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## Minutes of the Regular Meeting of the Academic Council

Thursday March 24, 2011

Craig Henriquez (Chair, Academic Council and Professor of Biomedical Engineering and Computer Science): Welcome everyone. As you can see we have a surprisingly light agenda today. That should give folks who want to catch Duke's game tonight at 9:45 plenty of time to take a nap. Of course, the bad news is that we will probably have a much heavier agenda for April and May as we usually do as we end the academic year. We did try to schedule some of those presentations today, but unfortunately due to travel and other conflicts, they were not able to present today. Let's go ahead and get started.

May I have a motion for the approval of the minutes for the February 24th meeting – any corrections or edits? [Passed by voice vote with no dissent.]

I also want to recognize and thank all of the Council members who are completing their terms. Your input, your advice, have been most appreciated and I hope you will continue to follow the Council and its activities. I hope you will join us again, serve again, encourage your colleagues to serve, and you are always welcome to come back at any time. We will welcome the new Council members at our April meeting, we will have an orientation for them, and we'll end the meeting with a party of some sort. We will also be voting on a new slate of ECAC members at that meeting.

Speaking of ECAC, at the last meeting I mentioned an issue that arose where two of our current ECAC members were not elected for another term on Academic Council. By our bylaws, they are not eligible to continue serving on ECAC, so they will be leaving with three other members who complete their term in May. As a result we are going to have five new members of ECAC joining our new chair, Susan Lozier, in September. Since the last Council meeting, when I made you aware of this, we looked into the history of ECAC elections over the past several years, the past decade or so, and I saw that it was not unusual to lose four members in a given year. Five was rare, but it certainly did happen. Last time I noted that the Election Committee had recommended a bylaw change that would allow those who were elected to ECAC an au-

tomatic extension to their term in Academic Council and would allow them to complete their two-year ECAC term. I posed this at the last meeting and got a little pushback, and after mulling it ECAC decided that we weren't going to change anything this year, only to monitor it.

One thing that we will do that is a little different from what we have done in the past is make folks aware of this issue in the election process, note those folks who are on ECAC who need to be re-elected in order to continue to serve on ECAC. So we are not going to propose a bylaw change. Instead, we will present a slate for the five positions in the April meeting. I am in the process of contacting folks to stand for election and some of those folks I've actually asked if they would be willing to serve a one year term and that would help to reset the process. Are there any questions? Comments?

### *Open-Access Policy: [DukeSpace](#)*

Our first presentation today is an update on the Open-Access Policy. If you were a member of the Council last spring, you will recall that the concept of creating an open repository for all the scholarly works produced by faculty at Duke was presented by Professor Cathy Davidson, who served as the co-chair of the task force, along with Paolo Mangiafico. After some healthy debate in those meetings, Duke joined a handful of universities who have adopted this open-access policy for scholarly publications by its faculty. If you were part of those debates, you know there were concerns about costs, there were concerns about duplication of effort – given other requirements for complying with other open access policies – such as those for NIH investigators. In September, I gave a brief update on the activities, although I'm sure you don't remember because it was in the midst of many other updates, so we have asked Kevin Smith and Paolo Mangiafico from Perkins Library to come back again today and give us a bit more of a detailed update and make sure that all faculty are aware of this new policy and its implications.

Kevin Smith (Scholarly Communication Officer, Perkins Library): Good afternoon, I am going to start off and then hand off to Paolo. We joined a handful of other institutions, and I should add that other institutions have been copying us since then. About a week ago, Emory University passed a similar policy to the one that we passed a year ago. We are in the forefront but maybe not the lead. We are here because it has been a year and we wanted to remind you of the statement that was adopted for open access, it's a statement about open access and a license to the University to put scholarly journal articles into a repository. That statement and license was adopted with two understandings.

The first is that it would not be implemented in a way that would interfere in any way with the relationship between the faculty author and their publisher of choice.

The second understanding was that we would make it as easy and automated as possible. That's the majority of what I want to talk about this afternoon, to give you an update on the repository, on the **DukeSpace** repository that is the place where these scholarly articles are going and our implementation of it. It's very much a work in progress. I think we have made some good progress, but there's a lot that we want to continue to do.

