

**MINUTES OF THE MEETING OF THE
BOARD OF REGENTS OF THE UNIVERSITY SYSTEM OF GEORGIA
HELD AT
Atlanta, Georgia
January 8, 2013**

CALL TO ORDER

The Board of Regents of the University System of Georgia met on Tuesday, January 8, 2013, in room 7007 of the Board's offices, 270 Washington St. SW, Atlanta, Georgia. The Chair of the Board, Regent William H. NeSmith, Jr., called the meeting to order at approximately 9:30 a.m. on Tuesday, January 8. Present, in addition to Chair NeSmith, were Vice Chair Philip A. Wilheit, Sr.; and Regents C. Dean Alford; Kenneth R. Bernard, Jr.; Lori Durden; Larry R. Ellis; Rutledge A. Griffin, Jr.; George Hooks; C. Thomas Hopkins, Jr.; Donald M. Leebern, Jr.; Doreen Stiles Poitevint; Neil L. Pruitt, Jr.; Scott Smith; Kessel D. Stelling, Jr.; Benjamin J. Tarbutton, III; Richard L. Tucker; T. Rogers Wade; and Larry Walker.

INVOCATION AND PLEDGE

The invocation and Pledge of Allegiance were given by Regent Kessel D. Stelling, Jr.

SAFETY BRIEFING

The safety briefing was given by Chief Bruce Holmes.

ATTENDANCE REPORT

The attendance report was given by Secretary J. Burns Newsome.

APPROVAL OF MINUTES

The minutes of the Board of Regents meetings conducted on November 13, 2012, and November 14, 2012, were unanimously approved.

CHAIRMAN'S REMARKS

Chair William H. "Dink" NeSmith, Jr., welcomed the Board and recognized its four newest members: Regents Lori Durden; George Hooks; Scott Smith; and T. Rogers Wade. Chair NeSmith also thanked immediate past Chair Benjamin J. Tarbutton, III, for his 18 months in that role. He exhorted the Board to continue as diligent stewards of the University System of Georgia's resources, cognizant that more must annually be done with less, and prompted them to develop strong partnerships to accomplish all USG ends. Chair NeSmith also solicited the Board for a representative to its Student Advisory Committee. An audio copy of the Chairman's complete remarks is on file with, and available for inspection in, the Office of the Secretary.

RECOGNITION OF SPECIAL GUESTS: RHODES SCHOLARS

Chancellor Henry M. Huckaby welcomed and recognized two special guests, University System of Georgia Rhodes Scholars: Ms. Elizabeth Allan of the University of Georgia; and Ms. Joy A. Buolamwini of the Georgia Institute of Technology. Audio recordings of the Chancellor's remarks, and those of Ms. Allan and Ms. Buolamwini, are on file with, and available for inspection, in the Office of the Secretary.

COMMITTEE OF THE WHOLE: SPECIAL COMMITTEE ON CONSOLIDATION

The Special Committee on Consolidation, meeting as the Committee of the Whole, met at approximately 11:12 a.m. Tuesday, January 8, 2013. Chair NeSmith introduced Executive Vice Chancellor for Administrative and Fiscal Affairs Dr. Steven Wrigley, and Associate Vice Chancellor for Implementation Shelley Nickel. Dr. Wrigley explained the timeline and process of the USG's consolidation efforts. Ms.

Nickel asked the Board to recognize the efforts of the consolidation teams for their efforts.

With motion made and variously seconded, the Board approved resolutions consolidating August State University and Georgia Health Sciences University, creating Georgia Regents University; Macon State College and Middle Georgia College, creating Middle Georgia State College; South Georgia College and Waycross College, creating South Georgia State College; and Gainesville State College and North Georgia College & State University, creating the University of North Georgia. The Board also appointed Dr. Ricardo Azziz as President of Georgia Regents University; Dr. John Black as Interim President of Middle Georgia State College; Dr. Virginia Carson as President of South Georgia State College; and Dr. Bonita Jacobs as President of the University of North Georgia.

Copies of these resolutions are on file with, and available for inspection in, the Office of the Secretary. There being no further business to come before the committee, the meeting was adjourned at approximately 11:28 a.m. on Tuesday, January 8, 2013.

