

Summary
Meeting of the Duke University Board of Trustees
May 7-8, 2020

Thursday, May 7

The virtual board meeting began with an executive session, during which the board recognized and thanked Young Trustees Uzo Ayogu and Amy Kramer, who will be concluding their service on the board at the end of June, and passed a resolution of tribute to Senior Vice President and Secretary Richard Riddell, who is retiring in June after 28 years as a faculty member and administrator at Duke, the last 13 of which have been as board liaison and counselor to the president. Riddell was named Secretary Emeritus. The president also briefed trustees on recent developments.

The trustees then met in a plenary session for a briefing on Duke's response to and recovery from COVID-19. After an introduction from President Price, the board heard from Dr. Mark McClellan, founding director of the Duke-Margolis Center for Health Policy, who provided a national perspective on COVID-19; following Dr. McClellan, Dr. Cameron Wolfe, infectious disease lead for Duke's Coronavirus Taskforce, provided a local overview. Trustees were then briefed on the work of the two strategy groups – Team 2021, focused on issues related to recovery in academic year 2020-2021, and Team 2030, focused on longer term issues growing out of the current crisis. The session concluded with a brief update on Duke Kunshan University.

Friday, May 8

After morning meetings of the standing committees, the board met in its final plenary session, which began with President Price presenting his vision for a path forward from this year's sessions on research, translation and commercialization at Duke and in the region. Immediately following, President Price presented his proposal for strategic engagement of the board in 2020-21, including strategic task forces. In addition, trustees proposed topics to be the focus of strategic education sessions in 2020-21. Next, the board received a briefing on financial challenges that have emerged as a result of COVID-19. After taking action on recommendations from committees, the board meeting concluded with an executive session for open discussion among trustees. In executive session, the board endorsed the board chair's plans for the periodic review of the president, which will take place in the fall.

Meeting Summary of the Audit and Compliance Committee

May 8, 2020

What were the major topics discussed?

- Discussion on COVID-19 disruption and related impact on research compliance, the financial internal control environment, and internal audit and compliance work plans
- Discussion of work plan status for fiscal year 2020, including internal audit, institutional compliance, privacy and IT risk
- Discussion of internal audit, institutional compliance, privacy and IT risk work plans for fiscal year 2021
- Discussion of the committee's annual self-assessment and fiscal year 2021 tentative agenda topics

What were the major insights shared?

- Impact of idled research and plans for delivering sponsored program commitments
- Annual update and discussion on the institution-level compliance risk environment

What actions were taken?

- Accepted FY21 proposed internal audit, institutional compliance, IT risk and privacy work plans as presented
- Accepted committee charter updates as presented
- Endorsed the Dual Interest and Outside Activities policy as presented and recommended approval by the Board of Trustees

What are the next steps to be taken?

- Follow-up discussion on areas/ways in which the research compliance environment and internal controls designs have been impacted by the COVID-19 disruption

Meeting Summary of the External Engagement Committee

May 8, 2020

What were the major topics discussed?

- The May meeting key topic was engagement with strategic priorities and national issues specifically looking at Duke's response to the COVID-19 pandemic focusing on the current environment, support of the university and Durham communities, insights and lessons learned and finally, the impact on future plans.
- A brief update was shared with the committee on alumni affairs and development organizational changes and progress since the February committee meeting.

What were the major insights shared?

- Results from the February summary of the Fact-Question-Aha!-Action sheets were shared with the committee members.
- The COVID-19 pandemic has impacted every aspect of daily life and functions of the university. The university, having been aware of the threat in Wuhan China since mid-December, had already begun to create plans to address all the challenges we now face.
- The communications and government relations departments have been working on COVID-19 related issues of public policy, health and community outreach at the federal, state and local levels providing guidance and advice in creating policies and protocols; and using a vast array of communication tools, successfully communicated information to internal and external constituents.
- The Durham and community affairs efforts have included supporting the surrounding communities throughout the COVID-19 pandemic by continuing some existing services virtually and by developing new services, some in collaboration with other Duke offices; preserving and advancing the ethos of community at a distance; and balancing support for immediate community concerns and needs specific to COVID-19 while also focusing on building strategic and sustainable structures and partnerships. Guest speaker, Tuere Bowles, shared information on the community assistance funds with an overview of phases and opportunities for sustained engagement.
- Work continues on the strategic goal for Alumni affairs and development toward the shared vision built around the idea of lifelong engagement to create a more effective organization and create a customer-centric experience.

