eliminate positions/reduce workforce</b>	<b>Freeze &amp; Delays on Hiring critical positions</b>	<b>Decline in campus maintenance</b>	<b>Library: cut subscriptions, books, hours, no new resources</b>	<b>Other actions: cut operating expenses, travel, equipment, training, technology, etc.</b>
<b>Georgia Institute of Technology</b>	Additional \$1.5M of reserve funds set aside for reductions			Eliminate additional 30 positions, \$2.3M			Additional \$50,000 reduction will lead to further elimination of existing subscriptions, no purchase of new journals or databases, reduction of library hours	Additional \$200,000 reduction in training and travel, limiting faculty development, \$100K from printing and advertising
<b>Georgia State University</b>		Review programs such as Perinatal Women's Health, Hydrogeology, HR Policy and Development, Applied Behavior Analysis, Psychiatric Mental Health Nursing, Planning & Economic Development, Interpretation, \$528K	Voluntary retirement plan: 1/2 year salary incentive, 30 positions required to be eliminated, \$3.3M					
<b>Medical College of Georgia</b>		Additional reduction of \$274K will limit medical education expansion for clinical campuses in Albany, Savannah and Augusta	Shift additional \$1.45M cost of Graduate Medical Education to MCGHI/or transfer cost to margin allocation	Eliminate additional 24 faculty and staff positions, \$1.2M				
<b>University of Georgia</b>		Delay expansion of programs at Griffin, \$300K; reduce funding for Archway by 25%, \$269K	Consolidate 6 senior administrative positions into 3	Eliminate positions in President's office, legal affairs, internal auditing, and EOO; Reduce positions in Facilities Management, Finance and Admin, External Affairs, VP Research office, VP Student Affairs office, VP Instruction office , as they become vacant, \$3M			Delay restoration of library materials budget, additional \$200K, resulting in 40% fewer journals than FY 2008, cancelled 600 journals in FY 2009	Reduce funding for public service and outreach by \$825K; reduce budgets of schools and colleges by \$1.8M
<b>Regional Universities</b>								
<b>Georgia Southern University</b>				Eliminate 13 staff positions, \$652K; eliminate 8 faculty positions, \$479K		Increase deferred building maintenance of \$500K, which will further deteriorate facilities		
<b>Valdosta State University</b>		Eliminate Sociology online non-profit certificate, Masters in Social Work, \$526K	Eliminate College of Education degree programs at ABAC and Waycross, \$451K					
<b>State Universities</b>								
<b>Albany State University</b>			Transfer Political Sciences and Masters of Public Admin. departments to special institutional fee, \$382K					Reduce operating budgets, \$14K
<b>Armstrong Atlantic State University</b>			Reallocate additional 5 faculty positions to tuition funds, \$591K					



**Additional Actions (2%) Proposed by Institutions for a 6% Reduction Plan**

	<b>Proactively plan for reductions: set aside funds that would have been used to hire faculty and staff to serve students</b>	<b>Eliminate/Delay academic programs</b>	<b>Structural Changes in institutional operations</b>	<b>Eliminate positions/reduce workforce</b>	<b>Freeze &amp; Delays on Hiring critical positions</b>	<b>Decline in campus maintenance</b>	<b>Library: cut subscriptions, books, hours, no new resources</b>	<b>Other actions: cut operating expenses, travel, equipment, training, technology, etc.</b>
<b>Augusta State University</b>						Defer repairs to Forest Hills Dam, \$518K at the Golf course to be in compliance with the Georgia Safe Dams Act of 1978		
<b>Clayton State University</b>							Reduce library acquisitions by an additional, \$44K	Reduce operating expenses, \$434K
<b>Columbus State University</b>				Additional reductions in part time faculty, \$308K; additional amounts from academic support positions, \$42K				Additional reductions in operating costs, \$323K
<b>Fort Valley State University</b>						Postpone maintenance and repair, \$420K		
<b>Georgia College &amp; State University</b>	Apply estimated FY2011 additional unallocated tuition revenue, \$525K		Redirect position from general funds to sales and services funding, \$47K				Reduce Library collections account; \$25K that could impact regional accreditation	Cut institutional operating budget leading to less efficiency thru technology, less maintenance, less staff development, and less academic advising, \$13K
<b>Georgia Southwestern State University</b>					Freeze and/or eliminate a Dean and a Director's position, \$243K			
<b>Kennesaw State University</b>					Delay of 60 days in filling critical positions, impacting the quality and timeliness of serving students, facilities maintenance and public safety, \$1.6M			
<b>North Georgia College &amp; State University</b>			Full utilization of Shared Services centralization plan, \$100K; SSC centralization allows the redirection of up to 3 positions		Freeze all vacant positions, filling only critical vacancies, \$363K, impacting new initiatives/expansion, custodial, grounds and building maintenance.			
<b>Savannah State University</b>	Tuition revenue in excess of budgeted revenue of \$369K that was intended to be used to address enrollment increases							
<b>Southern Polytechnic State University</b>			Reduce funding for instructional equipment which will not allow faculty to teach students using state-of-the-art equipment currently used in the workplace meaning that the students will not be as competitive as desired, \$300K.					15% reduction in funds to replenish computers older than 5 years, \$95K; 15% reduction in computers and furniture for faculty and staff hires, \$34K

