

**MINUTES OF THE MEETING OF THE  
BOARD OF REGENTS OF THE UNIVERSITY SYSTEM OF GEORGIA  
HELD AT  
270 Washington St., S.W.  
Atlanta, Georgia  
February 9 and 10, 1999**

**CALL TO ORDER**

The Board of Regents of the University System of Georgia met on Tuesday, February 9 and Wednesday, February 10, 1999 in the Board Room, room 7007, 270 Washington St., S.W., seventh floor. The Chair of the Board, Regent Edgar L. Jenkins, called the meeting to order at 1:00 p.m. on Tuesday, February 9. Present on Tuesday,

## **RECOGNITION**

Chair Jenkins called on Chancellor Portch to recognize one of the Central Office staff members.

The Chancellor stated that periodically he likes to introduce to the Regents some of the people who contribute behind the scenes to the work of the Board. At this meeting, he introduced Ms. Bertha L. Harris, who has worked in the Central Office for 25 years and is Senior Administrative Secretary in the Office of Senior Vice Chancellor for Human and External Resources Arthur N. Dunning. He asked Ms. Harris to stand and be recognized while he told the Regents a little about her. In her tenure with the Board, Ms. Harris has worked for a number of senior leaders in the Central Office. When she began in 1975, she worked for Dr. Howard Jordan, who was Vice Chancellor for Services. She has worked under Dr. Dunning when he was Vice Chancellor for Services and then when he became Executive Vice Chancellor, succeeding Dr. David Spence. She also worked for Dr. Spence from 1993 to 1994 while he was Executive Vice Chancellor to the Board of Regents. Chancellor Portch remarked that Ms. Harris is deeply loyal and committed to the work of the Board of Regents. He noted that she lives in Greenville, Georgia, which is a long commute to Atlanta. One of the reasons she chose to live so far from Atlanta was the quality of schools for her children, because education is a high priority in her family. Her daughter, Julia, is a junior at Mount Holyoke



Gerber. There is also an inner-library lending program, which not only promotes collaboration, but also saves money. Students are able to borrow materials from other member institutions either by having them delivered within 24 hours or by getting a library card that gives them access to the other libraries. By having its own van service as opposed to using conventional insured delivery companies or mail, ARCHE saves about \$100,000 in the operating budgets of the member institutions. The consortium also has a new faculty grants program to help promote innovative collaboration between institutions that are multi-disciplinary. ARCHE also has programs which promote collaboration on the business side of the operation. Through a cooperative purchasing program, it provides approximately 20 different areas of commodities, such as discounted overnight delivery services. In 1998, this program saved the member institutions approximately \$1.2 million off the standard rates they would otherwise pay for overnight delivery services through this program. Now, even the Board of Regents Central Office is able to realize

**COMMITTEE ON EDUCATION, RESEARCH, AND EXTENSION, COMMITTEE OF THE WHOLE**

Chair Jenkins next convened the meeting of the Committee on Education, Research, and Extension as a Committee of the Whole and turned the chairmanship of the meeting over to Regent Rhodes. Motion made, seconded, and unanimously approved, Chair Rhodes began the meeting.

Chair Rhodes explained that this presentation was originally intended for the Committee on Education, Research, and Extension, but there was so much Regent interest, that it was decided

not exist in today's high-tech college environment; now, there is a career services and cooperative education center in its place. He then introduced the masterminds behind GeorgiaHire. Ms. Diane Fennig is from Augusta State University ("AUSU"), Mr. Bruce Brewer is from the State University of West Georgia ("SUWG"), and Ms. Lesa Kerlin is from Columbus State University ("CSU"). Mr. Brewer would be operating the computer presentation while Ms. Fennig and Ms. Kerlin spoke to the Regents.

Ms. Kerlin greeted the Board. She asserted that an employed graduate is a happy graduate and a happy graduate is a giving graduate. She further asserted that a graduate who is not employed is not a happy graduate.

Ms. Kerlin added that the resumes are E-mail resumes, rather than resumes formatted to be mailed to employers. She further stated that this is an excellent way to

**COMMITTEE ON REAL ESTATE AND FACILITIES, "COMMITTEE OF THE WHOLE"**

Chair Jenkins next convened the meeting of the Committee on



property. He then asked whether UGA would need any of the parcels of land that are declared surplus.

