

Summary
Meeting of the Duke University Board of Trustees
May 6-7, 2022

Friday, May 6

The board meeting began with an executive session, during which the board recognized and thanked Young Trustees Ibrahim Butt and Trey Walk, who will be concluding their service on the board at the end of June, and approved resolutions of tribute to honor the service and leadership of several leaders who are retiring or transitioning to new roles. (The board also personally recognized these individuals during the weekend, either at the board dinner or in the meeting.) In addition, the board approved the awarding of degrees that were conferred at commencement on Sunday, May 8. Finally, the president briefed trustees on recent developments.

After the opening executive session, trustees along with administrators, faculty and students, participated in the fourth and final session of strategic education this year on the topics of *The Duke Brand, and the Future of Higher Education and Academic Medicine*. This final session included two parts: Duke as an employer and a wrap-up of the year. The employer segment began with a level-setting conversation with Provost Sally Kornbluth and Vice President for Administration Kyle Cavanaugh, who provided an overview of Duke's complex workforce ecosystem. Following the overview, Vice President Cavanaugh moderated a panel discussion with three external industry leaders focused on recruiting, retaining, and developing the best talent across the non-faculty portion of the workforce. Next, Professor Peter Feaver moderated a panel of Duke deans and faculty focused on faculty recruitment, retention, and development. Participants then went into breakout groups to consider strategic questions. Part two, the wrap-up of the year, included a plenary discussion moderated by President Vince Price focused on learnings from the year-long program.

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

Saturday, May 7

In regular session, the board received a financial update, which included discussion and approval of capital and operating budgets for FY 2023. Trustees received updates on the implementation of recommendations from the Board's Strategic Task Forces from 2018-19 (Activating the Global Network, Advancing Duke Science and Technology, Next Generation Living and Learning Experience, and the Future of Central Campus), 2020-21 (Climate Change and Sustainability, Duke's Centennial Celebration, and Duke and Durham Today and Tomorrow), and the 2019-2020 strategic education initiative on Research Translation and Commercialization. Next, Provost Kornbluth provided a brief update on undergraduate admissions. After taking action on recommendations from committees, the board meeting concluded with an executive session in which the Governance Committee brought several items forward for approval and there was open discussion among trustees.

Meeting Summary of the Audit and Compliance Committee

May 7, 2022

What were the key takeaways?

- Duke is held to the highest standard in research excellence/integrity, and external sponsors are elevating their expectations for both the institution and the investigators. Supporting research excellence and faculty researchers relies upon a combination of centralized policy, flexible interpretation (based on the varying external requirements), and optimization of support resources, communication, and administrative workflow.
- Institutional compliance risk presents ongoing challenges for action and oversight based on the federated organization structure.
- Assurance programs are focused on the highest risks but are constrained by current staff resourcing and client bandwidth.

What were the major topics discussed?

- Policy and structural updates to ensure Duke is providing optimal support for research excellence and compliance. Priorities, opportunities and challenges include leveraging technology, balancing centralized and decentralized research administration support, standardizing practices, and addressing the structural complexities of centralization and its socialization and communication with faculty and staff.
- Compliance and risk management initiatives, compliance maturity action plans and assurance oversight priorities. FY22 highlights include Values in Action launch, maturity goal action plans, and improved concern intake and investigation coordination. FY23 priorities include evaluating organizational design of compliance responsibility, strengthening the compliance liaison network, revisiting the compliance risk universe, and leadership responsibility for tone and risk tolerance.

What were the major insights shared?

- Support for ongoing priorities related to research integrity, compliance, excellence, external engagement, and commercialization.
- Ongoing importance of responsibility, authority, and assurance in the decentralized / federated environment.
- Importance of periodic external validation of high-visibility functions to understand the strengths, achievements and improvement opportunities related to risk management and compliance.

What actions were taken?

- Accepted FY23 audit, risk and compliance plans, as presented
- Accepted Audit and Compliance Committee Charter, as presented
- Accepted OARC Charter, as presented
- Accepted Dual Interests and Outside Activities Policy, as presented

What are the next steps to be taken?

- Confirm deep dive topics for the FY23 committee work plan.
- Management will identify opportunities to evolve the compliance program structure, determine best practices for communication with compliance risk managers, and determine areas that should receive periodic external assessment.

Meeting Summary of the External Engagement Committee

May 6, 2022

What were the key takeaways?

- **Campus-wide partnership and collaboration are key in creating programming to fulfill the recommendations of Activating the Global Network for lifelong learning, careers and mentoring.**
- **Connecting and simplifying the numerous programs that exist across Duke for all students to connect with alumni is essential.**
- **Engaging alumni deepens their involvement and brings broader and deeper expertise to faculty and students. Developing relationships with academic departments and individual faculty members supports the ability to help students connect academic studies to a career path.**

What were the major topics discussed?