COMMITTEE OF THE WHOLE: COMMITTEE ON INTERNAL AUDIT, RISK & COMPLIANCE

The Committee on Internal Audit, Risk & Compliance, meeting as the Committee of the Whole, met at approximately 3:20 p.m. on Tuesday, January 8, 2013. Committee Chair Regent Larry Walker introduced Chief Audit Officer John Fuchko, III, who provided the Board an overview of the Bylaws provisions and USG Ethics Policy requirements pertaining to members of the Board of Regents. This included signing the USG Ethics Policy certification and constituted the ethics training required by Board Policy 8.2.20. Copies of these certifications, and an audio recording of Mr. Fuchko's remarks, are on file with, and available for inspection in, the Office of the Secretary. There being no further business to come before the committee, the meeting was adjourned at approximately 3:32 p.m. on Tuesday, January 8, 2013.

CHANCELLOR'S REPORT

Chancellor Henry M. Huckaby gave his report at approximately 3:33 p.m. on Tuesday, January 8, 2013. Chancellor Huckaby expounded on consolidation efforts, noting that comparable system-wide efforts were non-existent. The USG might be used by other state systems as a model for public institution consolidation. Chancellor Huckaby also took opportunity to tout institutions' successes and the USG's economic impact. He previewed notable tasks for 2013, such as accepting and transitioning after July 1, 2013, the State Archives to the USG from the Georgia Secretary of State; and examination of intercollegiate athletics, and development of system policies concerning them. Chancellor Huckaby urged Board of Regents members to participate in institutions' commencement exercises, should they be invited. Finally, Chancellor Huckaby recognized the passing of former Chancellor George Simpson. An audio recording of Chancellor Huckaby's remarks is on file with, and available for inspection in, the Office of the Secretary to the Board.

COMMITTEE REPORTS

The reports of the standing committees are attached hereto.

UNFINISHED BUSINESS

There was none.

NEW BUSINESS

There was none.

PETITIONS AND COMMUNICATIONS

Vice Chair Philip Wilheit reminded those present of the upcoming annual University System of Georgia Foundation gala, the Regents' Salute to Education, March 23, 2013, asking them to reserve that date on their social calendars. Vice Chair Wilheit elaborated on available sponsorship opportunities and levels; the variety of auction items to be had; and encouraged Regents' participation in the gala's activities and offerings.

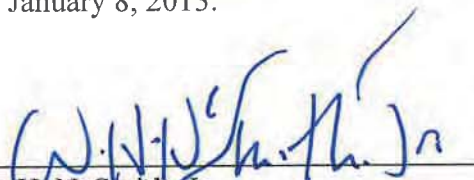
EXECUTIVE SESSION

At approximately 4:18 p.m. on Tuesday, January 8, 2013, Chair NeSmith called for an executive session for the purpose of discussing personnel matters. With motion properly made and variously seconded, the Regents voted unanimously to go into executive session. University System of Georgia staff members who were also present for portions of the executive session included Chancellor Huckaby and members of his staff. An affidavit regarding this executive session is on file with the Office of the Secretary to the Board.

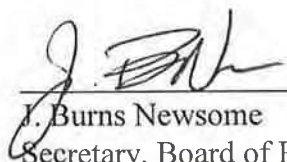
At approximately 4:39 p.m. on Tuesday, January 8, 2013, Chair NeSmith reconvened the Board meeting in its regular session and announced that no actions were taken during the executive session.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at approximately 4:40 p.m. on January 8, 2013.



William H. NeSmith, Jr.
Chair, Board of Regents
University System of Georgia



J. Burns Newsome
Secretary, Board of Regents
University System of Georgia

MINUTES OF THE MEETING OF THE EXECUTIVE AND COMPENSATION COMMITTEE

The Executive and Compensation Committee of the Board of Regents of the University System of Georgia met on Tuesday, January 8, 2013, in Room 7019 of the Board's offices, 270 Washington St. SW. The chair of the committee, Regent William H. NeSmith, called the meeting to order at approximately 10:00 a.m. Present, in addition to Chair NeSmith, were Vice Chair Philip A. Wilheit, Sr.; and Regents Kenneth R. Bernard, Jr.; Larry R. Ellis; C. Thomas Hopkins; Kessel D. Stelling, Jr.; and Larry Walker. Regent Benjamin J. Tarbutton, III, was excused.

