

**MINUTES OF THE MEETING OF THE
BOARD OF REGENTS OF THE UNIVERSITY SYSTEM OF GEORGIA
HELD AT
Georgia College & State University, Milledgeville, Georgia
October 8-9, 2013**

CALL TO ORDER

The Board of Regents of the University System of Georgia met at approximately 10:04 a.m. on Tuesday October 8, and 9:04 a.m. Wednesday, October 9, 2013, in the Magnolia Ballroom of the Georgia College & State University Student Activities Center, Milledgeville, Georgia. The Chair of the Board, Regent William H. NeSmith, Jr., called the meeting to order both days. 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; Larry Walker; and Don L. Waters. Regents Kenneth R. Bernard, Jr.; Rutledge A. Griffin, Jr.; Donald M. Leebern, Jr.; and Richard L. Tucker were excused Wednesday, October 9, 2013. Regents Larry R. Ellis; Neil L. Pruitt, Jr.; and Benjamin J. Tarbutton, III, were excused both days.

INVOCATION AND PLEDGE

The invocation and Pledge of Allegiance were given by Regent C. Dean Alford.

SAFETY BRIEFING

The safety briefing was given by Georgia College & State University Chief Scott Beckner.

ATTENDANCE REPORT

The attendance report was given by Secretary Burns Newsome.

APPROVAL OF MINUTES

The minutes of the Board of Regents meeting conducted on September 11, 2013, were unanimously approved.

ECONOMIC DEVELOPMENT UPDATE

At approximately 10:09 a.m. on Tuesday, October 8, 2013, Regent C. Dean Alford introduced Vice Chancellor for Economic Development Mark Lytle, to provide an update on the USG's efforts in that area. Dr. Lytle spoke of fostering a culture of innovation and entrepreneurship, citing these as drivers for economic development. He explained that a system-wide inventory of assets is being compiled, and provided metrics regarding business startups being created through USG institutions. More than 150 new companies were formed in 2012 through association with USG institutions, he said. Finally, Dr. Lytle stated a plan is being developed to market externally and internally these assets and philosophies. Board Chair NeSmith added that economic development is one of the Board's top three focuses. A recording of Dr. Lytle's complete remarks is on file with, and available for inspection in, the Office of the Secretary to the Board.

HOUSING PRESENTATION

At approximately 10:41 a.m. on Tuesday, October 8, 2013, Board Chair William H. NeSmith, Jr., introduced Executive Vice Chancellor for Administration Steve Wrigley. Dr. Wrigley provided some background in work performed by USG personnel, led by Associate Vice Chancellor for Fiscal Affairs Susan Ridley, in the area of privatized student housing. Ms. Ridley explained that USG personnel put extensive exploration and analytical work into this process, providing examples of the process and results of the University of Kentucky, which aggressively privatized its housing. Ms. Ridley continued that the USG will issue a RFQ in the coming weeks,

followed by an RFP seeking an investor/developer to work with the USG in this area. She stated this privatized housing will be limited to USG tenants only, unless otherwise approved. A recording of Ms. Ridley's public remarks, and a copy of her presentation, are on file with, and available for inspection in, the Office of the Secretary to the Board.

EXECUTIVE SESSION

At approximately 10:26 a.m. Tuesday, October 8, 2013, Chair NeSmith called for an executive session for the purpose of discussing potential real estate transactions. 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.

Chair NeSmith reconvened the Board in its regular session at approximately 11:42 a.m. and announced that no actions were taken during executive session.

INSTITUTIONAL PRESENTATION: GEORGIA COLLEGE & STATE UNIVERSITY

At approximately 9:05 a.m. on Wednesday, October 9, Board Chair William H. NeSmith, Jr., introduced Georgia College & State University President Steven M. Dorman, who spoke of the institution's history and character. President Dorman invited several alumni to speak of their experiences with, and connections to, the institution. President Dorman concluded with a video presentation regarding Georgia College & State University's programs, successes, and achievements. A recording of President Dorman's remarks, and a copy of his presentation, are on file with, and available for inspection in, the Office of the Secretary to the Board.

COMMITTEE OF THE WHOLE: ORGANIZATION & LAW

The Committee on Organization and Law, meeting as the Committee of the Whole, met at approximately 9:39 a.m. on Wednesday, October 9, 2013. Committee Chair Rutledge A. Griffin introduced Vice Chancellor for Legal Affairs Burns Newsome. Mr. Newsome presented to the Board a roster of policies, determined through a process of systematic review of the Board of Regents Policy Manual to be outdated, unduly burdensome, or serve to hinder, rather than promote, institutional missions. These were also presented for the Board's review during its September 11, 2013, meeting. The Board approved 15 policies, attached hereto as Appendix II. Lacking time for discussion, five draft policy revisions were continued until the Board's November 12-13, 2013, meeting. A recording of Mr. Newsome's remarks is on file with, and available for inspection in, the Office of the Secretary to the Board.

PRESENTATION: EIGHT-YEAR PLAN UPDATE, GEORGIA REGENTS UNIVERSITY

Citing a lack of time, the Board moved to defer until its November 12-13, 2013, meeting Georgia Regents University President Ricardo Azziz's presentation on the institution's updated eight-year plan.

CHANCELLOR'S REPORT

Chancellor Henry M. Huckaby gave his report at approximately 10:41 a.m. on Wednesday, October 9, 2013. The Chancellor began by thanking Georgia College & State University President Steven M. Dorman for hosting the Board of Regents' meeting, and citing several accolades for institutions and their personnel. Chancellor Huckaby stated he would defer most of his report to the Board's November 12-13, 2013, meeting, citing time constraints; however, he mentioned that a conference is being convened with the Technical College System of Georgia, focusing on technology and logistics; and the USG's newly-hired coordinator for military affairs will debut at the Board's November 12-13, 2013, meeting in Atlanta.

NOMINATIONS COMMITTEE

At approximately 10:50 a.m. on Wednesday, October 9, 2013, Committee Chair Larry Walker reported that the Nominating Committee was placing in nomination the name of Regent Philip A. Wilheit, Sr., as Chair, and Regent Neil L. Pruitt, Jr., as Vice-Chair for the 2013-2014 fiscal year.

COMMITTEE REPORTS

The reports of the standing committees are attached hereto.

UNFINISHED BUSINESS

There was none.

NEW BUSINESS

There was none

PETITIONS AND COMMUNICATIONS

There were none.

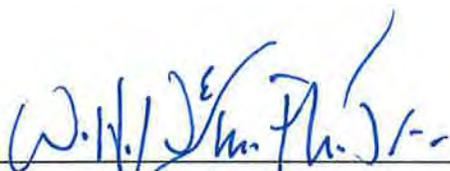
EXECUTIVE SESSION

At approximately 10:54 a.m. Wednesday, October 9, 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.

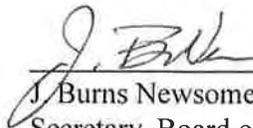
Chair NeSmith reconvened the Board in its regular session at approximately 11:23 a.m. and announced that no actions were taken during executive session.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at approximately 11:25 a.m. on Wednesday, October 9, 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, October 8, 2013, in Maple Room A of the Georgia College & State University Student Activities Center, Milledgeville, Georgia. The chair of the committee, Regent William H. NeSmith, called the meeting to order at approximately 9:30 a.m. Present, in addition to Chair NeSmith, were Vice Chair Philip A. Wilheit, Sr.; and Regents Kenneth R. Bernard, Jr.; Kessel D. Stelling, Jr.; Benjamin J. Tarbutton, III; and Larry Walker. Regent Larry R. Ellis was excused.

EXECUTIVE SESSION

At approximately 9:32 a.m., Chair William H. NeSmith called for an executive session for the purpose of discussing personnel and legal matters. 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 9:55 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 9:57 a.m. on Tuesday, October 8, 2013.