President Adams responded that he does support the college's plan and that the dean knows that he supports it. He said that there are some parcels of land that could be considered surplus and sold that are on the periphery of the property. However, there are other parcels of land that President Adams said he would not want to sell because they are in the direct line of growth in which the university would need to expand if it grows beyond 32,500 students. He said that it is sensible in the changing environment to leave a small amount of agricultural land for teaching purposes adjacent to the Athens campus but to

## **CALL TO ORDER**

The Board of Regents of the University System of Georgia met again on Wednesday, February 10, 1999 in the Board Room, room 7007, 270 Washington St., S.W., seventh floor. The Chair of the Board, Regent Edgar L. Jenkins, called the meeting to order at approximately 9:00 a.m. Present on Wednesday, in addition to Chair Jenkins, were Vice Chair Kenneth W. Cannestra and Regents Thomas F. Allgood, Sr., David H. (Hal)

## **AUDIT COMMITTEE**

The Audit Committee met on Tuesday, February 9, 1999 at approximately 10:25 a.m. in room 7005. Committee members in attendance were Chair George M. D. (John) Hunt III, Vice Chair Hilton H. Howell, Jr., and Regents J. Tom Coleman, Jr. and Warren Y. Jobe. Chair Hunt reported to the full Board on Wednesday that the Committee had reviewed five items, one of which required action. With motion properly made, seconded, and unanimously adopted, the Board approved and authorized the following:

### **1. Procedure on Audit Responses**

Assistant Vice Chancellor for Internal Audit Ron Stark began this discussion, which was a follow-up to the discussion on audit follow-up processes at the January 1999 meeting. Mr. Stark presented a proposed change to page 2 bullet 2 of the Internal Audit Charter regarding the duties of the Assistant Vice Chancellor for Internal Audit, which the Committee voted unanimously to adopt. The change is as follows:

- Reviewing audit results from all internal campus and State audits and monitoring the implementation of recommendations System-wide. Chief Business Officers will report the status of all audit recommendations implementation to the Assistant Vice Chancellor quarterly. Implementation status of all audit recommendations will be reported quarterly to the Audit Committee.

### **2. Information Item: Status of Fiscal Year 1999 Audit Plan**

Mr. Stark reported that the fiscal year 1999 audit plan was 50% complete, which means that it is on schedule.

### **3. Information Item: Summary of Year-to-Date State Department of Audits Findings**

Mr. Stark reported that of the two audit reports issued since the January Board meeting, one institution was rated Code 1, and one was rated Code 3. Code 1 indicates that t

## **OVERSIGHT COMMITTEE**

The Oversight Committee met on Tuesday, February 9, 1999 at approximately 11:25 a.m. in room 7005. Committee members in attendance were Chair Charles H. Jones and Regents Kenneth W. Cannestra, George M. D. (John) Hunt III, and Edgar L. Rhodes. Chair Jones reported to the full Board on Wednesday that the Committee had reviewed one item, which did not require action. That item was as follows:

### **1. Preliminary Report on In-State and Out-of-State Students in Selected Graduate Programs at the University of Georgia and the Medical College of Georgia**

Senior Vice Chancellor for Academic Affairs James L. Muyskens introduced this topic to the Committee, explaining that the issues are complex and stressing that the report is only preliminary. Associate Vice Chancellor for Planning and Policy Analysis Cathie Mayes Hudson presented the report on the master of business administration ("M.B.A.") and veterinary medicine ("D.V.M.") programs at the University of Georgia ("UGA") and the medicine program at the Medical College of Georgia. The report included extensive data on these three programs concerning admissions, enrollees, tuition, and placements

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

The Committee on Education, Research, and Extension met on Tuesday, February 9, 1999 at approximately 2:20 p.m. in room 7014, the Education Committee Room. Committee members in attendance were Chair Edgar L. Rhodes, Vice Chair George M. D. (John) Hunt III, and Regents Thomas F. Allgood, Sr., S. William Clark, Jr., and Elridge W. McMillan. Chair Rhodes reported to





<b>Fort Valley State University</b>			
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<b>Floyd College</b>			



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

### **4. Information Item: Report on the Review Process for Campus Requests to Revise Statutes**

Institutional statutes are intended to serve as a general guide for the faculty of each University System institution. Institutional statutes contain provisions regarding the conduct of college and/or university business in general and of the college and/or university Council in pa

Academic Council (Previous)

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with Marcia Rock of



(C) UNIVERSITY OF GEORGIA

DAVIS, EDWARD J.: PROFESSOR EMERITUS, SCH OF TEACHER EDUC - DEPT OF MATHEMATICS



PERIOD BEGINNING NOV 1, 1998 AND ENDING DEC 31, 1999, AT LESS THAN HALF TIME.