DukeSpace currently contains 2,256 scholarly works. This is actually quite good given how young it is in comparison to some of its older compatriots at peer institutions. That's as of yesterday. I know there is another hundred journal articles ready to go in, my intern told me that today so that number will go up pretty quickly in the next few days. Of those 2,256 scholarly works, about 800 of them are journal articles written by members of the Duke faculty. Many of those articles were uploaded as part of special projects that we undertook with a particular department or center or another group on campus, but we have recently begun harvesting articles from databases. These are articles that have been written since March 2010 when you all adopted that policy. I'll say more about the harvesting in just a minute. For the first time yesterday, I was able to look at a statistical report of item views, I don't have really good granular information, we're working on getting that and making it available, ultimately to you so you can see how many times your own articles have been looked at.

What I got yesterday was a very general report, but I wanted to tell you a couple of things about it. The main one is that we have over 360,000 total item views given how young the DukeSpace repository is, that's remarkable I think, but we do have to qualify that number in a couple of ways. First, all of the dissertations written at Duke in the past five years, and an increasing number of Master's thesis are in DukeSpace. So a certain number of those hits are grandma looking at the dissertation and that sort of thing (laughter) – which is great, that's one of the things that we want to have happen. Also, we are working on DukeSpace every day, so a certain number of those hits are basically maintenance hits and I'll mention more about that in just a minute. The third thing is that some of those hits are probably *bots*, robot crawlers from search engines which accounts for a lot of item hits, but is ultimately a very good thing because that means that the stuff that is in

DukeSpace will get found. And even allowing for all of that, I guess my basic message is that DukeSpace is already a very active place.

Just out of curiosity, I looked to see what the top three items, the things that have the most hits are. They are an interesting collection. One is an 18th century score of Handel's Messiah. The reason for that, I've just learned, is that it is used by the maintenance of the site of the repository as a test item (laughter) so it gets a lot of hits. So I told you some of those hits were maintenance and that's an example of them. Another one of the top three is a Nicholas School master project on the reintroduction of the red-cockaded woodpecker. Don't ask me why that's one of the top hits, I really can't answer the question. And the third one is actually John Staddon's book *Adaptive Behavior and Learning* (applause). And one of the reasons for that is to emphasize my point that people will get to the material at DukeSpace in a lot of different ways that manuscript in DukeSpace is linked to a Wikipedia page on [Staddon's] work, so I think that's one of the reasons that that gets a lot of attention. I did want to note that, go ahead...

Raphael Valdivia (Molecular Genetics and Microbiology): Just a quick question, so a lot of these are under a two-year copyright embargo, so they are excluded from this?

Smith: They would be excluded from that. Actually I think it's about 40% that have some sort of embargo. Not all of them are two years, they can select six months, a year, or two years but that would not be included in those hits.

One thing I wanted to say about those numbers is that the reason that no faculty-authored journal articles are in that top three is because they've just been ingested very recently. Those things are going in more recently than some of the other material. As I said, this is a work in progress. We do now have a web portal for DukeSpace that allows you to search or browse the collections, we have some featured items including John's book. What I mostly want to point out is that we have instructions and a link to deposit your own materials if you want to do that. We have tried to make it as simple as possible, and you can do that from this site, which is <http://library.duke.edu/dukespace/> so this is one of the things that we have been working on. We recognize that this will not be the primary way that scholarship gets into DukeSpace, we are not asking you to go out and self-submit all of your journal articles, but we have been asked about it and we wanted to make sure that a relatively easy and obvious process was available to you, so that's there and if you want to get on that top ten list, you don't have to wait for us.

All you need to post your own work to DukeSpace is a file of the work, we prefer a PDF file, and a net ID. An administrative assistant or a graduate student can do that for you as long as they have a net ID. They don't have to have your net ID, they can do it on your behalf. All of the articles are currently submitted into a large collection called faculty journal articles. One of our high priorities is to make the structure of communities and collections, you see what some of those are right there more logical, consistent, and useful. But right now there is one big collection

of faculty journal articles and that's where you would be submitting if you followed this self-submission process. We also know that in spite of the fact that we made a prettier interface for it, most users are not going to get there this way, they are not going to get in through the front door, they are going to come through Google search or Wikipedia link or something like that, and that is, as we said, one of the reasons we are happy that bots are crawling this site.