MINUTES OF THE MEETING OF THE COMMITTEE ON ECONOMIC DEVELOPMENT

The Committee on Economic Development of the Board of Regents of the University System of Georgia met on Tuesday, October 8, 2013, in Maple Room B of the Georgia College & State University Student Activities Center, Milledgeville, Georgia. The vice chair of the committee, Regent C. Dean Alford, called the meeting to order at approximately 9:30 a.m. Present, in addition to Regent Alford, were Regents Lori Durden, C. Thomas Hopkins, Jr.; and T. Rogers Wade. Regent Larry R. Ellis was excused.

1. The committee heard an information item on development of a system-wide inventory of economic development assets.
2. The committee discussed utilizing business startups from University System of Georgia institutions as a metric.
3. The committee discussed creating an innovative and entrepreneurial culture across the state, utilizing the University System of Georgia.

ADJOURNMENT

There being no further business to come before the committee, the meeting was adjourned at approximately 9:55 a.m. on Tuesday, October 8, 2013.

MINUTES OF THE MEETING OF THE COMMITTEE ON ACADEMIC AFFAIRS

The Committee on Academic Affairs met on Tuesday, October 8, 2013, at approximately 12:45 p.m. in the Donahoo Lounge of the Georgia College & State University Maxwell Student Union, Milledgeville, Georgia. Committee Chair C. Dean Alford called the meeting to order. Committee members in attendance, in addition to Chair Alford, were Regents Lori S. Durden; Rutledge A. Griffin, Jr.; C. Thomas Hopkins; and T. Rogers Wade. Regents Larry R. Ellis; Neil L. Pruitt; and Benjamin J. Tarbutton, III were excused. The Vice Chair of the Board, Regent Philip A. Wilheit, Sr., also was in attendance.

1. The Board approved establishment of a Bachelor of Science in Nursing at the University of North Georgia.
2. The Board approved establishment of a Master of Science with a major in First-Year Studies (online) at Kennesaw State University.
3. The Board approved requests for substantive changes to two University of West Georgia programs: the Master of Education with a major in Reading Instruction; and the Master of Education with a major in Secondary Education.
4. The Board approved termination of two University of West Georgia programs: the Bachelor of Science in Education with a major in Business Teacher Education (Vocational); and the Specialist in Education with a major in Business Teacher Education (Vocational).
5. 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 1:10 p.m. on Tuesday, October 8, 2013.

MINUTES OF THE MEETING OF THE COMMITTEE ON ORGANIZATION AND LAW

The Committee on Organization and Law met on Tuesday, October 8, 2013, at approximately 1:12 p.m. in the Donahoo Lounge of the Georgia College & State University Maxwell Student Union, Milledgeville, Georgia. Committee Chair Rutledge A. Griffin, Jr. called the meeting to order. Committee members in attendance, in addition to Chair Griffin, were Regents C. Dean Alford; Lori S. Durden; C. Thomas Hopkins; and T. Rogers Wade. Regents Larry R. Ellis; Neil L. Pruitt; and Benjamin J. Tarbutton, III were excused. The Vice Chair of the Board, Regent Philip A. Wilheit, Sr., also was in attendance.

1. The Board approved requests by President Ivelaw Griffith of Fort Valley State University and G.P. "Bud" Peterson of the Georgia Institute of Technology to award honorary degrees to Dr. Kenny Davis Anthony and Mr. Rodney C. Adkins, respectively.

EXECUTIVE SESSION

At approximately 1:17 p.m. on Tuesday, October 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 2:07 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. William Bell of Savannah State University; Mr. Steven Davenport of Savannah State University; Mr. Greg Lester of Savannah State University; and one student application for review, numbered 2265; and continued one student application for review, numbered 2261.

ADJOURNMENT

There being no further business to come before the committee, the meeting was adjourned at approximately 2:09 p.m. on Tuesday, October 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 1:02 p.m. on Tuesday, October 8, 2013, in the Magnolia Ballroom of Georgia College & State University Student Activities Center, Milledgeville, Georgia. The chair of the committee, Regent Kenneth R. Bernard, called the meeting to order. Present, in addition to Regent Bernard, were Regents Richard L. Tucker; George Hooks; Donald M. Leebern, Jr.; Doreen Stiles Poitevint; E. Scott Smith; Kessel D. Stelling, Jr.; Larry Walker; and Don L. Waters. The Chair of the Board, Regent William H. NeSmith, Jr., also was present.

1. The Board approved an amendment to the fiscal year 2015 Capital Budget Request to include \$1.7 million in design funds to support the Price-Gilbert – Crosland Tower Renewal project at the Georgia Institute of Technology (GIT), bringing the amended FY 2015 capital request to \$236.925 million.
2. The committee heard an information item on the draft Fiscal Year 2013 Budget to Actuals for the University System of Georgia.

ADJOURNMENT

There being no further business to come before the committee, the meeting was adjourned at approximately 1:15 p.m. on Tuesday, October 8, 2013.

**MINUTES OF THE MEETING OF THE
COMMITTEE ON INTERNAL AUDIT, RISK & COMPLIANCE**

The Committee on Internal Audit, Risk and Compliance of the Board of Regents of the University System of Georgia met at approximately 1:17 p.m. on Tuesday, October 8, 2013, in the Magnolia Ballroom of Georgia College & State University Student Activities Center, Milledgeville, Georgia. The chair of the committee, Regent Larry Walker, called the meeting to order. Present, in addition to Regent Walker, were Regents Kenneth R. Bernard; George Hooks; Donald M. Leebern, Jr.; Doreen Stiles Poitevint; E. Scott Smith; Kessel D. Stelling, Jr.; Richard L. Tucker; and Don L. Waters. The Chair of the Board, Regent William H. NeSmith, Jr., also was present.

1. The committee heard a presentation on University System of Georgia audit results and internal audit trends.

ADJOURNMENT

There being no further business to come before the committee, the meeting was adjourned at approximately 1:40 p.m. on Tuesday, October 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 1:40 p.m. on Tuesday, October 8, 2013, in the Magnolia Ballroom of Georgia College & State University Student Activities Center, Milledgeville, Georgia. The chair of the committee, Regent Larry Walker, called the meeting to order. Present, in addition to Regent Walker, were Regents Kenneth R. Bernard; George Hooks; Donald M. Leebern, Jr.; Doreen Stiles Poitevint; E. Scott Smith; Kessel D. Stelling, Jr.; Richard L. Tucker; and Don L. Waters. The Chair of the Board, Regent William H. NeSmith, Jr., also was present.

1. The committee heard an integrated evaluation of a proposal for the Georgia Institute of Technology renting 30,193 square feet on the 9th floor of the Centergy Building.
2. The committee heard an information item on emergency preparedness and planning activities for Fiscal Year 2013.
3. The Board approved a resolution, attached hereto as Appendix I, prepared by the Revenue Division of the Georgia Department of Law covering the issuance of 2014H General Obligation Bonds by the State of Georgia through the Georgia State Financing and Investment Commission for use in funding projects for the University System of Georgia.
4. The Board declared approximately 1.881 acres of unimproved real property in Athens-Clarke County to be no longer advantageously useful to the University of Georgia or other units of the University System of Georgia but only to the extent and for the purpose of allowing the exchange of this real property for a permanent 0.32-acre utility easement in the public right of way at Lumpkin and Baxter streets, Athens, for the benefit of UGA.
5. The Board approved acceptance of a gift of approximately 5.46 acres of real property known as Algonquin Drive and Cougar Court, Columbus, from the City of Columbus for the use and benefit of Columbus State University. Legal details involved with accepting this gift of real property will be handled by the Georgia Department of Law.
6. The Board accepted a gift of approximately 5.46 acres of real property known as Algonquin Drive and Cougar Court, Columbus, from the City of Columbus for the use and benefit of Columbus State University. Legal details involved with accepting this gift of real property will be handled by the Georgia Department of Law.
7. That the Board authorized project no. BR-10-1403, Health Sciences Campus Renovations Phase V, at the University of Georgia, with a total project budget of \$4,950,000, to be funded from UGA internal plant funds and private donations.
8. The Board authorized project no. BR-10-1401, Bamboo Farm Visitor Center, at the University of Georgia, with a total project budget of \$1,760,000, to be funded from \$1,250,000 in private gifts and donations and \$510,000 in UGA College of Agricultural and Environmental Sciences funds. Construction will begin only after all private funding is in hand. CAES agrees not to seek funding from the resident instruction or "A" budget to underwrite the costs of the operation of the facility. The new

facility will be treated as an extension facility rather than instruction or research for purposes of maintenance and operation.