1. The Board approved a slate of Board of Regents meeting dates for the 2013 calendar year, which is on file with, and available for inspection in, the Office of the Secretary.

EXECUTIVE SESSION

At approximately 10:18 a.m. on Tuesday, January 8, 2013, Chair William H. NeSmith called for an executive session for the purpose of discussing personnel and compensation matters, as well as presidential searches. With motion properly made and seconded, the Regents who were present voted unanimously to go into executive session. An affidavit regarding this executive session is on file in the Office of the Secretary to the Board.

Chair NeSmith reconvened the committee in its regular session at approximately 10:25 a.m. and announced that no actions were taken during executive session.

ADJOURNMENT

There being no further business to come before the committee, the meeting was adjourned at approximately 10:29 a.m. on Tuesday, January 8, 2013.

MINUTES OF THE MEETING OF THE COMMITTEE ON ACADEMIC AFFAIRS

The Committee on Academic Affairs met on Tuesday, January 8, 2013, at approximately 12:30 p.m. in Room 5158 of the Board's offices. Committee members in attendance were Chair C. Dean Alford; and Regents Lori S. Durden; Larry R. Ellis; Rutledge A. Griffin, Jr.; Neil L. Pruitt, Jr.; C. Thomas Hopkins; Benjamin J. Tarbutton, III; and T. Rogers Wade. The Vice Chair of the Board, Regent Philip A. Wilheit, Sr., also was in attendance.

1. The committee chair and USG central office staff briefed new Committee on Academic Affairs members on their charge and scope of responsibilities.
2. The Board approved establishment of a Bachelor of Science with a major in Human Services at Gordon State College.
3. The Board ratified Chancellor Henry M. Huckaby's December 2012 approval to substantively change the Library Media concentration in the existing Master of Education Degree at Georgia College & State University, to a stand-alone Master of Education with a major in Library Media.
4. The Board approved a substantive change to the Master of Science with a major in Nursing at Georgia State University.
5. The Board approved termination of nine programs at two institutions:
 - a. Master of Education with a major in Middle Grades Education; Master of Education with a major in Special Education (Behavior Disorders); Master of Education with a major in Special Education (Learning Disabilities); Master of Science in Physical Therapy; and a one-year certificate in Basic Law Enforcement at Armstrong Atlantic State University
 - b. Specialist in Education with a major in Middle Grades; Bachelor of Science with a major in Secondary Teacher Education; Bachelor of Science with a major in Recreation; and Bachelor of Business Administration in Technology Support Systems at the University of West Georgia
6. The Board approved reassignment of the Skidaway Institute of Oceanography to the University of Georgia effective July 1, 2013.
7. The Board approved certain named faculty appointments and endowed positions, copies of which are on file with, and available for inspection in, the Office of the Secretary to the Board.

ADJOURNMENT

There being no further business to come before the committee, the meeting was adjourned at approximately 1:00 p.m. on Tuesday, January 8, 2013.

**MINUTES OF THE MEETING OF THE
COMMITTEE ON PERSONNEL AND BENEFITS**

The Committee on Personnel and Benefits met on Tuesday, January 8, 2013, at approximately 1:01 p.m. in Room 5158 of the Board's offices. Committee members in attendance were Chair Neil L. Pruitt, Jr.; and Regents C. Dean Alford; Lori S. Durden; Larry R. Ellis; Rutledge A. Griffin, Jr.; C. Thomas Hopkins; Benjamin J. Tarbutton, III; and T. Rogers Wade. The Vice Chair of the Board, Regent Philip A. Wilheit, Sr., also was in attendance.

1. The Board approved a proposal and timeline to secure a third party administrator for the Board of Regents healthcare plan and pharmacy benefits with a January 1, 2015, effective date.
2. The Board approved the review and research of securing and implementing a system-wide voluntary benefits platform to become effective January 1, 2014.

ADJOURNMENT

There being no further business to come before the committee, the meeting was adjourned at approximately 1:30 p.m. on Tuesday, January 8, 2013.

