

**Summary**  
**Meeting of the Duke University Board of Trustees**  
**May 6-8, 2021**

Thursday, May 6

The Audit and Compliance Committee and the Governance Committee met in the afternoon.

Friday, May 7

The board meeting began with an executive session, during which the board recognized and thanked Young Trustee William Brody and Past DA President Laura Meyer Wellman, who will be concluding their service on the board at the end of June, and passed a resolution of tribute to Vice President and Director of Athletics Kevin White, who is retiring at the end of August after 13 years as an administrator at Duke. White was elected Vice President and Director of Athletics Emeritus, effective September 1, 2021. In addition, trustees elected the new alumni association trustee and young trustees whose terms will begin July 1, 2021. The president also briefed trustees on recent developments and discussed his proposed plan for strategic engagement at Board of Trustees meetings in 2021-2022.

After the opening executive session, trustees participated in their final strategic education session of the year. The topic for this meeting was faculty. In the afternoon, trustees participated in meetings of the strategic task forces and standing committees.

In the evening, the board had a virtual reception to recognize the six retiring trustees, Jack Bovender, Ralph Eads, Paul Farmer, Janet Hill, Peter Kahn, and Martha Monserrate, as well as Kevin White. The retiring trustees were elected trustees emeriti earlier in the day.

Saturday, May 8

The meeting began in regular session with updates from Strategy Teams 2021 and 2030, including the latest on the institutional response to the COVID-19 pandemic, vaccine distribution, and planning for summer and fall. There were presentations and discussions on the preliminary reports from the 2020-2021 strategic task forces – Climate Change and Sustainability, Duke and Durham Today and Tomorrow, and Duke’s Centennial Celebration. Next, there were updates on the following: 1) anti-racism and equity commitments; 2) Duke Science and Technology initiative, which included the introduction of Professors in the Department of Electrical and Computer Engineering Chris Monroe and Jungsang Kim; 3) campaign planning; and 4) undergraduate admissions. After conducting business, to include taking action on capital and operating budgets for FY 2022 and approving a resolution of tribute to Carlee Goldberg (T’22) for her selection as a Truman Scholar, the board meeting concluded with an executive session for open discussion among trustees.

## Meeting Summary of the Audit and Compliance Committee

May 6, 2021

### What were the major topics discussed?

- Compliance program maturity assessment results and action plans to achieve goal states set by the risk owners
- Update on the initiative to refresh the institutional code of conduct
- Discussion of internal audit, institutional compliance, privacy and IT risk work plans for fiscal year 2022
- Discussion of work plan status for fiscal year 2021, including internal audit, institutional compliance, privacy and IT risk

### What were the major insights shared?

- Standing updates on research excellence initiatives and pandemic-related compliance priorities, including enforcement priorities
- Support for comprehensive compliance programs, insights on accountability structures and appreciation for the comprehensive assurance program
- Key feedback from the committee's annual self-assessment and fiscal year 2022 tentative agenda topics

### What actions were taken?

- Accepted FY22 proposed internal audit, institutional compliance, IT risk and privacy work plans as presented
- Accepted committee charter updates as presented
- Approved (provisional) FY20 Uniform Guidance Audit as presented
- Endorsed the Institutional Code of Conduct (subject to comments and suggestions)

### What are the next steps to be taken?

- FY22 strategic discussion topics will be determined over the summer
- Follow-up discussions and feedback on the Institutional Code of Conduct
- Follow-up discussion on reporting relationships and accountability structure for compliance officers
- Discussion on alternative FY22 meeting dates and times for committee to accommodate agenda items

## Meeting Summary of the External Engagement Committee

May 7, 2021

### What were the major topics discussed?

- The committee members heard about the Lifelong Learning/Forever Learning Institute from guest speaker Jenn Chambers, Assistant Vice President for Lifelong Learning, and participated in a breakout group exercise.
- Information was shared and discussion followed, regarding COVID/Vaccine distribution specifically in the areas of communications; impact and expectations for Duke, Durham and the Region; lessons learned; and what life post-COVID might suggest.