9. The Board approved modification to the budget of project no. BR-30-1301, renovation of the John A. and Joyce K. Caddell Building at the Georgia Institute of Technology, to increase the total project budget from \$2,500,000 to \$3,300,000.
10. The Board approved modification to the budget of project no. BR-66-1302, Building #0448 renovation phase II, at Georgia Southern University, to increase the total project budget from \$1,300,000 to \$1,800,000.
11. The Board appointed the first-named design professional firm listed below for project no. BR-10-1402 (J-234), Science Learning Center, 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.

Total Project Cost: \$48,000,000
Construction Cost (Stated Cost Limitation): \$36,810,000

Number of firms that applied for this commission: 12

Recommended firms in rank order:

1. HDR Architecture, Inc., Atlanta
2. Cooper Carry, Inc., Atlanta
3. The S/L/A/M Collaborative, Atlanta
4. HKS, Inc., Atlanta
5. Flad & Associates, Inc., Atlanta

12. The Board appointed the first-named design professional firm listed below for project BR-30-1401, Gilbert H. Boggs Chemistry Building Renovation, Georgia Institute of Technology, 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 other listed firms in rank order.

Total Project Cost: \$9,900,000
Construction Cost (Stated Cost Limitation): \$7,400,000

Number of firms that applied for this commission: 14

Recommended firms in rank order:

1. HKS, Inc., Atlanta
2. HOK, Atlanta
3. Perkins + Will, Inc., Atlanta
4. Lord Aeck & Sargent, Inc., Atlanta
5. Flad & Associates, Inc., Atlanta

13. The Board approved the naming of the University Place I and II Residence Hall Complex at Kennesaw State University the “Chet and Hazel Austin Student Residence Complex,” in recognition of Chet and Hazel Austin.

ADJOURNMENT

There being no further business to come before the committee, the meeting was adjourned at approximately 1:51 p.m. on Tuesday, October 8, 2013.

APPENDIX I

RESOLUTION OF THE BOARD OF REGENTS OF THE UNIVERSITY SYSTEM OF GEORGIA

I. WHEREAS, the Board of Regents of the University System of Georgia (the "Board") was created as an institution of the State of Georgia (the "State"), in accordance with O.C.G.A. § 20-3-20;

II. WHEREAS FURTHER, pursuant to Article VII, Section IV of the Constitution of the State of Georgia (the "Georgia Constitution"), the State may finance certain capital needs directly through the issuance of general obligation debt;

III. WHEREAS FURTHER, pursuant to Article VII, Section IV, Paragraph VII(a) of the Georgia Constitution, and the "Georgia State Financing and Investment Commission Act", O.C.G.A. § § 50-17-20 through 50-17-30 (the "Commission Act"), the Georgia State Financing and Investment Commission (the "Commission") is the agency and instrumentality of the State charged with issuing debt of the State and ensuring the proper application, as provided by law, of the proceeds of such debt to the purposes for which the debt is incurred;

IV. WHEREAS FURTHER, Article VII, Section IV, Paragraph I (c) of the Georgia Constitution, and the Commission Act provide that certain general obligation debt (as defined by O.C.G.A. § 50-17-21 (5) and hereinafter "General Obligation Debt") may be incurred to acquire, construct, develop, extend, enlarge, or improve land, waters, property, highways, buildings, structures, equipment, or facilities of the State, its agencies, departments, institutions, and of those State authorities which were created and activated prior to November 8, 1960;

V. WHEREAS FURTHER, Article VII, Section IV, Paragraph I (d) of the Georgia Constitution, and the Commission Act provide that certain General Obligation Debt may be incurred to provide educational facilities for county and independent school systems and to provide public library facilities for county and independent school systems, counties, municipalities, and boards of trustees of public libraries or boards of trustees of public library systems;

VI. WHEREAS FURTHER, as set forth in **ATTACHMENT 1** attached hereto and incorporated herein, the General Assembly has passed and the Governor has signed various appropriations acts authorizing amounts from state general funds to be appropriated for the purpose of financing certain capital projects through the issuance of General Obligation Debt, and such appropriations are more fully set forth in such **ATTACHMENT 1**;

VII. WHEREAS FURTHER, with respect to the appropriations set forth in **ATTACHMENT 1** hereto, the State previously has issued General Obligation Debt as

indicated and there remains the General Obligation Debt Available, as more fully set forth in ATTACHMENT 1 hereto;

VIII. WHEREAS FURTHER, the Board finds an immediate need for the aggregate principal amount of \$46,870,000 of the General Obligation Debt Available as set forth in ATTACHMENT 1 hereto for the purpose of financing some or all of the projects and facilities associated with the appropriations set forth in ATTACHMENT 1 hereto (the "Projects");

IX. WHEREAS FURTHER, the Board therefore desires to request the issuance of \$46,870,000 in aggregate principal amount of State of Georgia General Obligation Bonds, the instruments of which shall have maturities not in excess of the respective appropriations set forth in ATTACHMENT 1 hereto (the "General Obligation Bonds"), for the purpose of financing some or all of the Projects;

X. WHEREAS FURTHER, the Board is aware that the Projects shall be completed with proceeds derived from the sale of the General Obligation Bonds with the intent that interest on such General Obligation Bonds be excludable from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Tax Code");

XI. WHEREAS FURTHER, the Board is aware of the provisions and requirements of the Tax Code and the regulations issued thereunder respecting arbitrage bonds and private activity bonds, and is aware that the Projects must proceed with due diligence and be timely completed following receipt of the proceeds derived from the sale of the General Obligation Bonds (the "Bond Proceeds");

XII. WHEREAS FURTHER, as used in this Resolution:

A. "Prior RZED Bonds" shall mean previously issued General Obligation Debt, which at the time of their issuance by the State, were designated by the State as recovery zone economic development bonds within the meaning of Section 1400U-2 of the Tax Code;

B. "Prior RZED Proceeds" shall mean the proceeds derived from the sale of Prior RZED Bonds,

C. "Prior RZED Bond Projects" shall mean those Board projects and facilities previously financed with Prior RZED Proceeds from the sale of Prior RZED Bonds,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF REGENTS OF THE UNIVERSITY SYSTEM OF GEORGIA THAT:

SECTION 1.

The Board hereby approves and authorizes the Projects.

SECTION 2.

The Board hereby requests the Georgia State Financing and Investment Commission to undertake to issue \$46,870,000 in aggregate principal amount of State of Georgia General Obligation Bonds, the instruments of which shall have maturities not in excess of the respective appropriations set forth in **ATTACHMENT 1** hereto, for the purpose of financing some or all of the Projects.

SECTION 3.