What actions were taken?

- A motion was made to approve the naming resolution put forth on the agenda. The motion was seconded and the committee unanimously approved the resolution.

What are the next steps to be taken?

- Committee members were asked for any suggested topic ideas for the 2020-2021 work plan. None were offered during the meeting but members were asked to provide any suggestions via email to Chair Roberts or staff member, Michele Wittman.

Meeting Summary of the Governance Committee

May 8, 2020

What were the major topics discussed?

- Prospect review, including review of final trustee prospect priorities document, review of new prospects, and discussion of top trustee prospects for upcoming vacancies.
- Board leadership election process and planning, including review of the following: process for election of board chair, proposed process for re-election of board chair, and draft job descriptions for the board chair and board vice chair.
- Trustee onboarding and orientation, including feedback from 2019 program, orientation program for 2020, and mentors for incoming new trustees.
- Young trustee exit interviews.
- Results of standing committee surveys of performance.
- Planning for next year, including additional education or training for trustees, annual board retreat, and topics for FY 2021 meetings of the Governance Committee.
- Review of the following: revisions to the bylaws, revisions in standing committee charters, next steps for annual survey of board performance and process for confirming trustee assignments to strategic task forces, and update on boards of visitors initiative.

What were the major insights shared?

- Need to use the final trustee prospect priorities document as a resource when identifying, reviewing and recruiting 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 upcoming vacancies.
- Need to get input from the entire board when re-electing the board chair.
- The board vice chair role has evolved over time significantly, particularly after the governance restructure.
- Need to formalize a process for tracking and reporting board meeting attendance.

What actions were taken?

- Endorsement of the trustee prospect priorities document.
- Change in status category for certain trustee prospect.
- Approval of new trustee orientation program for 2020.
- Endorsement of the proposed mentors for the new trustees.
- Endorsement of the board vice chair job description.

What are the next steps to be taken?

- Distribute trustee prospect priorities document to the Executive Committee and then to the full board.
- Continue discussion of top trustee prospects.
- Update the process for re-election of board chair and bring to the committee for approval in the fall.
- Update the job description for the board chair and distribute to the committee for approval.
- Administer annual survey of board performance and share results with the board.
- Develop strategic task force trustee assignments and bring to the Executive Committee for approval at its June meeting.
- Develop work plan for committee meetings in the next year.

Meeting Summary of the Graduate and Professional Education and Research Committee

May 8, 2020

What were the major topics discussed and insights shared?

- International enrollment: Executive Vice Provost Jennifer Francis updated the committee on enrollment and visa issues affecting incoming international students due to COVID-19. Many incoming international graduate students will likely experience delays in visa processing (and other travel restrictions) making it difficult for them to arrive for the start of Fall classes in late August. U.S. visa regulations do not allow students to begin programming once the semester has officially started, therefore the current suspension of visa services due to COVID-19 poses a significant hurdle to incoming international graduate (masters, professional and PhD) students. Master's Programs with high enrollment of international students have been identified and the directors of those programs are in contact with Executive Vice Provost Francis about plans for online starts to their programs.
- Employment track for Doctoral Students: Vice Provost Ed Balleisen presented on the current efforts aimed at PhD students for the summer of 2020. The Provost Office has worked through Continuing Studies to expand Summer Session (which can finance teaching assistant positions and instructors with tuition revenues from those courses), while the Graduate School has provided funding for 23 additional research fellowships. Departments, Duke Units and External Organizations have also provided funding for additional internships. The Graduate School and Summer Graduate Academy are providing development workshops and short-courses to bolster student skills, especially in the area of digital projects and communication.
- Research employment: Vice Dean for Basic Science Colin Duckett updated the committee on the status of the research labs that were ramped down due to COVID-19. Essential research activity, time sensitive experiments, and research relevant to COVID-19 was not suspended; however other research was halted. Great care is being taken to gradually restart halted research areas and to restart core units. The School of Medicine has developed a list of practices to facilitate risk reduction and monitor building activities. That manual has been used across the University to develop complementary manuals.

