

Summary
Meeting of the Duke University Board of Trustees
February 23-24, 2024

Friday, February 23

The board held strategic sessions on the future of intercollegiate athletics, advancing the Duke Climate Commitment, and the impact of artificial intelligence (AI) on higher education.

Saturday, February 24

The board meeting began with an executive session, during which the president briefed trustees on recent developments. In regular session, trustees received updates on the upcoming fundraising campaign, Duke Kushan University (DKU), and Duke University Health System (DUHS). After taking action on recommendations from committees, including the proposal on tuition and fees for FY 2025, the board meeting concluded with an executive session in which the board elected new trustees whose terms will begin on July 1, 2024 and elected Adam Silver as the next board chair, effective July 1, 2024.

Meeting Summary of the Audit and Compliance Committee

February 19, 2024

What were the key takeaways?

- **Uniform Guidance audit report for FY23 resulted in an unmodified opinion. No control deficiencies were identified.**
- **Preliminary independent assessments of the Center for Internet Security (CIS) control framework showed that it is operationally mature with opportunities to improve procedural documentation.**

What were the major topics discussed?

- The Duke Health Integrated Practice (DHIP) impact on FY24 financial statements and financial projections was discussed. The FY24 consolidated financial statements will reflect the asset purchase and a full year of operating activity.
- The draft copy of the IRS Form 990.
- CIS control framework, which is a protected network for research, active directory, threat detection and response.
- Update on recruitment for key positions in the Office of Audit, Risk and Compliance (OARC) and effects on the annual plan.

What were the major insights shared?

- Legal and compliance environment continues to escalate in complexity and visibility.
- IT security risk management and maturity have made forward progress at a manageable rate. Tabletop exercises focus on crisis response and preparing for access disruption.

What actions were taken?

- Accepted both the FY23 Uniform Guidance Audit Report and the KPMG FY24 external audit plan, independence, subject matter expertise, qualifications and staffing.

What are the next steps to be taken?

- Hiring a compliance director and associate director, and the establishment of the Institutional Compliance Advisory Council.

Meeting Summary of the External Engagement Committee

February 13, 2024

What were the key takeaways?

- The campaign is one year out from the public launch. The Alumni Engagement and Development (AED) team is in the process of setting up and securing operations and resources.
- This is the year of engagement. The AED team will use a variety of ways to maintain the notion of rediscovery by reaching constituents where they are, including Centennial events, presidential briefings and high-level regional events.
 - Our Centennial also assists with the year of engagement. The objectives are to re-engage alumni and friends through new ways and the Centennial will offer and encourage others to stay engaged.
- Work has begun with two external partners to create strong campaign messaging and storytelling.

What were the major topics discussed?

- Campaign Overview: Updates were given on what success will look like, the presidential leadership briefings, the approach to themes and messaging, and an update on the search for a chief engagement officer for AED.
- Year of Engagement: The campaign was highlighted with focus on the engagement plan and personal engagement: “moments that matter”.

What were the major insights shared?

- To help finalize campaign planning and goals, results from a feasibility study to assess how constituents feel about Duke, and how they would like to be approached and involved will be incorporated into final engagement planning.
- The Campaign Council will serve as the volunteer leadership for the campaign and will be comprised of up to 12 of Duke’s top volunteers and donors.
- The Campaign Advocates will be comprised of those volunteers who have helped advance the strategic initiatives within the campaign: Climate and Sustainability, QuadEx, the student experience, financial aid, etc.
- Focusing on engagement will help to identify goals and measure impact to enter the campaign with the largest number of engaged alumni and for Duke to rise to best in class.
- Campaign messaging and storytelling will resonate with those constituents who have lapsed in engagement or who are not engaged at all by creating personal experiential ways to engage these groups. There is a need to find different ways to spark interest and to grab their attention.
- The AED team will create experiences to encourage lifelong engagement of alumni and create a pipeline of volunteer leaders and donors.

What actions were taken?

- The committee unanimously approved the resolutions for the proposed namings put forth on the agenda.

Meeting Summary of the Governance Committee

February 12, 2024

What were the key takeaways?

- We need to be clear with the board on the goal(s) of the proposed strategic engagement program at 2024-2025 board meetings.
- The committee provided feedback on the proposed changes to the Resources Committee charter.

What were the major topics discussed?

- Update on trustee prospects for 2024.
- Succession planning for the Duke University Health System (DUHS) Board of Directors.
- Continued discussion of planning for strategic engagement at 2024-2025 board meetings.
- Update on plans for board retreat and meeting in February 2024.
- Proposed changes to the Resources Committee charter.
- Process for finalizing standing committee trustee assignments for 2024-2025.

What were the major insights shared?