The Board hereby determines and agrees that:

- (a) the final plans for the Projects are sufficiently complete such that substantial binding obligations to a third party or parties (as defined in the regulations issued under the Tax Code), involving the expenditure of at least five percent (5%) of the Bond Proceeds herein requested, to commence or acquire the Projects will be incurred within six (6) months after the issuance of such General Obligation Bonds;
- (b) eighty-five percent (85%) of the Bond Proceeds herein requested will be expended within three (3) years after the issuance of such General Obligation Bonds;
- (c) the Bond Proceeds herein requested, and anticipated investment proceeds (net of interest on such General Obligation Bonds during the estimated period of construction), will not exceed the amount necessary for the governmental purposes of financing the Projects;
- (d) during the time the General Obligation Bonds herein requested are outstanding, the Board will not take, or omit to take, any action which would cause such General Obligation Bonds to be deemed private activity bonds or arbitrage bonds under the Tax Code;
- (e) the Board will not use the Bond Proceeds herein requested, or the Projects financed with such Bond Proceeds, for any non-governmental purpose, or any purpose that would give rise to private business use within the meaning of the Tax Code, except for those specific instances in which the Board has previously consulted with the Commission;
- (f) the term of the General Obligation Bonds related to the Projects will not be longer than 120% of the reasonably expected economic life of the Projects financed thereunder;
- (g) no Bond Proceeds herein requested will be used for reimbursement of any Project expenditures which were made before the anticipated delivery date of such General Obligation Bonds, except in situations where, prior to any such expenditure, the Board has obtained a declaration

of “Official Intent” (as defined by the Tax Code) from the Commission, or the Board has been otherwise advised in writing by the Commission that such reimbursement will be permitted, it being the intention of the Board to comply in all respects with Section 1.150-2 of the regulations under the Tax Code;

(h) all of the expenditures of the Bond Proceeds for the Projects will constitute capital expenditures (as defined in Section 1.150-1(b) of the regulations under the Tax Code);

(i) with respect to the Projects, all of the Bond Proceeds will be allocated to Project expenditures no later than the earlier of: (i) eighteen (18) months after the date such Project is placed in service, or (ii) five (5) years after the issuance of such General Obligation Bonds; any unallocated Bond Proceeds remaining after the earlier of such dates shall be transferred to the Commission and used to redeem outstanding tax-exempt General Obligation Debt of the applicable issue.

SECTION 4.

The Board hereby determines and agrees that with respect to any Board project previously financed with proceeds of General Obligation Debt issued by the State with the intent that (i) the interest on such bonds be excludable from gross income for federal income tax purposes pursuant to Section 103 of the Tax Code or (ii) such bonds at the time of their issuance were designated by the State as Build America Bonds under Section 54AA of the Tax Code (a “Prior Bond Project”), and where any Prior Bond Project bonds remain outstanding (including any refunding bonds), the Board certifies that such Prior Bond Project is not now being used for any private business use within the meaning of pertinent provisions of the Tax Code, except for those specific instances in which the Board has identified to the Commission such use of the Prior Bond Project(s) and (a) provision was made so as to retire, redeem or defease any and all then-remaining outstanding bonds for the Prior Bond Project(s) concurrent with such use or (b) the Commission has determined that the aforementioned retirement, redemption or defeasance is not required to maintain the tax-exempt or Build America Bond status of such bonds.

SECTION 5.

The Board hereby determines and agrees that with respect to any Prior RZED Bond Projects funded by Prior RZED Bonds which remain outstanding (including any bonds issued to refund all or a portion of the Prior RZED Bonds), the Board certifies that:

(a) such Prior RZED Bond Projects are not now being used for any private business use within the meaning of pertinent provisions of the Tax Code, except for those specific instances in which the Board has identified to the Commission such use of the Prior RZED Bond Projects and:

(i) provision was made so as to retire, redeem or

defeasance any and all then-remaining outstanding Prior RZED Bonds for the Prior RZED Bond Projects concurrent with such use; or

(ii) the Commission has determined that the aforementioned retirement, redemption or defeasance is not required to maintain the qualification of the Prior RZED Bonds as "Recovery Zone Economic Development Bonds" under the Tax Code;

(b) the Board will not use or permit the use of any portion of the Prior RZED Proceeds, or take or omit to take any action which would cause such Prior RZED Bonds to be deemed private activity bonds or arbitrage bonds under the Tax Code;

(c) the Board hereby acknowledges that the Prior RZED Bond Projects financed, in whole or in part, with the Prior RZED Proceeds are subject to certain labor standards set forth in subchapter IV of Chapter 31 of Title 40, United States Code, which applies certain prevailing wage requirements to the construction of such projects, and hereby agrees to comply with such requirements;

(d) the Board will otherwise take all action within its power necessary to maintain, and will not take or omit to take any action that would adversely affect, the qualification of the Prior RZED Bonds as "Recovery Zone Economic Development Bonds" under the Tax Code.

SECTION 6.

The Chancellor of the University System of Georgia, the Chairman of the Board, the Secretary of the Board, and their valid delegates each are hereby authorized and directed to execute any instruments and take whatever action which may be necessary in connection with the issuance of the General Obligation Bonds by the Commission, including, but not limited to, the preparation and execution of answers in connection with any legal proceeding as to the validity of any action by the Board with respect to the issuance of the General Obligation Bonds by the Commission. The Attorney General or any Assistant Attorney General of the State are authorized to execute Acknowledgment of Service and Waiver of Process in such legal proceedings.

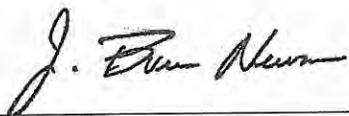
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This Resolution is hereby adopted this 9th day of October, 2013.



CHAIRMAN
BOARD OF REGENTS OF THE UNIVERSITY SYSTEM OF GEORGIA

ATTEST:



SECRETARY
BOARD OF REGENTS OF THE UNIVERSITY SYSTEM OF GEORGIA

ATTACHMENT 1

THE BOARD OF REGENTS OF THE UNIVERSITY SYSTEM OF GEORGIA

APPROPRIATIONS

H.B. 106, State Fiscal Year 2013-2014:

Pursuant to Paragraphs I through III of Section IV of Article VII of the Georgia Constitution, the General Appropriations Act for State Fiscal Year 2013-2014 (Ga. L. 2013, Volume One Appendix, commencing at p. 1 of 239, Act No. 309, 2013 Regular Session, H.B. 106) was enacted by the General Assembly and signed by the Governor on May 7, 2013, so as to make the certain appropriations, designated "General Obligation Debt Sinking Fund: GO Bonds New," to the State of Georgia General Obligation Debt Sinking Fund, as provided by the Georgia Constitution, Article VII, Section IV, Paragraph III.

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H.B.	Bond	Appropriation	General Obligation Debt Authorized	General Obligation Debt Previously Issued	General Obligation Debt Available	General Obligation Debt Requested
106	362.616	From State General Funds, \$368,720 is specifically appropriated for the purpose of financing projects and facilities for the Board of Regents of the University System of Georgia by means of the acquisition, construction, development, extension, enlargement, or improvement of land, waters, property, highways, buildings, structures, equipment or facilities, both real and personal, necessary or useful in connection therewith, through the issuance of not more than \$4,400,000 in principal amount of General Obligation Debt, the instruments of which shall have maturities not in excess of 240 months.	4,400,000	300,000	4,100,000	4,100,000
106	362.621	From State General Funds, \$209,500 is specifically appropriated for the purpose of financing projects and facilities for the Board of Regents of the University System of Georgia by means of the acquisition, construction, development, extension, enlargement, or improvement of land, waters, property, highways, buildings, structures, equipment or facilities, both real and personal, necessary or useful in connection therewith, through the issuance of not more than \$2,500,000 in principal amount of General Obligation Debt, the instruments of which shall have maturities not in excess of 240 months.	2,500,000	325,000	2,175,000	2,175,000
106	362.622	From State General Funds, \$157,125 is specifically appropriated for the purpose of financing projects and facilities for the Board of Regents of the University System of Georgia by means of the acquisition, construction, development, extension, enlargement, or improvement of land, waters, property, highways, buildings, structures, equipment or facilities, both real and personal, necessary or useful in connection therewith, through the issuance of not more than \$1,875,000 in principal amount of General Obligation Debt, the instruments of which shall have maturities not in excess of 240 months.	1,875,000	400,000	1,475,000	1,475,000
106	362.623	From State General Funds, \$385,480 is specifically appropriated for the purpose of financing projects and facilities for the Board of Regents of the University System of Georgia by means of the acquisition, construction, development, extension, enlargement, or improvement of land, waters, property, highways, buildings, structures, equipment or facilities, both real and personal, necessary or useful in connection therewith, through the issuance of not more than \$4,600,000 in principal amount of General Obligation Debt, the instruments of which shall have maturities not in excess of 240 months.	4,600,000	300,000	4,300,000	4,300,000
106	362.624	From State General Funds, \$393,860 is specifically appropriated for the purpose of financing projects and facilities for the Board of Regents of the University System of Georgia by means of the acquisition, construction, development, extension, enlargement, or improvement of land, waters, property, highways, buildings, structures, equipment or facilities, both real and personal, necessary or useful in connection therewith, through the issuance of not more than \$4,700,000 in principal amount of General Obligation Debt, the instruments of which shall have maturities not in excess of 240 months.	4,700,000	370,000	4,330,000	4,330,000