### What were the major insights shared?

- Results from the February summary of the Fact-Question-Aha!-Action sheet were shared with committee members.
- The committee heard a brief update on mentoring and professional development followed by an overview of the Lifelong Learning Program. Committee members participated in a group exercise, using breakout rooms, where they made suggestions on lifelong learning programs that could appeal to alumni, parents and friends.
- The committee was briefed on the breadth and volume of communications to all stakeholders (students, faculty, staff, parents, alumni and the community) over the past 16 months, and the demands for quick, frequent and clear information. The pandemic heightened the work of addressing issues in the community. New ways of working with the community emerged to provide immediate relief and support recovery. The post-pandemic focus will be on sustained engagement that involves supporting broad recovery efforts, and strengthening ties to organizations vital for university-community engagement.
- Results from the External Engagement Survey and the topic survey were shared with the committee followed by brief discussion.

### 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 collected from the topic survey will be considered for the 2021-2022 work plan.
- The External Engagement Committee will track progress of the recommendations from Duke's Centennial Celebration Strategic Task Force and the Duke and Durham Today and Tomorrow Strategic Task Force.

## Meeting Summary of the Governance Committee

May 6, 2021

### What were the major topics discussed?

- Debrief the process for the selection of board chair.
- Prospect review.
- Reports from exit interviews.
- Lessons learned from 2020-2021 strategic education sessions.
- Results of strategic task force and standing committee surveys of performance.
- Planning for next year, including additional education or training for trustees, possible virtual meetings, timing of next board retreat, timing of trip to China and Singapore, and topics for FY 2022 meetings of the Governance Committee.
- New trustee orientation agenda and trustee mentors for new trustees.
- Review of the following: revisions to bylaws, revisions in standing committee charters, next steps for annual survey of board performance, and update on Boards of Visitors initiative.

### What were the major insights shared?

- Overall the process for the selection of board chair worked well.
- It remains the committee's highest priority to identify and cultivate potential trustee prospects for future service on the board.
  - Need to select trustee prospects for 2022.
  - Need to discuss possible trustee prospects for 2023.
  - Need to continue to diversify the board's pipeline.
- The 1-hour education sessions between board meetings were very beneficial. This practice should continue post-COVID.
- We need to further build out a resources library for trustees.
- We should continue some virtual board meetings post-pandemic.
- Target spring 2023 for board trip to China and Singapore. In the meantime, perhaps do a 1-2 hour education session devoted to DKU.

### What actions were taken?

- Approval of new trustee orientation program for 2021.
- Approval of the proposed mentors for the new trustees.

### What are the next steps to be taken?

- Continue discussion of top trustee prospects for 2022.
- Create a themes/summary document from the results of strategic task force and standing committee surveys of performance.
- Build out a comprehensive resources library for trustees.
- Administer annual survey of board performance and share results with board.
- Develop work plan for committee meetings in the next year.

## Meeting Summary of the Graduate and Professional Education and Research Committee

May 7, 2021

### What were the major topics discussed and insights shared?

- **Graduate and Professional Student Experience:** Jay Lusk, Duke Graduate and Professional Student Government President (GPSG), reported on the results of the March - April 2021 GPSG “Student Experience” focus groups and Student Involvement survey. The interviews and focus groups were conducted with student leaders and randomly selected students from all nine graduate and professional schools. The summary results highlighted students’ desire to have greater transparency in school decision making, more accountability for school senior and junior administration and an improved relationship with vice/senior associate deans in the health professions programs. Students also expressed a desire for central oversight of school efforts to promote diversity & inclusion and to advance anti-racism, as well as greater consistency in the quality of advising and communication with students.

The committee then had a panel of three students from a range of schools and departments discuss how their experiences and that of their peers compared to the results of the focus groups and survey. The panelists reflected on the variability in interactions with advisors and Directors of Graduate Studies (DGS). The discussion brought up the issue of patchiness across Schools, and a lack of standardization and training for DGS across Departments. Students reported that over the past year the quality of engagement at the central administrative level had been more consistently strong than that at the individual School and Department level.

