

Summary
Meeting of the Duke University Board of Trustees
December 1-2, 2023

Friday, December 1

The board meeting began with an executive session, during which the president briefed trustees on recent developments.

After the opening executive session, trustees along with administrators, faculty, and students, participated in the second session this year of strategic engagement focused on the status of recommendations of previous strategic task forces. The yearlong program aims to re-visit the work of certain strategic task forces for the purpose of measuring progress and accomplishments, identifying work still needing to be done and/or any changes to course, and charting next steps. The second session was focused on the Duke and Durham Today and Tomorrow Strategic Task Force. Stelfanie Williams, vice president for Durham and community affairs, began by providing an overview of the session and a progress update on implementation. Next, there was a panel discussion focused on building healthy communities, which explored the role of health systems and academic medical centers in addressing social drivers of health. This was followed by a panel discussion on community-engaged scholarship, which considered key ingredients for the successful and sustained participation of faculty, staff, and students with communities as we shape a strategy for forging purposeful partnerships. The session concluded with a facilitated discussion focused on next steps and how to move our work forward.

Following the strategic engagement session, in recognition of the centennial of both institutions in 2024, members of the Duke University Board of Trustees held a special joint lunch and meeting with the Board of Trustees of The Duke Endowment and took part in The Duke Endowment's annual reading of James B. Duke's Indenture of Trust.

In the late afternoon, trustees participated in meetings of the standing committees.

Saturday, December 2

The board meeting began in regular session with a TeachHouse fellow and TeachHouse alumna sharing their experience with the Duke TeachHouse program. Trustees participated in a strategic discussion on facilities renewal efforts. In addition, trustees received updates on Duke University Health System (DUHS) and Duke Kunshan University (DKU). After taking action on recommendations from committees, the board meeting concluded with an executive session in which there was an update on the selection of the next board chair and there was open discussion among trustees.

Following the meeting, the Committee on Honorary Degrees met.

Trustees not on the Committee on Honorary Degrees met with faculty over lunch.

Meeting Summary of the Audit and Compliance Committee

December 2, 2023

What were the key takeaways?

- **Sponsored programs' compliance landscape evolves based on federal regulation updates. Initiatives are underway to reduce faculty burden while remaining compliant; improve central administrative services and compliance function; implement research IT needs around data security and data management; and present consistent communications and expectations for all 'One Duke'.**
- **The cybersecurity program is a key element of strategic advantage and will have an external assessment to validate self-assessment maturity.**

What were the major topics discussed?

- Sponsored programs compliance oversight continues to monitor and prepare research areas for changing federal regulations, promote a culture of compliance and responsibility, and improve central administrative services and compliance functions to reduce administrative burden. The institutional compliance program reinforces executive-level ownership, accountability and support through program evaluations and advisory resources.
- IT support for research and data security is a high-priority initiative.
- The IT and cybersecurity program notes cyberattacks vastly outnumber actual security incidents as a result of its in-depth incident response program and mitigation plans in place. Third-party assessments validate strengths and present opportunities for ongoing improvement.
- Progress updates on the FY24 work plans for internal audit, sponsored programs assurance and institutional compliance.

What were the major insights shared?

- Discussion of data governance and data security around research and sharing of data as it becomes a valuable asset.
- The cybersecurity program provides effective and substantial protection against cyber threats through defense and detection capabilities; chief information security officer recruitment is underway and progressing.

What actions were taken?

- Approved the KPMG FY24 engagement letter and appointment of KPMG for FY24 non-audit services.

What are the next steps to be taken?

- None.

Meeting Summary of the Governance Committee

December 2, 2023

What were the key takeaways?

- **The committee will continue to identify and cultivate potential trustee prospects for future service on the Board of Trustees.**
- **During the strategic engagement sessions, we need to ensure trustee expertise is utilized. In addition, at least one-third of the sessions should be used for trustees to provide feedback and advice.**

What were the major topics discussed?

- Prospect review and identification, including review of feedback on new potential trustee prospects, review of current trustee prospects list, and discussion of top trustee prospects for 2024.
- Discussion of plans for the board retreat in February of 2024.
- Discussion of biannual feedback from board meetings, including strategic engagement sessions and meetings of the standing committees.
- Discussion of succession planning for standing committee leadership.
- Initial discussion of planning for strategic engagement at 2024-2025 board meetings.

What were the major insights shared?