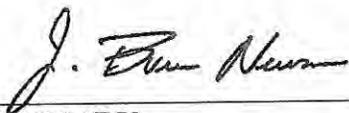
H.B.	Bond	Appropriation	General Obligation Debt Authorized	General Obligation Debt Previously Issued	General Obligation Debt Available	General Obligation Debt Requested
106	362.630	From State General Funds, \$209,500 is specifically appropriated for the purpose of financing projects and facilities for the Board of Regents of the University System of Georgia by means of the acquisition, construction, development, extension, enlargement, or improvement of land, waters, property, highways, buildings, structures, equipment or facilities, both real and personal, necessary or useful in connection therewith, through the issuance of not more than \$2,500,000 in principal amount of General Obligation Debt, the instruments of which shall have maturities not in excess of 240 months.	2,500,000	250,000	2,250,000	2,250,000
106	362.632	From State General Funds, \$134,080 is specifically appropriated to the Board of Regents of the University System of Georgia to provide public library facilities by grant to the governing board of the Houston County Public Library, for that library, through the issuance of not more than \$1,600,000 in principal amount of General Obligation Debt, the instruments of which shall have maturities not in excess of 240 months.	1,600,000	0	1,600,000	1,600,000
106	362.634	From State General Funds, \$75,420 is specifically appropriated to the Board of Regents of the University System of Georgia to provide public library facilities by grant to the governing board of the Mountain Regional Library System, for that library, through the issuance of not more than \$900,000 in principal amount of General Obligation Debt, the instruments of which shall have maturities not in excess of 240 months.	900,000	0	900,000	900,000
106	362.636	From State General Funds, \$335,200 is specifically appropriated for the purpose of financing projects and facilities for the Board of Regents of the University System of Georgia by means of the acquisition, construction, development, extension, enlargement, or improvement of land, waters, property, highways, buildings, structures, equipment or facilities, both real and personal, necessary or useful in connection therewith, through the issuance of not more than \$4,000,000 in principal amount of General Obligation Debt, the instruments of which shall have maturities not in excess of 240 months.	4,000,000	320,000	3,680,000	3,680,000
106	362.637	From State General Funds, \$293,300 is specifically appropriated for the purpose of financing projects and facilities for the Board of Regents of the University System of Georgia by means of the acquisition, construction, development, extension, enlargement, or improvement of land, waters, property, highways, buildings, structures, equipment or facilities, both real and personal, necessary or useful in connection therewith, through the issuance of not more than \$3,500,000 in principal amount of General Obligation Debt, the instruments of which shall have maturities not in excess of 240 months.	3,500,000	300,000	3,200,000	3,200,000

H.B.	Bond	Appropriation	General Obligation Debt Authorized	General Obligation Debt Previously Issued	General Obligation Debt Available	General Obligation Debt Requested
106	362.641	From State General Funds, \$163,410 is specifically appropriated for the purpose of financing projects and facilities for the Board of Regents of the University System of Georgia by means of the acquisition, construction, development, extension, enlargement, or improvement of land, waters, property, highways, buildings, structures, equipment or facilities, both real and personal, necessary or useful in connection therewith, through the issuance of not more than \$1,950,000 in principal amount of General Obligation Debt, the instruments of which shall have maturities not in excess of 240 months.	1,950,000	170,000	1,780,000	1,780,000
Total			\$53,125,000	\$6,255,000	\$46,870,000	\$46,870,000

CERTIFICATE

I, J. Burns Newsome, Secretary of the Board of Regents of the University System of Georgia, do hereby certify that I am custodian of the minutes of said Board, and that the foregoing is a true and correct copy of a Resolution duly adopted by said Board at a meeting held on the 9th day of October, 2013.

SO CERTIFIED, this 9th day of October, 2013.



SECRETARY

BOARD OF REGENTS OF THE UNIVERSITY SYSTEM OF GEORGIA

APPENDIX II

Policy 1.2.4 Fiscal Responsibilities

The Chancellor shall be responsible for the preparation for the Board of a suggested allocation of state appropriations to the USG institutions. This suggested allocation shall be accompanied by a statement of the basis upon which it is to be determined. The suggested allocation shall be transmitted to the Board by the Committee on Finance and Business Operations with such modifications as the Committee may deem necessary.

Budgets of the USG member institutions shall be submitted by heads of the institutions to the Chancellor. When the Chancellor has approved the budgets, the Chancellor shall submit all of the USG budgets to the Board for final approval.

The Chancellor, and/or the Chancellor's designee, is authorized to execute all documents concerning federal aid to the USG, including, but not limited to, applications, acknowledgments of grants, and other necessary documents, in the conduct of affairs on behalf of the Regents of the University System of Georgia in connection with the United States Government (BoR Minutes, 1966-67, pp. 414-415; February 2007; April 2007).

The Chancellor is further authorized to settle any claim or dispute against the Board or its employees for an amount not to exceed \$300,000 of Board of Regents' funding (BoR Minutes, May 2006).

The Chancellor and the Chancellor's designee are authorized and empowered to execute, accept, and deliver for, on behalf of, and in the name of the Board of Regents of the University System of Georgia and under its Seal, and without prior approval by the Board, the following documents:

1. Any and all rental agreements, supplemental agreements, and subrental agreements in which the Board of Regents is named as the tenant of the property rented and where the total rent to be paid by the Board does not exceed the sum of \$5,000 per month.
2. Any and all contracts, agreements, deeds, licenses, or other instruments related to the purchase or gift of real property (other than property acquired by condemnation) at a purchase price not to exceed the average of three separate appraisals made by independent and licensed real estate appraisers and where the purchase price (or gift value) of the real property does not exceed the sum of \$100,000. (BoR Minutes, April 2007).

The Chancellor, and/or the Chancellor's designee, is authorized to act without prior approval of the Board as the contracting officers for and on behalf of the Board of Regents, with authority to act for the Board in the execution of:

1. Construction contracts;
2. Change orders to construction contracts;
3. Contracts for professional services;
4. Selection of architects and engineers and execution of architectural/engineering contracts for the preparation of plans for new buildings or engineering projects,
5. Major remodeling;
6. Allocation of rehabilitation funds; and,
7. Other USG projects, except routine maintenance.

However, the authority so delegated shall not exceed the sum of \$1,000,000 for any one contractual obligation. The actions taken under the authority of this paragraph shall be reported annually to the Committee on Real Estate and Facilities (BoR Minutes, 1991-92, pp. 319-320).

The Chancellor, and/or the Chancellor's designee, is authorized to allocate to USG institutions, without prior approval of the Board, capital outlay appropriations – rehabilitation funds (cash or bonds) in amounts not to exceed \$200,000 for any one project. The actions taken under the authority of this paragraph shall be reported annually to the Committee on Real Estate and Facilities (BoR Minutes, 1991-92, pp. 319-320).

The Chancellor, and/or the Chancellor's designee, is authorized to delegate any or all of the above authority to act as contracting officers to individual USG institutions based upon an evaluation by the Chancellor or the Treasurer of the ability of an institution to properly administer the delegated authority. Such delegation of authority shall be administered in accordance with policies and procedures approved by the Chancellor, the Treasurer, or the Chancellor's designee (BoR Minutes, 1991-92, pp. 319-320).