- **University-wide Institutes, Initiatives, and Centers (UIC) Review Report:** Edward Balleisen, Vice Provost for Interdisciplinary Studies, reviewed the results of the Duke Interdisciplinary Priorities Committee (IPC) convened in October of 2020 to review the UICs. The IPC report called for tighter UIC focus on core areas, greater complementarity with activities in schools, and more centralization of administrative functions. The committee then separated into break-out sessions, to discuss the significance of interdisciplinarity for Duke’s brand. Most committee members saw interdisciplinarity as pivotal to Duke’s “brand,” serving to recruit faculty and students across campus, though some argued that it played a less central role, chiefly by filling gaps left by traditional departments and amplifying options for students. Discussion points included the comparative advantage that Duke has in the integration of interdisciplinary research with education and outreach, our distinctive emphasis on team-based experience for students, the importance of UICs facilitating experimentation with new curricular possibilities, and the development of strategies to reward faculty for excellence in interdisciplinary research, such as through fundraising for a new set of distinguished chairs.

### What actions were taken?

- The Sanford Executive Masters of National Security Policy degree was approved.

### What are next steps to be taken?

- Committee members would be interested in participating in a mentoring/internship pilot program to connect graduate students with alumni.
- Next year’s agenda should include both a level-setting overview of graduate and professional programs across the schools, and a deeper dive into experiential education and its links to both the Duke-Durham partnership and the opportunities to activate Duke’s global network.

## Meeting Summary of the Resources Committee

May 7, 2021

### What were the major topics discussed?

- The university 'top down' financial performance to-date and year-end forecast – both of which are quite positive and far better than was feared last spring/summer.
- Moving from reporting on a cash-based/fund types to reporting on a GAAP-based/consolidated across fund types will improve financial accountability and enable setting operating margin performance goals that will guide five-year university, school and unit integrated capital and operating planning
- This new financial framework will facilitate resource planning and advancement of mission excellence
- The path forward for capital projects on hold and the parameters to determine if and how best the projects might move forward
- Leadership needs to tighten early capital planning, feasibility and project commitment requirements to ensure capital and operating affordability by the owner and at the aggregate level, as well as more realistic philanthropic project contributions

### What were the major insights shared?

- The re-envisioned financial framework that will begin at the school and unit level and roll up to an aggregate level will require significant engagement from academic leadership and will take time
- Moving to financial reporting on GAAP-based/consolidated across fund types versus cash-based/fund types accounting is significantly different and challenging for the schools and units than the way in which they typically manage and communicate financial performance
- Reporting on GAAP-based/consolidated across fund types accounting enables better understanding of the university's overall financial performance and provides a transparent financial framework that will be key to informing resource planning and advancement of mission excellence
- The FY 2022 – FY 2026 five-year capital plan focuses on renovation and renewal, but likely falls short of capturing total investments that will be necessary with respect to renewal as well as technology
- The FY 2022 – FY 2026 five-year 'top down' forecast, prior to management interventions, shows a declining margin over the five-year period and indicates the need for significant operating performance improvement
- Leadership is exploring opportunities to grow revenue (e.g. increase online programs, corporate research collaborations) and slow expense growth (e.g. evaluate areas to leverage buying power through procurement, consolidate off-campus and, where possible, sublease third party real estate and perform a comprehensive benefit program analysis)
- The administration will be working in collaboration with school and unit leadership to build 'bottoms up' school/unit five-year plans to identify opportunities to strengthen financial performance

- Leadership needs to build a financial framework to inform resource planning and advancement of mission excellence, including setting five-year GAAP operating performance goals and related balance sheet metrics to guide five-year integrated capital and operating planning

#### What actions were taken?

The committee recommended to the board to approve

- Contract for Purchase of Renewable Natural Gas
- School of Medicine Bryan Research Building Emergency Power Renovations (Tier 3) construction and the financing Plan
- The FY 2022 University capital budget
- FY 2022 University GAAP/Consolidated Across Fund Types Operating Budget
- FY 2022 withdrawals from Certain Endowment Funds and Special Reserves

The committee approved the Provost/Nasher Museum Sculpture Park Phase 1B (Tier 3) design funding.