**Additional Actions (2%) Proposed by Institutions for a 6% Reduction Plan**

	Proactively plan for reductions: set aside funds that would have been used to hire faculty and staff to serve students	Eliminate/Delay academic programs	Structural Changes in institutional operations	Eliminate positions/reduce workforce	Freeze & Delays on Hiring critical positions	Decline in campus maintenance	Library: cut subscriptions, books, hours, no new resources	Other actions: cut operating expenses, travel, equipment, training, technology, etc.
<b>University of West Georgia</b>		Continue downsizing academic program from the earlier 4% cut, \$247K		Eliminate 2 tenure track faculty lines, \$135K; cut 3 clinical faculty positions and lecturers, \$73K; reduce 5 graduate assistantships, \$15K; reduce undergraduate assistant hires, \$2K; eliminate 6 sections taught by part-time faculty, \$15K; cut 1 staff position, \$20K; do not hire a strategic sourcing specialist/buyer, \$61K; do not hire a media relations specialist, \$52K; eliminate an architect position, \$80K.			Continued library acquisitions, \$20K	Reduce supplies and expenses budget, \$16K; travel 12K, equipment, \$15K; operating expenses at the Coliseum and Theatre, \$7K; assistance for SAC's accreditation, \$16K; reduce research grants to faculty, \$3K; delay purchase of work flow and asset management software, \$126K.
<b>State Colleges</b>								
<b>Abraham Baldwin Agricultural College</b>			Reduction and restructuring throughout the college, \$68K					Reduce travel, operating, and supply budgets with continued negative impacts to teaching efficiency and effectiveness, \$207K
<b>College of Coastal Georgia</b>			Cap student enrollment at 3,500, \$169K	Eliminate 1 building maintenance position and 2 custodial positions in Plant Operations, \$97K				
<b>Dalton State College</b>					Do not fill 2 staff positions, \$78K		Reduce library hours and the related summer semester work schedule, \$100K	Reduce technology equipment purchases, \$100K
<b>Gainesville State College</b>						Stop planned campus renovation projects, \$146K	Reduce library acquisitions, \$100K	Reduce travel, operating and equipment, \$156K and utilities, \$10K
<b>Georgia Gwinnett College</b>							Reduce library acquisitions, \$679K	
<b>Gordon College</b>					Not fill Asst Prof of Biology, \$60K, Asst Prof for Early Childhood, \$60k, Limited Term Faculty position @ FVSU, \$52K, Limited Term Faculty position in Criminal Justice, \$55k			
<b>Macon State College</b>				Eliminate one Learning Support Faculty position, \$69K; Eliminate Three staff positions, \$162K		Reduce Operating Expenses, \$158K		
<b>Middle Georgia College</b>			Limit implementation of accreditation required quality enhancement plan, \$5K. Reduce College's recruitment efforts, \$39K	Eliminate IT security position and student internship positions in aviation programs, \$119K	Hold 2 faculty positions vacant, \$120K		Reduce Library resources and support, \$43K	
<b>Two-Year Colleges</b>								
<b>Atlanta Metropolitan College</b>								Hold on degree works software purchase & fiber backbone to new Student Ctr & new Academic Science Bldg, \$162K