**MINUTES OF THE MEETING OF THE
COMMITTEE ON GRADUATE MEDICAL EDUCATION**

The Committee on Graduate Medical Education met on Tuesday, January 8, 2013, at approximately 1:31 p.m. in Room 5158 of the Board's offices. Committee members in attendance were Chair C. Thomas Hopkins, Jr., and Regent Neil L. Pruitt, Jr. Regents C. Dean Alford; Lori S. Durden; Larry R. Ellis; Rutledge A. Griffin, Jr.; Benjamin J. Tarbutton, III; and T. Rogers Wade also were in attendance. The Vice Chair of the Board, Regent Philip A. Wilheit, Sr., also was in attendance.

1. The Board approved establishment of residency programs in internal medicine, family medicine, general surgery, OB/GYN, and transitional year at Athens Regional Medical Center.
2. The Board approved establishment of a residency program in internal medicine at St. Mary's Hospital.
3. The Board approved support of new graduate medical education programs in internal medicine, family medicine, general surgery, emergency medicine and pediatrics/IM Peds with a consortium of five southwest Georgia hospitals: Archbold Memorial; Colquitt Regional; Phoebe Putney; South Georgia Medical Center; and Tift Regional.

ADJOURNMENT

There being no further business to come before the committee, the meeting was adjourned at approximately 2:24 p.m. on Tuesday, January 8, 2013.

MINUTES OF THE MEETING OF THE COMMITTEE ON ORGANIZATION AND LAW

The Committee on Organization and Law met on Tuesday, January 8, 2013, at approximately 2:25 p.m. in Room 5158 of the Board's offices. Committee members in attendance were Chair Rutledge A. Griffin, Jr.; and Regents C. Dean Alford; Lori S. Durden; Larry R. Ellis; Neil L. Pruitt, Jr.; C. Thomas Hopkins; Benjamin J. Tarbutton, III; and T. Rogers Wade.

1. The committee chair and USG central office staff briefed new Committee on Organization and Law members on their charge and scope of responsibilities.
2. The Board approved a change to Board of Regents Bylaw I.6, Institutions of the University System, to accurately reflect the names of the 31 institutions within the University System of Georgia.
3. The Board approved a mutual aid agreement between Bainbridge College and the City of Bainbridge.
4. The Board approved five honorary degrees: from Columbus State University to Mr. Dan Amos; the Georgia Institute of Technology to Mr. Thomas A. Fanning and Ernest J. Scheller, Jr.; University of Georgia to Ms. Mary Frances Early; and the University of West Georgia to Mr. Phillip E. Kauffman.

EXECUTIVE SESSION

At approximately 2:40 p.m. on Tuesday, January 8, 2013, Chair Griffin called for an executive session for the purpose of discussing personnel matters and student records. With motion properly made and seconded, the Regents who were present voted unanimously to go into executive session. An affidavit regarding this executive session is on file in the Office of the Secretary to the Board.

Chair Griffin reconvened the committee in its regular session at approximately 3:15 p.m. and announced that no actions were taken during executive session. With motion properly made and unanimously seconded, the Regents who were present voted to deny the applications for review submitted by Mr. Isaac Eferighe of Fort Valley State University; Ms. Jacqueline Cooper of Georgia State University; Ms. Robin Stewart of Georgia Health Sciences University; and four student applications for review, numbered 2211, 2214, 2215, and 2224.

ADJOURNMENT

There being no further business to come before the committee, the meeting was adjourned at approximately 3:17 p.m. on Tuesday, January 8, 2013.

MINUTES OF THE MEETING OF THE COMMITTEE ON INTERNAL AUDIT, RISK, AND COMPLIANCE

The Committee on Internal Audit, Risk, and Compliance of the Board of Regents of the University System of Georgia met at approximately 12:25 p.m. on Tuesday, January 8, 2013, in room 7007 of the Board's offices, 270 Washington St. SW, Atlanta, Georgia. The chair of the committee, Regent Larry Walker, called the meeting to order. Present, in addition to Chair Walker, were Regents Kenneth R. Bernard, Jr.; George Hooks; Donald M. Leebern, Jr.; Doreen Stiles Poitevint; E. Scott Smith; Kessel D. Stelling, Jr.; and Richard L. Tucker. The Chair of the Board, Regent William H. NeSmith, also was present.