#### What are the next steps to be taken?

- Identify major categories for improving operating performance and set targets for which university leadership can be held accountable
- Disaggregate support from investments
- Prepare FY 2021 year-end GAAP-based/consolidated across fund types statements for each school and unit that 'roll-up' to the university's GAAP consolidated financial presentation
- Bridge FY 2022 operating budgets to GAAP-based/consolidated across fund types by school and unit
- Develop quarterly GAAP-based/consolidated across fund types operating results by school and unit that 'roll-up' to the university's GAAP consolidated financial presentation
- Develop FY 2023 GAAP-based/consolidated across fund types operating budgets from the 'bottom up', including operating impact from the capital plan
- Develop GAAP-based/consolidated across fund-types operating results and projections that include setting operating margin performance goals
- Develop GAAP-based/consolidated across fund-types operating performance goals, to be rolled into school and unit five-year capital and operating plans
- Continue to work on the path forward for the capital projects that have been on hold
- Revise the gating process for capital projects that includes enhanced financial planning rigor earlier in feasibility planning that assures proper scope, and capital and operating affordability

## Meeting Summary of the Undergraduate Education Committee

May 7, 2021

### What were the major topics discussed?

- Chair Pelham outlined the tremendous efforts of Duke – the administration, faculty, and students – needed to complete this remarkable and historic academic year.
- Miranda McCall, Assistant Vice Provost & Director of the Karsh Office of Undergraduate Financial Support, reviewed how Duke determines aid awards, parental contribution, and ways to address additional cost gaps for fully-aided students. AVP McCall also discussed loan policies and noted that the department’s methodology will be changing in FY22.
- A three-student panel discussed ways financial aid and affordability influenced their decisions to matriculate at Duke and how financial considerations continue to impact their participation in both academic and social activities. Highlighted the need for continued focus on the effects of socio-economic differences among the student body.
- Vice Provost Bennett and Vice Provost/Vice President McMahon outlined current efforts to shifting their teams away from reactive COVID response towards meaningful execution of a post-pandemic “reset” and strategic priorities.
- Committee members participated in breakout groups to reflect on lessons from a year of unprecedented disruption and identify top priorities to sustain momentum in undergraduate life.

### What were the major insights shared?

- Students receiving Duke’s most generous financial aid package still have a total net cost of several thousand dollars not covered by grants.
- Admissions yields its highest percentage of students from the cohort whose family income is in the lowest income brackets – suggesting the positive impact of the University’s financial aid measures for students in most need of assistance.
- Students highlighted the hidden costs of attendance, including work responsibilities, that may hamper full participation in the Duke undergraduate experience once they are here.

### What actions were taken?

- N/A

### What are the next steps to be taken?

- Explore additional funding sources and structures to help students with acute cost challenges, such as medical expenses not covered by insurance and other areas that prohibit full participation in campus life.
- Use both large campus events and recurring social programming to help students with the transition back post-pandemic Duke. Encourage faculty to connect with students in residential settings. Emphasize, and potentially expand, regular methods of engagement to provide options for intentional connection that are centered on campus.
- Subcommittee to review Undergraduate Education Committee charter over the summer.



## Meeting Summary of the Climate Change and Sustainability Strategic Task Force

May 7, 2021

### What were the major topics discussed?

- **C&S Task Force's Preliminary Report** – Task Force leadership presented a high-level overview of the goals and recommendations to make Duke “*The Climate University.*”
  - **Education:** Duke will create climate and sustainability literate graduates who are actively engaged citizens and prepared to participate in a more regenerative and just economy. This will take a whole-university approach towards providing curricular, co-curricular, and career opportunities for students related to climate change and sustainability regardless of discipline.
  - **Research:** Duke will create the solutions necessary to tackle the climate crisis through innovative commitments to energy transformation, climate resilience, and data-driven climate research that engages students, connects with decision-makers and benefits the community. This will require convening the boldest thinkers to share knowledge and spearhead research that engenders collaboration and sparks innovation.
  - **Operations:** Duke will lead by example and affirm its commitment to net carbon neutrality in 2024 and beyond. Duke has reduced emissions by 34% compared to a 2007 baseline and has a number of initiatives that are planned to get the University closer to neutrality including large-scale solar, building and campus utility energy efficiency upgrades, renewable natural gas, alternative transportation opportunities, and carbon offsets.
  - **Community:** Duke will commit to providing a safe, healthy, and sustainable environment for the campus community and also will strive to engage with the community in a just, inclusive, and transparent way that enhances purposeful partnerships. We will create the next generation sustainability report. Based on the Task Force's survey results, food and farming, transportation, waste management, purchasing, and renewable energy are the topics that could yield the highest potential societal impact. These topics also align with the Duke and Durham Today and Tomorrow Task Force's efforts.