**Additional Actions (2%) Proposed by Institutions for a 6% Reduction Plan**

	<b>Proactively plan for reductions: set aside funds that would have been used to hire faculty and staff to serve students</b>	<b>Eliminate/Delay academic programs</b>	<b>Structural Changes in institutional operations</b>	<b>Eliminate positions/reduce workforce</b>	<b>Freeze &amp; Delays on Hiring critical positions</b>	<b>Decline in campus maintenance</b>	<b>Library: cut subscriptions, books, hours, no new resources</b>	<b>Other actions: cut operating expenses, travel, equipment, training, technology, etc.</b>
<b>Bainbridge College</b>			Discontinue Instruction Resources related to Regents Test, \$45K; Closing of Continuing Education, \$105K					Reduction in Travel Budget, \$30K
<b>Darton College</b>				Eliminate 1 Internal Auditor II position, two Administrative Assistants positions, \$57K, & Division Chair of Physical Education, \$97K				Reduction in supplies, materials and equipment budget, \$144K
<b>East Georgia College</b>			Discontinue Study Abroad Program, \$16K					Travel expenses will be reduced by 25% for all departments, \$10K; An overall 6% reduction in operating expenditures will be achieved across all areas, \$46K; Overall 30% reduction in equipment expenditures, \$59K
<b>Georgia Highlands College</b>	Reduce funding set aside to address space needs at the Marietta Campus, \$200K			Reduce casual labor funding across all functions of the college, \$89K				
<b>Georgia Perimeter College</b>					Freeze 16 additional positions, \$808K			Reduce operating costs, \$314K
<b>South Georgia College</b>								Reduce supply budgets, \$143K
<b>Waycross College</b>								Travel, Operating, and Equipment reduction, \$73K
<b>Skidaway</b>					Delay in hiring of Research faculty in Zooplankton Ecology, \$47K (6mos)			
<b>Information Technology Services (ITS)</b>				Reduce USO position, \$12K				Additional reduction of faculty development workshops, \$11K; Extend the refresh date of equipment, \$313K; Chargebacks to institutions, \$313K
<b>Regents Central Office (RCO)</b>				Eliminate several positions resulting in reduced services and response time to institutions and other stakeholders, \$272K				
<b>SREB</b>								Reduce funding for Doctoral Scholars segment of SREB Payment, \$11K; reduce funding for the Optometry and Osteopathic Medicine slots for the Regional Contract Program portion of the SREB Payment, \$11K
<b>Alternative Media Access Center (AMAC)</b>								25% reduction in student phone support, \$21K

**Appendix III**

**University System of Georgia  
Additional Actions (2%) Proposed by Institutions for a 8% Reduction Plan**

	<b>Proactively plan for reductions: set aside funds that would have been used to hire faculty and staff to serve students</b>	<b>Eliminate/Delay academic programs</b>	<b>Structural Changes in institutional operations</b>	<b>Eliminate positions/reduce workforce</b>	<b>Freeze &amp; Delays on Hiring critical positions</b>	<b>Decline in campus maintenance</b>	<b>Library: cut subscriptions, books, hours, no new resources</b>	<b>Other actions: cut operating expenses, travel, equipment, training, technology, etc.</b>
<b>Georgia Institute of Technology</b>	Additional \$1.5M of reserve funds set aside for reductions			Eliminate additional 33 positions, \$2.5M			Additional \$100K reduction will lead to further elimination of existing subscriptions, no purchase of new journals or databases, reduction of library hours	Additional \$100K reduction in workforce development and process improvement programs affecting retention and productivity
<b>Georgia State University</b>			Voluntary retirement plan: 1/2 year salary incentive, additional 34 positions required to be eliminated, \$3.8M					
<b>Medical College of Georgia</b>		Additional reduction of \$274K will limit medical education expansion for clinical campuses in Albany, Savannah and Augusta		Eliminate additional 37 filled non-contract faculty and staff positions, \$2.6M				
<b>University of Georgia</b>		Additional reduction to Archway by 25%, \$270K	Reduce Tate Student Center hours by 30%, \$167K; reduce Miller Learning Center and Library hours by 30% \$250K; reduce Ramsey Center hours by 30%, \$154K	Eliminate positions in President's office, legal affairs, internal auditing, and EOO; Reduce positions in Facilities Management, Finance and Admin, External Affairs, VP Research office, VP Student Affairs office, VP Instruction office , as they become vacant; additional \$1.9M	Delay hiring of additional 15 full time lecturers, \$832K; delay hiring of 7 academic advising positions, \$320K		Additional cut of \$200K to library restoration budget	Additional reduction of \$460K for public service and outreach; reduce budget of schools and colleges, \$1.8M
<b>Regional Universities</b>								
<b>Georgia Southern University</b>		Elimination and consolidation of academic programs - a number of colleges/departments and degree programs may be eliminated, \$1.6M						
<b>Valdosta State University</b>			Eliminate College of Education degree programs at South Georgia, \$149K; Eliminate faculty reassigned time for service activities, \$28K	Eliminate VP for Student Affairs position, \$150K				Eliminate academic equipment and maintenance, \$650K
<b>State Universities</b>								