What were the major insights shared?

- Students responded positively to the expanded summer programming.

Meeting Summary of the Resources Committee

May 8, 2020

What were the major topics discussed?

- Management's actions and plans in response to COVID-19.
- Management's short-term and long-term cost reduction alternatives to contain salary spend with an emphasis on making long-term cost reduction options a priority.
- FY 2021 Operating and Capital Budgets.
- Extended financial planning through FY 2025.

What were the major insights shared?

- A variety of university revenue streams are under pressure from COVID-19 with greatest impact in FY 2021; management has implemented a variety of cost reduction measures to mitigate the short-term financial risks.
- Even after FY 2021 short-term revenue challenges recover, the long-term projection model shows an operating deficit remains in FY 2025.
- Controlling compensation growth across the university will be key to addressing the projected operating deficit modeled in the five-year plan.
- The crisis is an opportunity for management to address longer-term structural issues with the university's financial model, including affordable tuition, and to effectively resource the university's highest priorities in the coming years.

What actions were taken?

- The committee recommended to the board to approve
 - FY 2021 Operating and Capital Budgets
 - Taxable and Tax-Exempt Commercial Paper Programs
 - Granting Authority to the Vice President for Administration
 - Withdrawals from Certain Endowment Funds and Special Reserves
 - Internal Loan to the School of Medicine for the Parmer Campus (\$45.7M)
 - Chilled Water Storage Tank Long Lead Time Equipment
 - MSRB II Duke Human Vaccine Institute (DHVI) Additional Funding for Construction (\$3.2M)
 - Naming
 - The Resources Committee Charter
- The committee approved
 - Garden Gateway Utilities Project Design
 - Garden Gateway Project Design
 - Utility Site #1 Thermal Plant Project Design
 - Lilly Library Expansion and Renovation Project Design

What are the next steps to be taken?

- Identify alternatives to address longer-term structural issues with the university's financial model with assigned targets.
- Information on space utilization to ensure optimal use of existing space

Meeting Summary of the Undergraduate Education Committee

May 8, 2020

What were the major topics discussed?

- COVID-19 Undergraduate Response.
- Progress on the NGLLE Goals, including Sophomore Experience.
- In what ways can response to the pandemic advance NGLLE and other strategic goals?

What were the major insights shared?

- Reviewed March-April 2020 Immediate COVID-19 response priorities (preserve health of campus community, support hospital capacity to treat pandemic) and efforts by Undergraduate Education, Student Affairs and others to support faculty and students shifting to remote learning and student wellbeing. Duke faculty, leadership, student, staff community rallied and came together, including after recent student deaths.
- Outlined working groups underway that focus on curricular, co-curricular, academic space, first year experience, undergraduate education response group, Duke Student Assistance Fund, Keep Learning and Keep Teaching, Summer 2020 Internships
- Summer program course offerings expanded from typical 60 courses—Summer I, 150 courses offered; Summer II, 200 courses offered.
- NGLLE update described future residential plan which will link East Campus residence halls to West Campus neighborhoods.
- Sophomore Spark program well developed in Spring 2020; implementation on hold during pandemic. We will seek opportunities to connect students at key moments virtually or in person in 2020-21.
- Title IX, Sexual misconduct in education – VP Hewitt shared that the Office of Institutional Equity is providing guidance to campus entities on the final regulations, which take effect in August.
- Plans for 2020-21 Academic Year will include fractional density model, observing social distancing polices. Several outstanding decision points remain, including how to best foster community and connection with incoming Class of 2024 students.

What are the next steps to be taken?

- VPs Bennett and McMahon will arrange a mid-June call with the UE committee to seek insight on Fall 2020 plans.
- Determine where COVID disruption provides increased opportunities for successful NGLLE implementation.
- Focus on Fall 2020 semester and how to best offer classes during COVID-19 pandemic.
- Identify topics for discussion in 2020-2021 committee meetings.