- There was consensus in the feedback from the committee on the new potential trustee prospects.
- It remains the committee's highest priority to identify and cultivate potential trustee prospects for future service on the board.
 - Need to continue to develop a shortlist of trustee prospects for 2025.
 - Continue to focus on developing and diversifying the board's pipeline, with particular emphasis on gender, geographic location, and the areas of expertise that the board needs at this point in time.
- The committee provided feedback on plans for the board retreat in February of 2024, including feedback on outside speakers for the strategic sessions, plans for spouses, social activities, and advance materials.
- During the strategic engagement sessions, we need to ensure trustee expertise is utilized. In addition, at least one-third of the sessions should be used for trustees to provide feedback and advice.
- Since the governance changes in 2017-2018, the work of the standing committees has been very substantive.
- The committee was supportive of the general direction of the initial plans for strategic engagement by the board in 2024-2025.
- The interactions with The Duke Endowment board and senior leadership were outstanding. As part of new trustee orientation/onboarding, information about The Duke Endowment should be included to provide the historical context.

What actions were taken?

- Added individuals to the current trustee prospects list.
- Selected top trustee prospects for 2024.

What are the next steps to be taken?

- Bring trustee prospects for 2024 to the board for approval in February.
- Continue the succession planning for standing committee leadership discussion.

Meeting Summary of the External Engagement Committee

December 1, 2023

What were the key takeaways?

- **The Partnership Platform has been created and is now in the socializing stage. The platform is a digital hub where Duke's resources are easily accessible. The platform allows mapping of community-engaged scholarship projects and community engagement work across the university, connects resources and volunteers with community partners who have expressed a need, and measures impact.**
- **The Affordable Housing Strategic Council launched in January 2023. The council meets each month and comprises members from Duke University, Durham neighborhoods, local non-profit service organizations, municipal agencies, non-Duke partners, and representatives from the business sector.**
- **Two more strategic councils are in the pipeline and are at different stages of creation: Food Security and Nutrition, and Early Childhood and School Readiness.**

What were the major topics discussed?

- An overview of the Duke and Durham Today and Tomorrow Strategic Task Force charge, including identifying strategic areas and delivering an update on the ongoing implementation.
- A review of the Partnership Platform to understand how to access relevant information.
- An update on the status of each of the Strategic Councils: Affordable Housing, Food Security and Nutrition, and Early Childhood and School Readiness.

What were the major insights shared?

- The recurring themes from community partners and Duke are similar.
- The Partnership Platform will allow for greater coordination and will provide the opportunity to share information to improve health outcomes in the community.
- The Affordable Housing Strategic Council has three key areas of emphasis: land inventory, closing the wealth gap, and affordable housing inventory. To create a stronger path for convening the council, the Duke Community Affairs team provides support; however, the agenda for the council is set by council members and the leadership on the council. A review of the first year will begin in January 2024.
- The current focus of the Food Security and Nutrition Council is to build trust with community partners to address concerns over the establishment of a council, plus the view that a council would be redundant with existing programs and the work already being done. Progress is being made with the community, and an internal Duke steering committee has been established to identify resources, programs, and existing engagement with the community.
- The Early Childhood and School Readiness Strategic Council is undergoing a listening tour with one meeting completed, and similar to the housing council, it will address the root causes, and not just the symptoms of, the challenges with education in the Durham community. Five areas of partnership have been identified: Duke, municipal agencies, other local partners, higher education partners, local non-profits, and foundations.

What actions were taken?

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

Meeting Summary of the Graduate & Professional Education and Research Committee

December 1, 2023

What were the key takeaways?

- **Duke's capacity to facilitate interdisciplinary teaching and research and support experiential learning are crucial strengths.**
- **Renovating and modernizing Duke's academic and research buildings should be a priority, especially in the natural sciences and engineering.**
- **Investments in computing, including AI, cybersecurity, and large language models, will be important for Duke's future success.**

What were the major topics discussed?

- Provost Alec Gallimore shared his initial assessments of the research enterprise, the faculty, and graduate and professional education at Duke, with a particular focus on his emerging priorities for the upcoming campaign.
- The committee discussed the process to transition a center to a university-wide institute. The Duke-Margolis Center for Health Policy has demonstrated that it has achieved the specified criteria, including breadth of faculty and student engagement, partnerships beyond Duke, strategic relevance, and attention to inclusive excellence.
- The committee also discussed the proposal by the Sanford School to create a new Master's in Public Affairs. Sanford conducted careful market analysis and developed a distinctive offering that should meet the needs of mid-career policy professionals. Duke already has successful hybrid masters programs in Fuqua, Nursing, and Divinity. Working professionals value the hybrid model over a purely online program as they can forge connections with other students.

What were the major insights shared?

- Duke's strengths include interdisciplinary excellence, superb experiential learning programs, a spirit of collaboration, excellent schools augmented by university institutes and centers, a compact campus, a capacity to be nimble, a willingness to be bold (e.g. quantum computing, the Duke Climate Commitment, and Duke's investments in racial and social equity), and, as a result, the recruitment of superb faculty, staff, and students.
- The committee also discussed the impact of the Supreme Court decision on admissions and the enduring impact of the pandemic on the campus community.