- The Activating the Global Network (AGN) Strategic Task Force recommended improvements in three main areas: lifelong learning, career and professional development for students and alumni, and mentoring. The committee was briefed on the Duke Alumni Board's commitment to AGN, and how alumni, faculty, and campus partners are working with leaders in lifelong learning and careers and mentoring to fulfill the promise of AGN.
- The committee broke into two smaller sessions to see demonstrations on some of the many ways technology is being used to advance the goals of the AGN.
- A full group discussion followed, framed by questions posed on how best to leverage technology, faculty, alumni, and other partnerships at Duke.
- The committee heard updates on the Duke & Durham Today and Tomorrow Strategic Task Force recommendations, campaign planning, and the Centennial Celebration.

What were the major insights shared?

- Partnerships forged across Duke in the last couple of years bolster the promise of AGN to create a transformational student experience; to engage alumni, students, faculty, and staff; and to encourage a Duke education as a lifelong endeavor.
- The Duke Alumni Board is actively looking at how to encourage and promote career and professional development, mentoring, and lifelong learning for students and alumni.
- Alumni Engagement and Development, in its reorganization, made intentional investments to establish engagement as a key element and to leverage partnerships and collaboration with departments across Duke and with faculty and alumni.

What actions were taken?

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

What are the next steps to be taken?

- Suggested topics for the 2022-2023 work plan will be taken into consideration.

Meeting Summary of the Governance Committee

May 7, 2022

What were the key takeaways?

- **The committee will focus its upcoming meetings on developing a shortlist of top trustee prospects for 2023.**
- **Engagement of former young trustees and former Duke Alumni board president trustees is priority for the committee.**

What were the major topics discussed?

- Continued discussion of board composition and processes for the identification and selection of trustees.
- Prospects review, including current trustee prospects and initial discussion of top trustee prospects for 2023.
- Engagement of former young trustees.
- Reports from exit interviews.
- Discussion of feedback on the 2021-2022 strategic education sessions.
- Results of standing committee surveys of performance.
- Planning for next year, including additional education or training for trustees, possible virtual meetings, timing of next offsite board retreat, and topics for FY 2023 meetings of the Governance Committee.
- Review of the following: revisions to bylaws, revisions in standing committee charters, next steps for annual survey of board performance, update on boards of visitors initiative, and update on review of trustee prospect priorities.

What were the major insights shared?

- It remains the committee's highest priority to identify and cultivate potential trustee prospects for future service on the board.
 - Feedback needed from the committee on current trustee prospects.
 - Shortlist of top trustee prospects for 2023 needs to be developed.
 - Continue to focus on diversifying the board's pipeline.
- The committee enthusiastically supported the proposed cultivation plan for former young trustees. The committee wants to create a similar cultivation program for former Duke Alumni board president trustees.
- The 2021-2022 strategic education sessions were very beneficial and provided deep context for decision making. Need to ensure the board re-visits the topics discussed and also that new trustees are briefed on the topics. In addition, need to ensure that breakout groups are used effectively during meetings.
- The standing committees are functioning and performing well.
- It may be beneficial for the board to do an off-site retreat within the next couple of years. The Governance Committee will continue this discussion.

What actions were taken?

- Approval of new trustee orientation program for 2022.
- Approval of the proposed mentors for the new trustees.
- Endorsed slight modification to the process for the selection of board chair.

What are the next steps to be taken?

- Gather feedback from the committee on current trustee prospects.
- Continue discussion of top trustee prospects for 2023.
- Administer annual survey of board performance and share results with board.
- Develop work plan for committee meetings in the next year.
- Implement engagement program for former young trustees. In addition, create a similar engagement plan for former Duke Alumni board president trustees.

Meeting Summary of the Graduate and Professional Education and Research Committee

May 6, 2022

What were the key takeaways?

- **Duke has built a superb foundation for externally funded research, with particular strengths in the biomedical sciences, key areas of engineering, and, thanks to Duke Science and Technology (DST), a growing set of contexts in the natural sciences, such as quantum computing and materials science.**
- **Rapid economic growth in the Triangle is creating plentiful opportunities for partnerships with industry. Effective cross-school relationships, and coordination between the Office of External Partnerships and the Office of Durham and Community Affairs, will be crucial to seize those opportunities.**
- **There is a need to deepen capacity to prepare for major, interdisciplinary grant competitions.**
- **While the 2030 report has surfaced crucial mechanisms for supporting the development of Duke's research-related human capital, the university has needs involving its physical plant.**

What were the major topics discussed?