STURGEON, JOSEPH S.: SR SYSTEMS SUPPORT SPEC, VICE PRESIDENT FOR ACADEMIC AFFAIRS, AS NEEDED FOR PERIOD BEGINNING MAR 1, 1999 AND ENDING DEC 31, 1999, AT LESS THAN HALF TIME.

(C) MEDICAL COLLEGE OF GEORGIA

BRANDSMA, JEFFREY M.: PROFESSOR EMERITUS, DEPARTMENT OF PSYCHIATRY & HEALTH BEHAVIOR, SCHOOL OF MEDICINE, AS NEEDED FOR PERIOD BEGINNING FEB 11, 1999 AND ENDING DEC 31, 1999, AT LESS THAN HALF TIME.

SMITH, HAROLD G.: ASSOC PROFESSOR EMERITUS, DEPARTMENT OF PHYSICAL THERAPY, SCHOOL OF ALLIED HEALTH SCIENCES, AS NEEDED FOR PERIOD BEGINNING JAN 18, 1999 AND ENDING JUL 16, 1999, AT LESS THAN HALF TIME.

ENDING MAY 15, 1999, AT LESS THAN HALF TIME.

(F) NORTH GEORGIA COLLEGE & STATE UNIVERSITY

DENNIS, LAWRENCE H: PROFESSOR EMERITUS, DEPARTMENT OF BUSINESS ADMINISTRATION, AS NEEDED FOR PERIOD BEGINNING JAN 1, 1999 AND ENDING MAY 31, 1999, AT LESS THAN HALF TIME.

HAMMOND, LYMAN L.: ASST PROFESSOR EMERITUS, DEPARTMENT OF FINE ARTS, AS NEEDED FOR PERIOD BEGINNING JAN 1, 1999 AND ENDING MAY 31, 1999, AT LESS THAN HALF TIME.

OWENS, ROBERT L.: PROFESSOR EMERITUS, DEPARTMENT OF TEACHER EDUCATION, AS NEEDED FOR PERIOD BEGINNING JAN 1, 1999 AND ENDING MAY 31, 1999, AT LESS THAN HALF TIME.

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

### **10. Administrative and Academic Appoin**



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

**10. Administrative and Academic Appointments and Personnel Actions, Various Systd**

## **COMMITTEE ON ORGANIZATION AND LAW**

The Committee on Organization and Law met on Tuesday, February 9, 1999 at approximately 3:20 p.m. in room 7019, the Chancellor's Conference Room. Committee members in attendance were Vice Chair Thomas F. Allgood, Sr. and Regents S. William Clark, Jr., George M. D. (John) Hunt III, Elridge W. McMillan, and Edgar L. Rhodes. Vice Chair Allgood reported to the Board on Wednesday that the Committee had 11 applications for review, six of which were denied, four of which were continued, and one of which

Approved: The first sentence of Section 201(A) of the Policy Manual was amended by striking the word “March” and substituting the word “April,” as follows:

## **COMMITTEE ON FINANCE AND BUSINESS OPERATIONS**

The Committee on Finance and Business Operations met on Tuesday, February 9, 1999 at approximately 2:20 p.m. in the Board Room. Committee members in attendance were Chair Glenn S. White, Vice Chair Hilton H. Howell, Jr., and Regents David H. (Hal) Averitt, Kenneth W. Canestra, J. Tom Coleman, Jr., Charles H. Jones, and Donald M. Leebern, Jr. Chair White reported to the Board on Wednesday that the Committee had reviewed three items, none of which required action. Those items were as follows:

### **1. Information Item: Report on Pooled Investment Funds by Trusco Capital Management**

The

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

The Committee on Real Estate and Facilities met on Tuesday, February 9, 1999 at approximately 3:20 p.m. in the Board Room. Committee members in attendance were Chair J. Tom Coleman, Jr., Vice Chair David H. (Hal) Averitt, and Regents Kenneth W. Cannestra, Hilton H. Howell, Jr., Charles H. Jones, Donald M. Leebern, Jr.,

**COMMITTEE ON REAL ESTATE AND FACILITIES**

**3. Information Item: Campus Student Housing, Savannah State University**



**CHANCELLOR'S REPORT TO THE BOARD**

After the Committee meeting reports,



not to get involved — recognizing that to do so would dilute their focus on something that's working. I hope other campuses will recognize the importance of focus and niche, especially as it relates to Yamacraw, where accountability requirements for the production of highly-specialized graduates will be intense.