What actions were taken?

- The committee approved the proposal from the Duke-Margolis Center for Health Policy to transition to become a university-wide Institute.
- The committee also approved the proposal from the Sanford School to offer a new Master of Public Affairs degree.

What are the next steps to be taken?

- Recommendations were forwarded to the full Board of Trustees for approval.

Meeting Summary of the Resources Committee

December 1, 2023

What were the key takeaways?

- The health system's year-to-date financial performance is trending favorably compared to budget.
- The School of Medicine relies on the health system-funded quasi endowment to cover central operating deficits at the dean/EVP level, including renovations, chair commitments and department/new program support. This support is projected to be depleted in the coming years; therefore, leadership will need to secure alternate funding and/or reduce expenses.
- The projected all-in long term pool draw, net of gifts to the endowment, is near the upper limit of what is sustainable under current market conditions.

What were the major topics discussed?

- An updated financial plan for the health system.
- An updated financial plan for the School of Medicine.
- Endowment spending rates for FY 2025.

What were the major insights shared?

- Sponsored research is not fully cost recovered and the School of Medicine relies on withdrawals from the health system funded quasi endowment to help subsidize these costs.
- The size of the School of Medicine's research portfolio will be challenging to maintain absent significant growth in the health system and its ability to provide an elevated level of support.
- The University accesses endowment/investment income through three mechanisms, which have increased significantly and purposefully over the past three years.

What actions were taken?

- The committee approved:
 - Garden Gateway – design and funding for construction design documents
- The committee recommended to the full board to approve:
 - Resolution to approve the endowment spending rates
 - Nasher and Haemisegger Family Sculpture Garden (Phase 1B) – construction and funding
 - Naming item.

What are the next steps to be taken?

- Continued collaboration between the university and health system on financial planning and alignment to support long-term financial viability in a post-Duke Health Integrated Practice environment.
- The all-in long term pool draw, net of gifts to the endowment, will need to be monitored closely in collaboration with DUMAC leadership to adequately plan for any portfolio allocation and/or liquidity issues that may arise given increased spending levels.

Meeting Summary of the Undergraduate Education Committee

December 1, 2023

What were the key takeaways?

- **Artificial intelligence (AI), specifically large language models, can be viewed as an opportunity to advance liberal arts educational goals, such as critical thinking, complex problem-solving, and effective communication.**
- **Institutional research and assessment teams have taken initial steps to align data collection instruments to enhance understanding of QuadEx's impact on the Duke undergraduate experience.**
- **In response to the Israel-Hamas war's ongoing impact on campus life, university leaders are taking a proactive, collaborative approach to continuously engage students and other stakeholders.**

What were the major topics discussed?

- A panel of faculty from the natural sciences, social sciences, and humanities shared insights into integrating AI into teaching practices, discussing how they are grappling with the challenges and opportunities of AI in real time.
- Administrators from the Office of Undergraduate Education and Student Affairs shared early results from the Duke Undergraduate Check In (DUCKI) survey and the Residential Feedback Survey.
- Gary Bennett and Mary Pat McMahon outlined Duke's strategic and intentional approach to addressing the campus impacts of the Israel-Hamas war.

What were the major insights shared?

- AI can serve as a useful learning tool, particularly in its ability to support diverse learning styles. However, students need to be able to critically evaluate AI outputs and understand its limitations. Some faculty have begun to integrate lessons into their coursework with the goal of ensuring students not only benefit from AI's capabilities but also become discerning users who understand its constraints.
- Unresolved ethical implications of AI's use in education, such as academic integrity and data bias, persist. In response, faculty are adjusting their assessment practices and working with students to help them recognize and address biases.
- Rapid advancements in AI, particularly in fields like computer science, are altering job market expectations and requirements. In response, faculty are emphasizing foundational and critical thinking skills that transcend specific programming languages or tools to prepare students to adapt, innovate, and ethically navigate a future where AI plays a central role in their professional lives.
- As the Israel-Hamas war continues to impact campus, a continued focus on stakeholder relationships and coordinated internal response have been key to maintaining a safe and productive campus environment. The conflict has reinvigorated campus debates related to open expression and academic freedom.
- Data on students' sense of belonging is positive across the board while also reflecting the developmentally typical ebbs and flows that young adults experience as part of college life.
- Student-faculty engagement on East Campus remains consistently stronger than on West Campus. However, current QuadEx data collection does not capture all the ways upperclass students meaningfully engage with faculty outside of the classroom. More work is needed to understand student-faculty engagement experiences inside and outside the residences.

What actions were taken?

- None.

What are the next steps to be taken?

- None.