Many more of the articles that are going to populate DukeSpace will come through the harvesting of databases. We recently made our first pass through a large database Web of Science which is a massive database that covers a lot of different disciplines and we harvested, believe it or not, it surprised me, and maybe it won't surprise you, we harvested 7,000 citations of journal articles with at least one Duke author that have been written since the policy was adopted in March of 2010. Of that 7,000 we can use the published version for only 1,100. So that's the 1,100 we started processing first. Of that 1,100, 600 have no embargo rule, in other words they don't say you can't put this in a repository until it has been out in print – whatever that means anymore, for six months or a year – so we are beginning there. Literally yesterday, we ingested the first 100 articles from that batch. Another hundred is ready, my intern told me, as of this afternoon, so we are beginning to get those things in.

If the process seems slow, it is. There are two things that basically slow us down: the first is making sure about rights clearance. As we said, one of our commitments was not to interfere with your relationship with your journal publisher. The second issue is getting clean meta-data. Clean information about the articles so that they are findable. It would be really helpful if everyone just used the same name every time they published, but I realize there are reasons that doesn't happen, but that kind of thing. Identifying what is written by Kevin Smith, what is written by Kevin L. Smith, what is written by K.L Smith and making sure that we match all of that material is a difficult problem. And that slows our process down. As we do this process with this first batch, we're looking at the problems, we're discovering some efficiencies, and we are looking at the potential for automation so the process will get quicker, and believe me the second hundred articles were processed a lot quicker than the first hundred were.

We will begin to be contacting authors, all of you, and your colleagues, shortly for two reasons: the first is where we have already uploaded your articles, we want to make sure that first it is yours and that we haven't made a mistake, and that secondly that there is not a problem with it being there. For the other 5,900 or so of those articles, we can't use the published version, which means we'll be contacting you and asking for an author's final manuscript, which is usually what a lot of journals allow. After a peer review, the final version that you sent into the publisher, but not the one that was copy-edited and all, so those communications are the next big step for us.

We also expect a harvest from other databases. Right now we're looking at Scopus, JSTOR, and PubMed Central. My final comment is about PubMed Central, the database of the National Institute of Health. When we talked

to you a year ago, one of the concerns, as Craig mentioned, was duplication of effort. Many of you who are funded by NIH grants already have to deposit to PubMed Central so the question was will we have to do this twice? The answer is no, we absolutely do not expect you to do this twice. Ideally we would love it if you could deposit to DukeSpace and we then could forward the article to PubMed Central, but that just doesn't work. The reason is because of the technical requirements that PubMed central has about converting the files into xml. That doesn't work, so one of our goals is to very quickly begin harvesting from PubMed Central, so if we can't do it the easiest way, we'll do it the other way, but at least the deposit will only have to happen once. You'll still need to fulfill your mandate under the NIH and we'll get the work into DukeSpace for you from there.

Warren Grill (Pratt School of Engineering): Why would you harvest that work and not simply have a link from DukeSpace to PubMed Central and then we would rely on their infrastructure and their CPUs to host our work, in essence?

Smith: Well, we think there will be a couple of values from having it in the DukeSpace repository. One is just having a location that is all, or at least a lot of Duke's scholarship is a value to the institution, perhaps, not to individual authors. The other thing, and this is a great time for me to hand off to Paolo actually, because he is going to talk about some of the future plans for making it really easy, for example, to create local web pages for you as an individual scholar. A lot of that can be done in a much more automated fashion via a connection through DukeSpace than it could be through PubMed Central.

And the last thing I want to say about NIH, we actually have talked to the folks at NIH about making it possible for the deposit to go the other way, through DukeSpace, which is an easier process than into PubMed Central. They are very interested in that, but so far they have not solved the technical problems.

I am going to hand off to Paolo to say some things about future directions and then we'll answer some more questions I think.