GALILEO (Georgia Library Learning Online) con



**UPDATE FROM PRESIDENT, STUDENT ADVISORY COUNCIL**

After his report to the Board, Chancellor Portch introduced Mr. Brian Winston,

average requirements for officers of SAC. Mr. Winston noted that many student governments across the State already have such requirements. Mr. Winston reiterated that this constitution has been submitted to the SAC Committee on Internal Affairs for review and that he hoped to bring i

that is not necessarily enough. He added that in the engineering fields and other highly technical areas, book costs are very high. Many publishers are considering creating electronic textbooks, but the business model is still a problem. So, the Chancellor did not feel that would present a big savings.

Chair Jenkins stated that this was another matter that the Oversight Committee should examine.

Regent Leebern referred back to Regent McMillan's comments and asked whether professors have to have prior approval of their textbook selections.

Regent McMillan responded that professors can select any textbooks they want.

Regent Leebern asked whether professors have to report the income they earn from the sale of textbooks.

The Chancellor remarked that Regent McMillan was referring to courseware packages created by professors for

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

Chair Jenkins next convened the meeting of the Strategic Planning Committee as a Committee of the Whole and turned the chairmanship of the meeting over to Regent Leebern.

Chair Leebern explained that this meeting was the fifth session of the year-long technology initiative. He then introduced Senior Vice Chancellor for Academic Affairs James L. Muyskens.

Dr. Muyskens thanked Chair Leebern and stated that this meeting represented a

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

In March 1999, the staff will bring to the Board a first reading of principles created from the technology initiative, which is something

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

to invest in buildings and wanted to look at a different



Dr. Matthews next addressed how these changes are affecting higher education finance. Traditional higher education finance is based on unit costs, and those units are generally full-time equivalent students or other headcounts. Technology-mediated higher education changes the cost basis. Dr. Matthews presented to the Board a graph from a book by Sir Daniel depicting the

created the institution was to make it possible for a student anywhere in the Western United States to go to WGU, demonstrate what he knows through some sort of assessment and get credit for it, and apply that knowledge toward some sort of degree or program to learn the additional things he needs to know to do whatever it is he wants to do. This is a very different way of thinking about higher education, and one of the first things WGU will put online is a competency-based, assessment-based, two-year associate of arts degree. The final way in which technology impacts higher education is that the str

because he recognized that this could be an economic disaster. However, the cost basis necessitates that if an institution is spending \$6 million to develop a program, it must deliver that program to the largest possible base to recover the investment. Policies that make it impossible to deliver programs across state lines become problematic in allowing this to happen. It is increasingly in a state's economic self-interest to encourage institutions to collaborate with institutions regardless of their locations. This kind of collaboration increasingly makes sense for similar institutions with similar missions and programs as opposed to the kind of vertical collaboration that states have had to emphasize around such things as articulation between two-year and four-year institutions. The kind of collaboration Dr. Matthews was suggesting is the kind where institutions of the same kind from different states collaborate together, and certain policies that make this difficult.

There are areas other than instruction where technology has tremendous potential both to improve quality of services to students and to potentially lower costs, stated Dr. Matthews. One such area is student services. High-speed, high-bandwidth telecommunications permit more pooling of administrative functions, and many states are moving in this direction. Rather than duplicating administrative functions across institutions, there may be ways those institutions can work together to share those resources. Additionally, information resources, such as libraries and databases, are already being shared to benefit the entire System.

Finally, states and public colleges and universities need a new governance relationship, explained Dr. Matthews. State policies have traditionally relied upon eliminating duplication at all cost by defining institutional missions and specializing functions as much as possible. He remarked that this has been good policy for many decades. However, in this new environment, expertise can be shared across a set of institutions and learners everywhere can use technology to access programs. So, institutions should be encouraged to direct the resources of the entire System into their communities. He stated that competition in this environment will likely lead to deregulation. This includes the obvious regulations, such as personnel and purchasing, as well as less obvious forms of regulation, such as accreditation, which will have to be reviewed and updated to reflect these changes. Dr. Matthews stressed that states must be able to make strategic investments across their higher education systems. It is not enough to determine what needs to happen, divide the money and give it out to the institutions, and expect a systemwide result. That simply will not work, he asserted, and there are many examples across the country to prove it. Instead, there are certain

In closing, Dr. Matthews presented the Board with the following quote from Sir Daniel in the July/August 1997 issue of *Change*: "... the U.S. system is peculiarly wedded to the technologies of real-time teaching and to the outmoded idea that quality in education is necessarily linked to exclusivity of access and extravagance of resource." He explained that information technology is transforming higher education both on and off campus by eliminating the requirement for synchronicity in the delivery of course content. The System can use its resources to create a system where institutions can use technology to package programs in very different ways than they have traditionally and restructure how they respond to enormous challenges, such as a changing world economy, rapid population growth, underserved populations, etc. To do that, the System must move away from thinking about higher education as necessarily being organized the way it has traditionally been organized.