~~The Chancellor is authorized to develop procedures whereby nonmandatory (revenue-producing) auxiliary fees from campus operations, such as bookstore, dormitory, cafeteria, and vending machines, may be approved by him or her without prior approval by the Board (BoR Minutes, 1980-81, p. 22).~~

Policy 1.4 Treasurer

The Treasurer shall be elected by the Board, upon the recommendation of the Chancellor; he/she shall not be a member thereof. The Treasurer shall be present at all meetings of the Board except as otherwise determined by the Board. He/she shall be placed under bond in an amount to be determined by the Board.

The Treasurer shall invest funds available for investments and shall maintain custody of securities, subject to the approval of the Board. He/she shall maintain financial supervision over trust funds of various institutions. The Treasurer shall see that all bank deposits of the USG and its institutions are adequately covered by insurance. He/she shall authorize a person or persons at each of the USG member institutions to sign checks drawn on banks where funds of the respective institutions are deposited, and shall empower the appointed person or persons to sign any documents that may be required by the banks in order to carry out this authorization. He/she shall see that fidelity bonds are secured for all persons in the USG for whom such bonds are necessary or advisable.

The Treasurer shall supply members of the Board with quarterly reports showing the financial status of the USG and of each member institution, and shall analyze all budgets and make copies of such analyses available to the Chancellor and members of the Committee on Finance and Business Operations. The Treasurer shall provide the Chancellor and members of the Committee on Finance and Business Operations with any information that will be helpful in preparing recommendations for the Board on the allocation of state funds. He/she shall assemble financial data that may be used as a basis for requests to the Governor and General Assembly for appropriations for the support of the USG and its institutions.

The Treasurer shall see that USG institutions establish and maintain uniform and effective procedures of accounting, budgetary control, internal **controls** ~~checks and audits~~, inventory controls, and business practices, and shall advise institutions on all problems of a fiscal or business nature. **Accounting and reporting procedures of the Board of Regents shall be approved by the Chancellor and published by the Treasurer.** The Treasurer shall assist each institution in preparing a manual of business procedures to be followed by that institution, and shall assist **the Vice Chancellor for Human Resources** ~~institutions~~ in developing policies governing terms and conditions of employment of classified personnel. Such policies shall include regulations regarding salaries and wages paid to various types of employees, job classification and merit plans, promotions, sick leaves, vacations, insurance, and retirement.

The Treasurer shall prepare and publish annual reports on the financial operations of the USG and its institutions. He/she shall be authorized to sign on behalf of the Board all documents necessary to convey, assign, transfer or sell investments for the various trust accounts for which the Board of Regents is the designated trustee. He/she shall perform such other duties and have such other powers as the Board may authorize or as may be assigned to him/her by the Chancellor.

The ~~USG chief financial officer and the~~ Treasurer **is the USG chief financial officer and is** ~~are~~ authorized, with the approval of the Chancellor, to delegate to the chief business officer of any institution the authority to execute any and all documents that may be necessary, required, or desirable in order to provide proper fiscal management of funds given to the institution or the Board of Regents for the benefit of the institution concerned.

Institutional chief business officers are responsible for enforcing the fiscal policies and procedures established by the Board of Regents, the Chancellor and the Treasurer. Institutional chief business officers shall immediately report to the Board Treasurer any situation that reasonably could be expected to create a deficit at an institution in coordination with the President's reporting of a deficit as required by the *Policy Manual*, Section 7.1.2.2 Deficits. Institutional chief business officers also must report to either the Treasurer or the USG chief audit officer any significant instances of non-compliance with Board Policy or business procedures that cannot be effectively remediated at the institution. To ensure accountability and effective fiscal management, the president of each institution shall consult with the Treasurer on significant personnel actions involving the institutional chief business officer to include appointment, qualifications for the position, and termination. The president shall determine the organizational and operating reporting relationships of the chief business officer at his or her institution.

Policy 2.1 Election of Presidents by the Board

The Board shall elect the presidents of institutions ~~at the April monthly meeting~~. Presidents shall not hold tenure at the institution but may hold, retain, or receive academic rank. They shall be elected each year for a term of one (1) year. The Chancellor shall notify them of their appointment, but such presidents shall not be entitled to a written employment contract. All such appointments will be made expressly subject to the Policies of the Board of Regents.

Persons holding tenure in the USG who receive an initial presidential appointment shall be required to relinquish their tenure before assuming the office of the president. No person shall be awarded tenure while serving as president (BoR Minutes, 1991-92, p. 34).

A person accepting the position of acting president at a USG institution shall not be a candidate for president of that institution (BoR Minutes, Aug. 2000, p. 63).

Policy 2.2 Procedure for Selection of a President for USG Institutions

When a vacancy occurs in a presidency, the chancellor shall consult with the chair to decide whether to conduct a national search. If a search is conducted, the chancellor in consultation with the chair may appoint an institutional search committee. The committee shall be composed of representatives of the faculty, alumni, foundation, students, and the community. Faculty shall compose the largest number of institutional members of the committee. Except as provided below, the chancellor shall name a faculty member as the chair of the institutional search committee.

For searches at research institutions, the chair shall serve on the institutional committee and name six other regents to the institutional search committee, one of whom shall be the regent residing closest to the institution. In addition, for a research institution search, the board chair shall name a regent, from those appointed, as chair of the institutional committee.

The institutional committee shall submit 3 to 5 unranked names to a Regents Special Committee for consideration. The chair shall appoint the Regents Special Committee, one of whom shall be the Regent residing closest to the institution. In the case of presidential searches at research universities, the institutional committee shall submit 3 to 5 unranked names to the board for consideration. Authority to name one or more finalists rests exclusively with the Board of Regents.

Policy 2.4.4 Educational Leave and Continued Employment

Any person vacating a USG presidency that he/she has held for not less than five (5) years may, at the discretion of the Chancellor, be:

1. Granted twelve (12) months educational leave with pay. Such educational leave may be extended by the Chancellor for an additional twelve (12) months. In no event shall the duration of such educational leave exceed twenty-four (24) months. Any paid educational leave granted under this policy shall terminate immediately upon acceptance by the leave recipient of full-time employment during the period of leave.
2. Employed in a professional or administrative position within the USG. Employment beyond the second year, if any, shall be under such terms and conditions as determined by the Chancellor or the employing institution.
3. Awarded an academic appointment at the rank of professor at a USG institution. Such appointment may, consistent with accreditation requirements and the needs of the institution, include an award of tenure by the Chancellor. Compensation and other terms of employment beyond the second year of appointment shall be as determined by the institution.

Except as otherwise provided in this section, the terms and conditions of such employment in items 2 and 3 above shall be as provided in Section 8.0 of this Policy Manual.

The compensation during any period of leave, employment, or appointment granted under this policy shall be as determined by the Chancellor. In making such determination, the Chancellor shall take into consideration the base salary and other compensation of the outgoing president prior to his/her vacating the presidency.

Nothing in this section shall prohibit any cooperative organization of the USG from supplementing the compensation of a former president during any period of leave, employment, or appointment granted under this section **subject to approval of said compensation by the Chancellor.**

Nothing contained in this section shall govern any terms or conditions of educational leave or employment beyond two (2) years from the date a person leaves the presidency of a USG institution (BoR Minutes, 1991-92, pp. 33-34).