### What were the major insights shared?

- **Uniquely Duke Advantages:** Duke is currently home to leading faculty, passionate students, and impactful institutes and initiatives (e.g. Nicholas Institute for Environmental Policy Solutions, Duke University Energy Initiative and the Duke Carbon Offsets Initiative) that will enable substantial progress on the goals outlined in the report. It is also important to take stock of areas where Duke can convene external experts and communities to push the needle locally, nationally, and globally.
- **Forward Looking:** There are many shorter-term recommendations (i.e. 1-3 years) in the preliminary report, so it was stressed that we need to make sure we are keeping an eye on Duke's role in the future of climate change and sustainability over the coming decades. Also, it is important to ensure that the near-term investments and initiatives are setting Duke up for future successes and enabling other universities and industries to leverage Duke's efforts.
- **Measuring Impact:** Measuring impact is crucial to ensuring that the recommendations in the report are being carried out in a way that aligns with the mission and vision of both this Task Force and Duke University. Some impacts are easier to measure such as greenhouse gas emissions or number of classes offered that related to climate change and sustainability. There are also some principles that are more difficult to measure since there are not standard rubrics available for complex topics such as justice, equity, diversity, and inclusion. However, Duke can convene the non-profits, researchers, and consultancies to define and track these metrics. We can lead the way.

### What actions were taken?

- NA

### What are the next steps to be taken?

- Present preliminary report to the full Board of Trustees on May 8, 2021.

## Meeting Summary of the Duke's Centennial Celebration Strategic Task Force

May 7, 2021

### What were the major topics discussed?

- The task force members reviewed the draft report and viewed the video essay, both of which were to be presented to the Board of Trustees on Saturday, May 8.
- The results of the survey regarding the experience on the task force were shared with the task force members.
- Task force members considered next steps and were provided with an explanation of the role the External Engagement Committee (a standing committee of the Board of Trustees) would take going forward.

### What were the major insights shared?

- Task Force members were reminded that the written report is still a draft and the final written report will be submitted on May 26<sup>th</sup>. Time was allowed for comments and questions regarding the draft report.
- The purpose of the video essay is to complement the final written report of the task force. The written report contains the charge, work process and recommendations of the task force. The goal of the multi-media video essay is to offer another method of experiencing a representation of the work, delivering an emotional impact through a piece of art. The video essay complement was well received by the task force members.
- Results from the task force survey were considered. Members of the task force, overall, found the experience rewarding and the work well organized.

### What are the next steps to be taken?

- Final edits will be incorporated into the written report and the final version of the report, along with the visual complement will be submitted on May 26<sup>th</sup> to the President and the Board of Trustees.
- After the final report of the task force has been submitted, the External Engagement Committee will track progress for the next stage of planning for the Centennial.

## Meeting Summary of the Duke and Durham Today and Tomorrow Strategic Task Force

May 7, 2021

### What were the major topics discussed?

- The major topic for the May meeting focused on connections of the Duke and Durham Today and Tomorrow (DDTT) strategic task force with other Duke task forces and strategic initiatives. Highlights were shared regarding connections to the work of current and past task forces as well as to some strategic initiatives ongoing at Duke.
- The task force received the latest modifications to the draft report since the last group meeting in April.
- In a review of the overall task force process and implementation of the recommendations, members considered three questions: 1) What are the challenges and opportunities related to implementing the recommendations? 2) Did insights or ideas emerge, beyond the charge of the task force, that Duke could address in other ways? 3) What are your reflections on the process of the task force?
- Details were shared regarding next steps in preparation for the final report and upcoming board activities.

### What were the major insights shared?

- The task force highlighted potential opportunities for days of service with Duke and the Durham community.
- Other major insights shared by task force members included connections of Duke and Durham task force recommendations with other task forces and strategic initiatives including research translation and workforce development connections; neighborhood partnership possibilities, especially related to history, sustainability, and the centennial celebration; as well as student engagement collaborations related to experiential learning.
- When discussing how to share the report and strategic plans, several members suggested engaging Duke employees. Professional development and faculty incentives were also mentioned as ways to improve engagement with Durham.

### What actions were taken?

- No action items for this meeting

### What are the next steps to be taken?

- Final report submission