**Additional Actions (2%) Proposed by Institutions for a 8% Reduction Plan**

	<b>Proactively plan for reductions: set aside funds that would have been used to hire faculty and staff to serve students</b>	<b>Eliminate/Delay academic programs</b>	<b>Structural Changes in institutional operations</b>	<b>Eliminate positions/reduce workforce</b>	<b>Freeze &amp; Delays on Hiring critical positions</b>	<b>Decline in campus maintenance</b>	<b>Library: cut subscriptions, books, hours, no new resources</b>	<b>Other actions: cut operating expenses, travel, equipment, training, technology, etc.</b>
<b>Albany State University</b>			Transfer Forensic Sciences and Computer Sciences Program to tuition funds, \$378K					Reduce operating budgets, \$18K
<b>Armstrong Atlantic State University</b>				Reallocate 5 faculty positions to tuition fund, \$591K				
<b>Augusta State University</b>						Eliminate campus improvement projects to maintain and upgrade facilities, \$260K		Reduce equipment purchases, \$258K
<b>Clayton State University</b>						Reduce renovation of academic buildings, \$478K to provide additional resident instructional space		
<b>Columbus State University</b>			Salary reallocations from state funds to other sources of revenue, \$30K	Additional reductions in part time faculty, \$46K	Deleting academic support positions, \$204K			Reduce equipment, supplies and travel, \$394K
<b>Fort Valley State University</b>			Transition to online instruction, \$70K; Additional savings from Christmas break, \$25K; consolidate functions, \$25K	Eliminate additional temporary faculty and staff, \$25K		Postpone maintenance, \$190K		Delay equipment purchases, \$85K
<b>Georgia College &amp; State University</b>	Apply FY 2011 new funding garnered through enrollment earnings and formula funding that was allocated as reserve for potential budgetary reductions, \$611K							
<b>Georgia Southwestern State University</b>								Cut technology expenses, \$243K
<b>Kennesaw State University</b>	Redirection of tuition carry forward that was to be used for the replacement of technology and support of on-line learning, \$1.5 M		Utilities savings during December school closing, \$50K					
<b>North Georgia College &amp; State University</b>				Reduce part time faculty, \$75K, which reduces class availability (especially for core curriculum classes), delays graduation timelines, and creates larger class sizes				Reductions in travel and operating budgets, \$388K
<b>Savannah State University</b>				Reduce student employment, \$150K				Reduce departments operating budgets \$219K impacting department operations and ability to provide services

**Additional Actions (2%) Proposed by Institutions for a 8% Reduction Plan**

	Proactively plan for reductions: set aside funds that would have been used to hire faculty and staff to serve students	Eliminate/Delay academic programs	Structural Changes in institutional operations	Eliminate positions/reduce workforce	Freeze & Delays on Hiring critical positions	Decline in campus maintenance	Library: cut subscriptions, books, hours, no new resources	Other actions: cut operating expenses, travel, equipment, training, technology, etc.
<b>Southern Polytechnic State University</b>			Reduce funding for instructional equipment which will not allow faculty to teach students using state-of-the-art equipment currently used in the workplace meaning that the students will not be as competitive as desired, \$100K. Also increased reduction in technology for large lecture spaces, \$224K					8% reduction in funds to replenish computers older than 5 years, \$50K; 25% reduction in computers and furniture for faculty and staff hires, \$54K
<b>University of West Georgia</b>		Further cuts to the academic program referenced earlier \$13K		Eliminate 4 tenure track faculty lines, \$300K; cut 3 staff positions, \$100K; cut 1 clinical faculty position and lecturers, \$54K; reduce 3 graduate assistantships, \$9K; eliminate 3 sections taught by part-time faculty, \$7K; do not hire the second of two police officers, \$51K; do not hire a corporate and foundation relations coordinator, \$52K; reduce casual labor funds, \$26K; reduce Student Assistants by 1.5 FTE, \$22K; loss of full time staff for SAC's accreditation, \$16K; eliminate a maintenance position and reduce to half time a facilities administrator, \$80K; decrease mini-grant funds resulting in the elimination of 18 anticipated student jobs, \$79K			Continue library acquisitions reduction, \$24K	Reduce supplies and expenses budget, \$6K, travel, \$5K, equipment, \$19K, operating expenses at the Coliseum and Theatre, \$10K; reduce research grants to faculty, \$3K; cut funding for undergraduate research, \$29K; reduction of training and professional development resources, \$10K
<b>State Colleges</b>								
<b>Abraham Baldwin Agricultural College</b>			Reduction and restructuring throughout the college, \$275K					
<b>College of Coastal Georgia</b>		Reduce Learning Support course offerings, \$79K			Impose permanent freeze on all vacant positions, \$186K			
<b>Dalton State College</b>					Do not fill 3 faculty positions, \$278K			
<b>Gainesville State College</b>						Stop planned campus renovation projects, \$175K	Reduce library acquisitions, \$100K	Reduce travel, operating and equipment, \$126K, and utilities, \$10K
<b>Georgia Gwinnett College</b>		Delay Nursing Program, \$150K	Delay implementation of IT programs, \$250K; as a growing institution, GGC needs to purchase all classroom supplies & equip. Classrooms will not be complete, \$279K					