Policy 2.5.4 Agreements

The president of each institution, or the president's designee, shall have the authority to execute, accept, or deliver, on behalf of the Board, the following types of research agreements, settlement agreements, service agreements, and reciprocal emergency law enforcement agreements affecting his/her institution:

1. Research or service agreements whereby the institution concerned, for monetary compensation or other good and valuable consideration, agrees to perform certain institution-oriented research or other personal services within a time period of one (1) year or less.
2. Agreements between USG institutions and hospitals or other organized medical facilities, both public and private, ~~located within the State of Georgia~~, whereby the hospital or medical facility concerned agrees to provide clinical services to nursing and other students enrolled in nursing and allied health programs at the institution concerned. Said agreements ~~shall be effective for one year with the option of annual renewal as specified therein and~~ shall be subject to cancellation by either party.
3. Reciprocal emergency law enforcement agreements between USG institutions and county and municipal authorities, as authorized by the Georgia Mutual Aid Act, as amended (BoR Minutes, 1993-94, pp. 63-64).
4. Settlements of grievances and complaints, including those filed by state and federal agencies, that do not include a monetary commitment of more than \$100,000. Notice of settlements shall be filed with the University System Office of Legal Affairs (BoR Minutes, May 2006; April, 2007).
5. Any agreements necessary for the day-to-day operation of the institution (BoR Minutes, April, 2007).

Policy 2.8 Compensation of Presidents

The salaries, **taxable income** and associated fringe benefits for USG presidents and the Chancellor, as approved annually by the Board of Regents, shall be paid exclusively from state appropriations allocated to each institution. State appropriations shall be used to pay salary, housing allowance, subsistence allowance, **auto allowance, relocation expenses** and, where applicable, salary supplement, supplemental fringe benefits, deferred compensation, and any other items as approved by the Board. State appropriations will also pay for fringe benefits for presidents that are available to all USG employees. **Individuals receiving an auto allowance under a non-accountable plan for taxation purposes are not eligible for mileage reimbursements associated with travel within the home county where the institution is headquartered and are otherwise subject to the provision of the USG's travel regulations as outlined in the Business Procedures Manual.**

The annual merit salary increase paid from state funds shall be based upon the approved salary, exclusive of any allowance, supplement, or deferred compensation (BoR Minutes, August 2004).

Non-state funds may pay for expenses and allowances such as civic memberships, business-related entertainment, **and other expenses associated with the operations of the office of the president but not resulting in taxable income to the president.** ~~**automobile, auto allowance, maintenance and insurance for automobiles, and relocation expenses.**~~

Policy 7.2.2 Auxiliary Enterprises Revenues and Expenditures

Auxiliary enterprises revenues and expenditures shall be defined as all revenues received and expenditures made for functions and activities that are related to the mission of USG institutions including, but not limited to:

1. Housing;
2. Food Services;
3. Student Health Services;
4. Student Activities;
5. Intercollegiate Athletics (excluding intercollegiate athletics which are operated under the authority of a separately incorporated athletic association);
6. Parking;
7. Transportation;
8. Stores and Shops; and
9. Vending and Other Services.

Refer to Section 15.0, Auxiliary Enterprise Funds, of the Business Procedures Manual for more information on auxiliary enterprise funds.

Auxiliary enterprise operations shall operate on a self-supported basis with revenues derived from student fees and other non-state sources, except as provided below. Each auxiliary enterprise operation shall be charged for its share of plant operations and maintenance expense as a direct expense, and/or charged on the basis of an allocation methodology, such as share of total institutional square footage. USG institutions may choose also to charge administrative overhead to recoup general costs expended on behalf of each operation. **USG institutions shall, notwithstanding the above, allocate at least all direct expenses to the respective auxiliary.**

Each institution shall develop and update annually a five-year plan for each auxiliary enterprise operation that defines the level and manner of service to be provided, planned expenditures and sources of revenue, including projected fee requirements. The format and content of each plan shall be determined by the USG chief fiscal officer, but must minimally **shall** contain the following:

1. A statement regarding the role of the enterprise in the context of the institution's academic mission.
2. A statement of goals and objectives to be achieved over the course of the five-year plan.
3. A statement on operating strategy, including services to be provided and sources of revenue, including student fees.
4. A financial pro forma that projects future revenues and expenditures consistent with stated goals and objectives. The method used to allocate plant operations costs and other indirect costs, if charged, also shall be described in the five-year plan.
5. The plan shall provide for an adequate reserve to cover anticipated renewals and replacements and other contingencies, as necessary (BoR Minutes, January 2010).

Exceptions to the requirement that institutions operate their auxiliary enterprises on a self-supporting basis shall be recognized as follows:

1. Institutions may choose to operate some auxiliary enterprise activities on a loss basis, but must indicate in their five-year plans how the costs of such activities will be covered by revenues generated through other auxiliary operations and must also provide an alternative plan reflecting the elimination or privatization of the auxiliary. ~~It shall be the~~ The Board of Regents may, upon recommendation of the Chancellor, direct the institution to eliminate or privatize the auxiliary ~~determination as to whether such losses are sustainable based on the institution's five-year plan.~~
2. Institutions may apply general fund resources to auxiliary enterprise operations where such expenditures can be justified as supporting the primary mission of the institution; however, use of general fund resources for auxiliary enterprise operations is strongly discouraged and must be approved in advance by the Chancellor under procedures established by the USG chief fiscal officer. In no instance may general fund revenues be used to support athletic scholarships. The use and amount of general revenues applied to the support of auxiliary enterprise operations shall be included in the five-year plan.

Accounting records for auxiliary enterprises will be maintained on the full accrual basis. Therefore, funded depreciation will be required for all auxiliary enterprise service equipment, buildings, infrastructure and facilities, and other improvements. The reserve for depreciation will be used for repair and replacement of auxiliary assets according to guidelines provided in Section 7.0, Capitalization, of the Business Procedures Manual. The funds collected will be left with the institutions (BoR Minutes, February, 2007).

Policy 7.3.4.1 Out-of-State Tuition Waivers*

An institution may award out-of-state tuition differential waivers and assess in-state tuition for certain non-Georgia residents under the conditions listed below. Notwithstanding any provision in this policy, no person who is **unlawfully present** **unable to show by the required evidence that they are lawfully** in the United States shall be eligible for any waiver of the tuition differential (BoR Minutes, June 2010; October 2013).

Note: For the definition of residency status, see Section 4.3 of this Policy Manual.

Academic Common Market

Students selected to participate in programs offered through the Academic Common Market.

International and Superior Out-of-State Students

International students and superior out-of-state students selected by the institution president or an authorized representative, provided that the number of such waivers in effect does not exceed four percent (4%) for the University of Georgia, Georgia Institute of Technology, Georgia State University, Georgia Regents University, and two percent (2%) for all other institutions of the equivalent full-time students enrolled at the institution in the fall term immediately preceding the term for which the out-of-state tuition is to be waived. **The proportionate percentage of out-of-state tuition waived shall be used when determining the number of waivers in effect such that a full waiver of out-of-state tuition counts as one waiver, while a 50% waiver of out-of-state tuition counts as a .5 waiver** (BoR Minutes, April 2012, October 2013).

Military Personnel

Military personnel, their spouses, and their dependent children stationed in or assigned to Georgia and on active duty. ~~The waiver can be retained by the military~~ **Military** personnel, their spouses, and their dependent children **may continue waiver eligibility** if:

1. The military sponsor is reassigned outside of Georgia, and the student(s) remain(s) continuously enrolled and the military sponsor remains on active military status;
2. The military sponsor is reassigned out-of-state and the spouse and dependent children remain in Georgia and the sponsor remains on active military duty; or,
3. The active military personnel and their spouse and dependent children are stationed in a state contiguous to the Georgia border and live in Georgia. (BoR Minutes, February 2009)

Recently Separated Military Service Personnel

Members of a uniformed military service of the United States who, within twelve (12) months of separation from such service, enroll in an academic program and demonstrate an intent to become domiciled in Georgia. This waiver may also be granted to their spouses and dependent children. ~~This waiver may be granted for not more than one (1) year~~ (BoR Minutes, June 2004, amended October 2008).

**The remainder of this policy is unaltered*

Policy 7.4.1 Naming of Places, Colleges or Schools

The Board of Regents considers the naming of a place or an academic unit in honor of a living or deceased individual, corporation, foundation, or organization to be one of the highest and most distinct honors that it can bestow. Naming a place or an academic unit requires prior authorization by the Board of Regents and shall be in accord with Board of Regents procedures and guidelines.