- Review of annual survey results from committee members. Committee members emphasized the timeliness of topics this year, the value of background briefs on Duke's heterogeneous graduate and professional programs and the quality of committee discussions; and indicated the importance of balancing the range of topics under the committee's purview.
- Recommended to the Board of Trustees the conversion of Emergency Medicine from a division to a department, and the change of Cell Biology to Cell and Molecular Biology.
- Updates on the 2030 report and the Duke Research Enterprise, led by Jenny Lodge, Duke's new vice president for research and innovation.
- Opportunities and challenges associated with the growth of high-tech firms in the Triangle, led by Ed Pagani, the new director of the Office of External Partnerships.
- Opportunities and challenges presented by major new research funding avenues in the sciences and engineering, led by Jerry Lynch, the new dean of the Pratt School of Engineering.

What were the major insights shared?

- The Office of Research and Innovation is developing plans to amplify path-breaking research while ensuring maintenance of integrity and regulatory compliance. Key steps toward the former include DST Launch and DST Spark, two internal grant opportunities to foster new interdisciplinary research ideas and support new directions for mid-career faculty.
- The Office of External Partnerships will be forging strategic relationships with key firms around student internships and faculty research collaborations. Duke will also be looking to leverage campus expertise to engage with community challenges raised by rapid growth in the local economy.
- Federal funding for STEM-related research is on the upswing, but has become weighted toward convergent, applied research, and has prioritized less-well funded geographic areas. Success in larger interdisciplinary funding competitions will depend on the timely development of strong Duke-wide teams, as well as robust networks with partners in the region, including R1 universities, HBCUs, and other institutions like RTI International.

What are the next steps to be taken?

- For next year, update the background information about school research and teaching profiles.
- Over the summer, develop a three-year roadmap to ensure a breadth of topic coverage, maintaining flexibility to ensure follow-up discussions around priority areas.
- Campaign planning should incorporate priority areas for research support.

Meeting Summary of the Resources Committee

May 6, 2022

What were the major topics discussed?

- The university financial performance to-date and ‘top-down’ year-end forecast continue to reflect operating surpluses, excluding unplanned investment support; however, the FY 2023 – FY 2027 ‘top down’ five-year GAAP operating plan shows declining results and indicates the need for continued operating performance improvement.
- The FY 2023 – FY 2027 five-year capital plan reflects a shift in focus on facility renovation and renewal. The plan assumes no incremental external borrowing.

What actions were taken?

- The committee approved:
 - Garden Gateway – Design Funding
 - Duke Energy 44KV Loop Replacement – Initiation and Feasibility Funding
 - Research Precinct Steam Renewal – Initiation and Feasibility Funding
- The committee recommended to the full board to approve:
 - FY 2023 Operating Budget
 - FY 2023 Capital Budget

What are the next steps to be taken?

- Leadership will continue progress in advancing ‘bottoms up’ school/unit five-year financial plans to help identify opportunities to strengthen operating performance and inform strategic resource allocation and related financial decision-making.

Meeting Summary of the Undergraduate Education Committee

May 6, 2022

What were the key takeaways?

- **The Office of Undergraduate Education and Division of Student Affairs have made significant progress in both implementing QuadEx and communicating its importance to faculty, staff, current and incoming students, and alumni.**
- **Experiential orientation, Faculty Fellows, and residential common room upfits should be targets of continued investment.**
- **QuadEx, the upcoming curriculum review, and other undergraduate education initiatives to support student wellbeing will influence Duke's resilience to threats facing higher education and position the institution to make the most of future opportunities.**

What were the major topics discussed?

- Chair Ann Pelham congratulated student committee members on their graduation and thanked outgoing members Trustees Butt and Walk for their committed service to undergraduate education.
- Vice Provost Gary Bennett and Vice Provost/Vice President Mary Pat McMahon provided an update on QuadEx and the comprehensive effort to revitalize living and learning at Duke. The committee heard from students, staff, and faculty fellows to learn more about the real-time implementation updates for QuadEx.
- VP Bennett and VP/VP McMahon reviewed two years of Undergraduate Education Committee session topics, as well as recent member survey results to inform the committee's work plan for the upcoming year.
- VP Bennett and VP McMahon facilitated a discussion of threats and opportunities facing undergraduate education, highlighting trends in mental health, polarization and discourse, and the future of liberal arts.
- Chair Pelham led a synthesis and wrap-up discussion to close the session and year.

What were the major insights shared?

- Sophomore Spark, an integral part of QuadEx, showed early signs of success by hosting over 800 students at the "Halfway There" celebration.
- Incoming students and their families expressed significant enthusiasm for Experiential Orientation when announced at Blue Devil Days.
- Interest in the Faculty Fellows position is high.
- Event policy and procedure improvements fostered more social activity on-campus in spring 2022. This may be contributing to the highest on-campus housing demand in 20 years.

What actions were taken?

- N/A

What are the next steps to be taken?

- Chair Pelham, VP Bennett, and VP/VP McMahon will use threats and opportunities discussion and survey results to inform committee's workplan for next year.