Chair Leebern thanked Dr. Matthews and recognized Regent Jones, who had a question.

Regent Jones commended Dr. Matthews' presentation. He noted that in the 1960s and 1970s, when a person went to the doctor for a physical, he would spend a night or two in the hospital. This was customary and what people expected. Now, 600-bed hospitals only need 450 beds. Using this analogy, Regent Jones asked what Dr. Matthews sees down the road with regard to the need for buildings.

Dr.



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

Dr. Matthews responded that he had not seen any development of the kind of outcomes measure to the extent it will need to be developed. There are certain areas that have completely moved to an outcomes-based

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

Regent Cannestra remarked that we need to be careful not to mix up different problems. He suggested that part-time faculty is probably driven by the cost and the fact that there is a low unemployment rate as well as a desire to bring people with real world experience to the institutions. So, he asserted that this is a separate problem. He also asserted that there is a need to examine and differentiate the market. He stated that employers would be hard-pressed to take a high school graduate who needs fundamental training to enter the workplace, so there will always be a need for the traditional higher education institutions. The way students are taught might be different, but they will have to be on campus, exposed to being independent from the family. He asserted that there is a growing market of people who need to upgrade their skills, etc., who do not want to go to a campus if they can help it, and that is the marketplace that distance learning will have to serve. He felt that mixing all of these elements together would prevent the Board from zeroing in on the real issues.

Dr. Matthews agreed with Regent Cannestra’s comments and noted that sorting through questions to define the ones on which there can actually strategically be an impact is central to the effectiveness of organizations like his and the Board. Referring back to the issue of part-time faculty, he remarked that if you look at the Open University of Great Britain, Phoenix, and some of these other new models, their lower cost structures are based on the use of part-time adjunct faculty. Technology is not the real difference in cost; it is part-time faculty. Phoenix, for example, teaches in a traditional way. It has classrooms, buildings, etc. However,

including Oklahoma and Washington, and the University System can learn from those examples. The business models are struggling with an inadequate understanding of cost, which is a particular problem.

The Chancellor interjected,



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

Dr. Matthews said that this is an excellent point. Some states are beginning to see some real benefits to opening the discussion on the service areas, a traditional tool used by states to keep a handle on what institutions are doing. Mostly, those have been defined as geographical service areas, but now, a number of states have moved away from geographical service areas toward program-based or

not happen from being passive, but rather from working with other students on projects and from lively discussions that can be face to face or by E-mail and from this interaction guided and mentored by a skilled faculty member. That is what students want, and that is what they will be willing to pay for, he asserted. It is a

**UNFINISHED BUSINESS**

There was no unfinished business at this meeting.

**NEW BUSINESS**

Chair Jenkins called upon Vice Chancellor for Human and External Resources Arthur N. Dunning to present to the Board three nominations for honorary degrees.

Dr. Dunning thanked Chair Jenkins and explained that the first nomination was for Mr. John Pope by Georgia Southwestern State University ("GSSU"). ! "#\$%&' (\$)\*\$+\$,&-. /)O (\$"(\*)1 (-/\$&2\$3O (")45\*6 7 (&". )+#\$\$8 (\$9+\*\$\* (": (1\$&-\$/9(\$7 (&". )+\$; (' +"/O (-/\$&2\$<-15\*/"=6\$>" +1 (6\$+-1\$>&5")\*O\$?&+"16 /9(\$7 (&". )+ \$ @&".1 \$ A&-. "(\*\* \$ A

adopted, the Board approved the honorary degrees.

## **PETITIONS AND COMMUNICATIONS**

Secretary Gail S. Weber announced that the next Board meeting would take place on Tuesday, March 9 and Wednesday, March 10, 1999 in the Board Room in Atlanta, Georgia.

At approximately 11:30 a.m., the Board took a brief recess.

## **EXECUTIVE SESSION**

At approximately 11:40 a.m., Chair Jenkins called for an Executive Session for the purpose of discussing legal matters. With motion made, variously seconded, and unanimously adopted, the Board closed its regular session. The Regents who voted to go into Executive Session were all Regents present for the Executive Session, as follows: Chair Jenkins, Vice Chair Kenneth W. Cannestra, and Regents David H. (Hal) Averitt, S. William