This policy shall apply to the naming of all Board of Regents real estate and facilities, as defined in Section 9.1 of this Policy Manual. This includes all property owned or leased by the USG, including facilities constructed, donated, or acquired by affiliated organizations of the institutions. (Refer to Section 17.0, Affiliated Organizations, of the Business Procedures Manual, for more information on affiliated organizations.) This policy shall also apply to the naming of colleges and schools of all USG institutions.

The president of an institution is authorized to name, without prior approval of the Board of Regents, interior spaces and academic units subordinate to colleges and schools, such as departments. The president is also authorized to remove such names. The term “interior space” includes rooms, hallways, floors, and features, as well as other enclosed or conditioned space(s) within buildings. Institutions shall provide a report on interior namings and naming removals as information only to the USG chief external affairs officer at the end of each calendar year.

Board authorized namings shall not be modified. The namings of facilities and grounds of an institution will endure only for the useful life of the facility or feature and not in perpetuity. If a facility or area is substantially changed, a named building or area may no longer exist. In that event, the president of an institution may determine if maintaining the name for transfer to a new facility or area is appropriate and seek Board approval as appropriate.

Situations may occur that would warrant the removal of a name. Where naming authority lies with the Board of Regents, so does the authority and responsibility to remove a name.

Namings may be authorized for outstanding and distinguished service, for philanthropic giving, or both. The Board will authorize namings to honor a living person only when that person has been disassociated from employment by the USG or from local, state, or federal government employment for at least two years prior to seeking Board approval. In the event that the individual being honored is no longer living, the two year waiting period may be waived.

All proposed namings shall be submitted to the USG chief administrative officer who shall distribute the proposal for integrated review and, in conjunction with the chancellor, submit the request to the Board of Regents for action.

Naming a place or an academic unit is a significant fund raising opportunity. Presidents of institutions should maximize the potential of fund raising in association with any naming. Namings authorized without associated fund raising should be the exception.

In order for a place or an academic unit to be named based upon a contribution, the gift will comply with the following guidelines:

1. The gift must be in irrevocable form to be paid within a five-year period and based upon a signed pledge commitment.

2. Where possible, namings should be associated with endowment gifts; if a gift is to construct a facility, presidents are encouraged to seek at least a portion of the gift for endowment to support the facility or academic programs associated with the facility.
3. Generally, deferred gifts such as life insurance and bequests are not to be used for current naming opportunities. Institutions should discuss with the interested donor(s) about the possible naming opportunities that may be available when the gift is actually received. No request for a naming should be made to the Board based on a deferred gift.
4. In cases where a gift is paid over a period of time, presidents should make the formal naming request to the Board only when at least half of the total gift has been received by the institution.

USG institutions vary and “outstanding service” and “philanthropic giving” are intended, to a certain extent, to be flexible standards. Each naming situation must be judged on its merits after taking into account the facts that are relevant to the person or entity being honored and the institution involved. The president of each institution should ensure that the proposed naming is consistent with the interest of the institution and the USG.

Institution Policy:

Institutions shall also maintain their own naming policy. The policy should establish minimums for financial commitments corresponding to such naming opportunity. In setting minimums, institutions should benchmark against institutions similar in size, scope and mission. Each institution shall provide a copy of its naming policy to the USG chief administrative officer for approval.

Policy 7.7.2 Employee Purchasing

Absent a specific and approved exemption **in state law or as approved by the Chancellor**, USG employees shall not purchase goods or services for personal use through channels used in the purchase of goods and services for USG operation (BoR Minutes, 1955-56, pp. 254-55).

Policy 7.11.1 Sales of Institutional Products

A USG institution shall not enter into competition with private industry. Nothing in this Policy shall be interpreted to mean that USG institutions are prohibited from providing those goods and services connected with the institution's mission or those goods and services customarily provided by institutions of higher education.

~~An institution shall not be prohibited from selling milk, food, and other supplies to its dining halls and cafeterias or to the dining halls and cafeterias of other USG institutions, or to fraternity or sorority dining halls in which students of the institution only are regularly served meals.~~

USG institutions are not prohibited from making sales on the wholesale market. However, in no event are such sales to be made to the general public (BoR Minutes, 1947-48, p. 20; 1951-52, pp. 254-55).

Policy 8.3.2.2 Establishment of Named Faculty Positions*

Support of Academic Positions from Gifts and Endowments

No endowed chair, professorship, ~~or~~ fellowship, or administrative position will be established or announced without prior approval of the Board of Regents, and no initial appointment will be made to a chair, professorship, ~~or~~ fellowship, or administrative position without prior approval by the Board. Recommendations to the Board concerning specially designated **academic** positions will be made through the Chancellor to the Board. Before the final action of the Board, such recommendations will be referred to the Finance and Business Operations Committee and the Academic Affairs Committee (BoR Minutes, August 2007).

**The remainder of this policy is unaltered*

Policy 9.10.5 Presidents' Homes

The policy of the Board regarding presidents' homes shall be as follows:

1. Presidents of research universities will be required to live, without charge, in university housing unless an exception is granted by the Chancellor. **There shall be no presidential housing at other institutions. Existing presidential housing at other institutions will be phased out as rapidly as possible, and no additional presidents' houses shall be purchased or constructed for those institutions. Presidents who are currently furnished housing shall continue to occupy that housing during their tenure as president (BoR Minutes, 1984-85, p. 114; BoR Minutes, 1985-86, p. 53-54).**
2. The institutions shall be responsible for the **repair, upkeep, and routine cleaning repair and upkeep** of the buildings and grounds of the homes furnished for presidents.
3. The institutions shall be responsible for furnishing **electricity, gas, water/sewer, disposal, telephone, and internet services utilities, including local telephone service.**
4. No food, food service, or other **personal** services shall be provided for the presidents and their families (BoR Minutes, 1967-68, pp. 416, 645).
5. Any proposed project for improvement of **the buildings and grounds of** a president's home, other than routine and necessary maintenance, shall be submitted for review **to the Vice Chancellor for Facilities, who will provide a recommendation to and approval by** the Chancellor and the Board of Regents as part of the regularly scheduled business of **the Committee on Real Estate and Facilities.** Improvement shall mean any change to the buildings or grounds such that it achieves greater future benefit, rather than maintains the buildings or grounds at its previous level of service. Any subsequent changes in the scope of the project or budget shall be similarly submitted for review and approval (BoR Minutes, 1990-91, p. 385).

21. Policy 9.12.7 Campus Security and Police*

The Board of Regents recognizes it is essential to maintain the safety and security of the campus environment. Each USG institution has the responsibility to employ security and police policies, standards, and practices to minimize the risk of disruption to the campus community.

Each institution shall establish and maintain a department responsible for providing security and police services and shall designate an individual to serve as the director of public safety or chief of police. The director or chief of police will be assigned the management responsibility and authority for conducting and coordinating security and police services. The director of public safety or chief of police shall consult with the USG chief of police on major organizational policies and procedures.

The USG chief of police shall serve as a liaison to the Board of Regents on security and police service matters. The USG chief shall maintain guidelines that all USG institutions should consider in the development and implementation of security and police services.

Each director or chief of police at an institution shall be certified in accordance with the Georgia Peace Officer Standards and Training Council (POST) rules and regulations. Prior to employment, candidates for director or chief of police positions must meet the requirements for entry into the state mandated police academy and eligibility to obtain POST certification within 12 months of employment. Any changes in the individual's name, title, certification status and contact information will be provided to the USG chief of police.

Each director or chief of police at an institution shall have a direct reporting relationship to a vice president or above of that institution. The president of each institution will determine the reporting relationship.

The vice president or president of each institution shall consult with the USG chief on significant personnel actions involving the director of public safety or chief of police to include appointment, qualifications for the position, and termination.

Each institution shall notify the USG chief of police, or designee, upon receipt of any reports of significant crimes or threats reported to or known by the institution, and of any potential or actual events that may disrupt the operations of the campus community.