**Additional Actions (2%) Proposed by Institutions for a 8% Reduction Plan**

	Proactively plan for reductions: set aside funds that would have been used to hire faculty and staff to serve students	Eliminate/Delay academic programs	Structural Changes in institutional operations	Eliminate positions/reduce workforce	Freeze & Delays on Hiring critical positions	Decline in campus maintenance	Library: cut subscriptions, books, hours, no new resources	Other actions: cut operating expenses, travel, equipment, training, technology, etc.
<b>Gordon College</b>					Not fill Limited Term faculty positions in History, Science Education, Psychology, & Humanities, \$227K			
<b>Macon State College</b>				Eliminate two faculty positions: Education & IT, \$125K; Eliminate three staff positions, \$169K				Reduce Operating Expenses, \$95K
<b>Middle Georgia College</b>		Reduce academic helicopter aviation program, \$68K	Increase utilization of part-time flight instructors, \$122K. Reduce Student Services, \$51K					Reduce operating budgets, \$85K
<b>Two-Year Colleges</b>								
<b>Atlanta Metropolitan College</b>								Delay design on enhancement to front entrance to campus, \$138k; Delay in campus safety enhancement project, \$24k
<b>Bainbridge College</b>			Closing of Student Advising Ctr, \$180K					
<b>Darton College</b>				Reduction of Dean for Division of Allied Health position, \$119K				Reduction in supplies, materials and other operating budget, \$179K
<b>East Georgia College</b>								Travel expenses will be reduced by 40% for all departments, \$11K. An overall 10% reduction in operating expenditures will be achieved across all areas, \$120K.
<b>Georgia Highlands College</b>								Reduce travel and operating budgets by 5% across all functions of the college, \$289K
<b>Georgia Perimeter College</b>	Tuition Revenue redirection, \$336K							Reduce operating costs, \$786K
<b>South Georgia College</b>				Eliminate staff positions, \$143K				
<b>Waycross College</b>								Reduce Operating & Equipment Expenses, \$73K
<b>Skidaway</b>			Move costs of Small Boat Program to Sponsored Research from State Funds, \$47K					
<b>Information Technology Services (ITS)</b>				Reduce USO position, \$12K				Additional reduction of faculty development workshops, \$9K; Extend the refresh date of equipment, \$313K; Chargebacks to institutions, \$313K

**Additional Actions (2%) Proposed by Institutions for a 8% Reduction Plan**

	<b>Proactively plan for reductions: set aside funds that would have been used to hire faculty and staff to serve students</b>	<b>Eliminate/Delay academic programs</b>	<b>Structural Changes in institutional operations</b>	<b>Eliminate positions/reduce workforce</b>	<b>Freeze &amp; Delays on Hiring critical positions</b>	<b>Decline in campus maintenance</b>	<b>Library: cut subscriptions, books, hours, no new resources</b>	<b>Other actions: cut operating expenses, travel, equipment, training, technology, etc.</b>
<b>Regents Central Office (RCO)</b>				Further elimination of positions resulting in reduced services and response time to institutions and other stakeholders, \$272K				
<b>SREB</b>								Reduce funding for Doctoral Scholars segment of SREB Payment, \$11K; reduce funding for the Optometry and Osteopathic Medicine slots for the Regional Contract Program portion of the SREB Payment, \$11K
<b>Alternative Media Access Center (AMAC)</b>				Eliminate 1 part-time position, \$21K				