1. The committee chair and USG central office staff briefed new Committee on Internal Audit, Risk, and Compliance members on their charge and scope of responsibilities.
2. The Board approved the Internal Audit Charter, defining the purpose, authority, and responsibility of the internal audit function of the University System of Georgia.
3. The Board approved the Compliance and Ethics Charter, defining the purpose, authority, and responsibility of the University System of Georgia compliance and ethics function.
4. The Board approved the Committee on Internal Audit, Risk, and Compliance Charter, defining the purpose, authority, and responsibility of the University System of Georgia compliance and ethics function.

ADJOURNMENT

There being no further business to come before the committee, the meeting was adjourned at approximately 12:37 p.m. on Tuesday, January 8, 2013.

**MINUTES OF THE MEETING OF THE
COMMITTEE ON FINANCE AND BUSINESS OPERATIONS**

The Committee on Finance and Business Operations of the Board of Regents of the University System of Georgia met at approximately 12:39 p.m. on Tuesday, January 8, 2013, in room 7007 of the Board's offices, 270 Washington St. SW, Atlanta, Georgia. The chair of the committee, Regent Kenneth R. Bernard, Jr., called the meeting to order. Present, in addition to Chair Bernard, were Regents George Hooks; Donald M. Leebern, Jr.; Doreen Stiles Poitevint; E. Scott Smith; Kessel D. Stelling, Jr.; and Richard L. Tucker; and Larry Walker. Also present were Board Chair William H. NeSmith; and Chancellor Henry M. Huckaby.

1. The committee chair and USG central office staff briefed new Committee on Finance and Business Operations members on their charge and scope of responsibilities.

ADJOURNMENT

There being no further business to come before the committee, the meeting was adjourned at approximately 1:11 p.m. on Tuesday, January 8, 2013.

**MINUTES OF THE MEETING OF THE
COMMITTEE ON REAL ESTATE AND FACILITIES**

The Committee on Real Estate and Facilities of the Board of Regents of the University System of Georgia met at approximately 2:12 p.m. on Tuesday, January 8, 2013, in room 7007 of the Board’s offices, 270 Washington St. SW, Atlanta, Georgia. The chair of the committee, Regent Kessel D. Stelling, Jr., called the meeting to order. Present, in addition to Chair Stelling, were Regents Kenneth R. Bernard, Jr.; George Hooks; Donald M. Leebern, Jr.; Doreen Stiles Poitevint; E. Scott Smith; and Richard L. Tucker; and Larry Walker. Also present were Board Chair William H. NeSmith; Board Vice Chair Philip A. Wilheit, Sr.; and Chancellor Henry M. Huckaby.

1. The committee chair and USG central office staff briefed new Committee on Real Estate and Facilities members on their charge and scope of responsibilities.
2. The committee heard an integrated evaluation of campus facilities-related proposals, resulting in a rental at 394 Milledge Avenue, Athens, by the University of Georgia, for use by university external affairs support functions, mission critical for UGA's fund raising and management of Foundation resources.

The next step involves the appropriate level of detailed development including definition of scope, all due diligence, financing and requisite authorizations by the Board. This stage of detailed analysis will continue to involve Academic, Fiscal Affairs and Audit.

3. The Board ratified Chancellor Henry M. Huckaby’s administrative approval of conveyance of 4.87 acres of real property to the City of Warner Robins, from the Warner Robins campus of Macon State College.
4. The Board ratified Chancellor Henry M. Huckaby’s administrative authorization of a budget modification to Project No. J-184, Veterinary Medicine Learning Center, University of Georgia, to increase the total project budget from \$81,300,000 to \$97,720,000.
5. The committee heard an update on 2012 General Obligation Bond Issue by the State of Georgia through the Georgia State Financing and Investment Commission, for use in funding projects for the University System of Georgia.

The Revenue Division of the Georgia Department of Law prepared on behalf of the Board of Regents a resolution to cover the sale of 2012 G.O. Bonds. The following is a list of the project funding request and the actual bonds sold in December 2012.