- We need to be clear with the board on the goal(s) of the proposed strategic engagement program at 2024-2025 board meetings. Also, we should consider building in engagement with alumni to advance the global network.
 - The steering committee to assist in planning the four sessions should be smaller in size than when this was last done in 2021-2022.
- The purpose of the board retreat and meeting in February 2024 is to enable trustees to think expansively about topics that are of strategic importance to the university, and also to promote bonding and teambuilding for the board and senior leadership team.
- The committee provided feedback on the proposed changes to the Resources Committee charter, which has been shared with the leadership of the Resources Committee.

What actions were taken?

- None.

What are the next steps to be taken?

- Administer surveys of standing committee performance.
- Conduct exit interviews for retiring trustees.
- Finalize standing committee trustee assignments for 2024-2025 and bring to the board for approval at its May meeting.
- Finalize changes to governing documents, including the bylaws and committee charters, and bring to the board for approval at its May meeting.

Meeting Summary of the Joint Meeting of the Graduate and Professional Education Committee and the Undergraduate Education Committee

February 16, 2024

What were the key takeaways?

- **A core element of Duke's educational mission is an emphasis on teaching excellence and mentorship. By scaling existing areas of strength, Duke can expand exceptional learning experiences for all undergraduate, graduate, and professional students.**
- **Undergraduate, graduate, and professional students benefit from a variety of mentorship opportunities provided by faculty, staff, and peers in diverse settings. While Duke has various successful formal mentorship programs, many mentoring relationships emerge organically. The challenge and opportunity for Duke lies in systematizing these effective but often isolated and impromptu practices.**

What were the major topics discussed?

- A panel comprising faculty, students, and an alumna shared insights on Duke's strengths in teaching and mentoring. Committee discussion followed.
- Committee members participated in breakout sessions to discuss the acceleration and scalability of Duke's teaching and mentorship programs.

What were the major insights shared?

- Duke's educational landscape is enriched by the commitment by the faculty to research-based, innovative teaching methods that are focused on student outcomes, as exemplified by the work in the BRITE (Behavioral Research Informing Teaching Excellence) lab, many Master's capstone projects, and signature programs like Bass Connections. BRITE serves as an exemplar for how undergraduate experiences in the classroom, particularly in large introductory courses, could be approached in multiple disciplines.
- Duke's vision includes embedding world-class teachers into many departments, which would enhance student experiences in gateway courses, influence teaching culture throughout that unit, and create strong communities of practice for continued teaching innovation.
- There are opportunities to broaden the scope of existing mentorship practices and programs. However, this expansion comes with challenges; the most significant mentorship moments often arise spontaneously, and capturing this in a structured way requires creating environments where organic interactions are more likely to occur. Near-peer mentoring often proves especially powerful.
- Facilitating connections between alumni and students would enhance the educational experience for current students and foster ongoing alumni engagement with Duke. A key challenge is effective matchmaking. Leveraging successful practices from peer institutions, along with Duke's existing programs, can enhance alumni student mentorship initiatives.

What actions were taken?

- None.

What are the next steps to be taken?

- Continued exploration with various stakeholder groups and development of strategies to enhance teaching and mentorship.
- Duke leaders will review breakout group recommendations as future strategies for acceleration are considered.
- Committee members will provide suggested edits to the committee charter via email.

Meeting Summary of the Resources Committee

February 16, 2024

What were the key takeaways?

- **The FY24/25 increase in undergraduate cost of attendance will be fully covered by financial aid for students on grant aid; the university anticipates increasing Pell eligible students for the incoming class.**
- **The health system's year-to-date financial performance continues to trend favorably, and the University's mid-year financial results are trending up slightly year over year.**

What were the major topics discussed?

- Quarter 2 FY24 financial update for the university and the health system.
- FY24/25 tuition and fees proposals.
- Feasibility studies for potential new major capital projects and graduate housing planning.
- Proposed changes to the committee charter to affirm the committee's appropriate focus on the financial and capital resources of the University.

What were the major insights shared?

- The transition to school/unit GAAP-based operating results reflects continued refinement and included year-over-year comparisons for the first time.
- The first year of the Carolinas Initiative reflected a significant positive impact on the average need-based grant support for students.
- There is a robust pre-feasibility process undertaken by finance, facilities, development and school leadership before seeking approval for feasibility studies to ensure overall viability of a major capital projects.

What actions were taken?

- The committee approved:
 - Pratt School of Engineering Hudson Complex Renovation – approval for a feasibility study
 - Fuqua School of Business Building Addition – approval for a feasibility study
- The committee recommended to the full board to approve:
 - FY24/25 tuition and fees for undergraduate and graduate programs
 - Fuqua-Law hot water distribution and conversion – approval for the construction and funding
 - Appointments for the employees' retirement plan board
 - Namings

What are the next steps to be taken?

- Proposed committee charter changes, to affirm the committee's appropriate focus on the financial and capital resources of the university, will be brought for approval in May.