<u>FY 2011 Capital Project Funding</u>		<u>Original Request</u>	<u>Actual Sale</u>
J-183	“Humanities - Law Building” Georgia State University	1,200,000	1,200,000
FY 2011 Subtotal:		\$1,200,000	\$1,200,000

FY 2013 Capital Project Funding
J-164 “Biology Building”

	Georgia Southern University	2,800,000	2,800,000
J-189	“Education Classroom Facility” Kennesaw State University	2,300,000	0
GPL-59	“Construct Milner Public Library” Lamar County, Milner, Georgia	780,000	780,000
	FY 2013 Subtotal:	\$5,880,000	\$3,580,000
	Total Bond Sale:	\$7,080,000	\$4,780,000

6. The Board authorized the purchase of approximately 6.13 acres of improved real property located at 80 Jackson Street, Newnan, from the City of Newnan for \$5,000,000, for the use and benefit of the University of West Georgia. Acquisition of this real property be subject to completion of an environmental assessment of the real property indicating no significant problems or if environmental problems are indicated that the problems be mitigated before the real property is acquired. Acquisition of this real property will be subject to a recordable survey indicating no easements or restrictions that would adversely affect the use of the property. Legal details involved with this purchase of real property will be handled by the Georgia Department of Law.
7. The Board authorized the execution of a rental agreement with TEP1, LLC, for approximately 33,997 square feet of laboratory and support space located at 387 Technology Circle, Atlanta, for the period April 1, 2013, through June 30, 2013, at a monthly rent of \$67,852 (\$814,228 per year annualized/\$23.95 per sf per year) with options to renew on a year-to-year basis for nine consecutive one-year periods and then one additional seven month option period, with rent increasing 1 percent per year, for the use of the Georgia Institute of Technology (“GIT”). The terms of this rental agreement are subject to review by, and legal approval of, the Georgia Department of Law.
8. The Board authorized Project No. BR-50-1302, science park phase II, at Georgia State University, with a total project budget of \$25,536,000, to be funded from GSU indirect cost recovery funds.
9. The Board authorized Project No. BR-30-1301, renovation of the John A. and Joyce K. Caddell Building, at the Georgia Institute of Technology, with a total project budget of \$2,500,000, to be funded from private donations.
10. The Board authorized Project No. BR-30-1302, kitchen renovations at West Campus Housing, Georgia Institute of Technology, with a total project budget of \$3,100,000, to be funded from GIT Auxiliary Services funds.
11. The Board authorized Project No. BR-66-1302, building #0448 renovation phase II, at Georgia Southern University, with a total project budget of \$1,300,000, to be funded from GSOU institutional funds.
12. The Board appointed the first-named construction management firm listed below for Project No. BR-10-1304 Business Learning Center – Phase I, University of Georgia, and authorized the execution of a contract with the identified firm. Should it not be possible to execute a contract with the top-ranked firm, staff will then attempt to execute a contract with the other listed firms in rank order.

Following public advertisement by the UGA Real Estate Foundation, Inc., a qualifications-based selection process was held in accordance with Board of Regents procedures. The following recommendation was made:

The project will be funded from private donations.

Total Project Cost:	\$35,000,000
Construction Cost (Stated Cost Limitation):	\$22,450,000

Number of firms that applied for this commission: 16

Recommended firms in rank order:

1. Hardin Construction Company, LLC, Atlanta
2. Ajax Building Corporation of Georgia, Atlanta
3. KBR Building Group, Atlanta

13. The Board authorized modification of the budget for Project No. BR-64-1201, rehabilitation of Bishop Hall – Phase I, at Fort Valley State University, to increase the total project budget from \$1,413,570 to \$1,970,615.
14. The Board approved accepting title to approximately 1.0 acre of real property from the State of Georgia located at 609 White House Parkway, Warm Springs; and authorized an amendment to the intergovernmental agreement between the Board and Georgia Public Telecommunications Commission for the use, maintenance, and operation of the above referenced real property, previously approved by the Board in August 2012. Transfer of title and the terms and conditions of this agreement are subject to review and legal approval of the Georgia Department of Law.
15. The Board approved demolition and removal of bathhouses buildings #1972 and #1973 on the University of Georgia Health Science Campus, declaring them to be no longer advantageously useful to UGA or other units of the University System of Georgia. The Board further requested the Governor to issue an Executive Order authorizing the demolition and removal of these buildings. Demolition and removal of these buildings will be subject to adequate mitigation of all adverse environmental impacts.
16. The Board approved the naming of the courtyard within the Ken Byers Tennis Complex, at the Georgia Institute of Technology as the “Ecker Family Courtyard,” in recognition of Sandra T. and H. Allen Ecker.

ADJOURNMENT

There being no further business to come before the committee, the meeting was adjourned at approximately 12:26 p.m. on Tuesday, January 8, 2013.