Paolo Mangiafico (Digital Projects Consultant, Perkins Library): I'll just amplify a couple of things that Kevin said. One is to recognizing again that DukeSpace is not going to be the place where people are going to go look for these papers. This repository is going to be exposed to search engines and so forth. For example, the things that are already in there, the things that will be there in the future, when someone does a search on Google or on Google Scholar, one of the nice things it does is that it will show the published version as the primary hit, but on the side you'll see something that will say "PDF from duke.edu" or...other institutions have similar things.

Because one of the goals of this was increasing the impact of Duke research. The published versions are often only available to people who are at institutions whose libraries pay the often very expensive subscription fees for these journals, so this will make these papers available to someone who is an independent scholar or the institution isn't a subscriber to these journals or to the general public or to journalists, for example, who are going to be writing

about your research. They can get the actual research and write from first hand.



So that's one piece and another piece that Kevin was talking a little bit about was the DukeSpace itself is going to be an endpoint but not the starting point. We're trying to make it very easy for the lists of your publications and the links to the actual full-text publications to have a single point where that information gets collected and then can be used in multiple sources. So in your annual reporting, in creating a bio sketch, in having something on your departmental website or your lab website or your personal website that will have links to all these papers. We're trying to set up processes that will collect a lot of the information, make the links for repository of unpublished versions, and have that in a database where it will save you work from having to create those compilations rather than creating additional work in trying to create them, in trying to build that up.

We've also had some preliminary conversations with the Office of News and Communication about synchronizing some efforts there, where if they're doing a story about some of your research, we'd like to prioritize getting the actual paper into the repository so when a story goes out or when someone's writing about your work that you can get to the actual research itself – even if they are not at an institution that's able to subscribe to that journal. I think that's all.

Henriquez: Any questions? Everyone got their debate out last year! (laughter)

### *Board of Trustees Meeting Update*

Our last agenda item will be updates from President Brodhead regarding last month's Board of Trustees meeting. If you don't remember we've made it now a tradition within the Council to have the President come and update the Council and the faculty on the Trustee meetings. Also we ask him and colleagues to give an update on the Duke-Kunshan plans.

Before I bring the President up I wanted to give a brief statement. On Tuesday, I shared the Duke-Kunshan planning guide that was prepared by the Office of Global Strategy and Programs to all council members and I hope that you all have had a chance to read it. The Duke-Kunshan project is a significant one in the history of this Uni-

versity. But this is not Duke's first campus abroad. In October of 1999, Duke created the Fuqua School of Business in Frankfurt, Germany. In a global press conference marking the moment, then President Keohane noted that "Today, we truly celebrate a milestone." Now those of you who know the history are aware that the Frankfurt campus – while the first abroad – was not a huge success. Within three years, in the wake of 9/11, Fuqua had to scale back its activities due to lagging interest among European students and also, financial losses. Eventually, Fuqua decided that the "go it alone model" was too risky and instead created partnerships with the Frankfurt University's School of Business in 2003 and the Seoul National University in 2006. In 2005, Duke University Medical Center and the National University of Singapore officially partnered to establish a new medical school in Singapore. In 2007, it received gifts totaling \$160 million and in 2009, the Medical School and faculty researchers moved into a state-of-the-art building in Singapore named after one of its greatest benefactors Tan Sri Khoo Teck Puat.

All indicators to date suggest that this venture has been very successful and the first class of Medical School students actually have graduated, we graduated them in January, and the next bolus of them will graduate in May. So we are here in 2011 with a campus being built by the Municipality of Kunshan for a joint venture to be named Duke-Kunshan University – likely to be completed within the next twelve months. As a University, we have had global campus ventures that have done very well, like Singapore, and global ventures that have not. This mixed history does make us cautious. Clearly, there is significant uncertainty to establishing a campus in China, for a host of reasons, but there is also potential for significant success. And part of our job as a community is to make sure we understand the risks of such a venture. Now, Academic Council, ECAC and other governance committees like APC and UPC, have been asking questions since last October – actually October not of last year but of the previous year. Last week, the Global Priorities Committee – a Committee that was recently approved by this Council – convened for the first time with a more focused eye on Duke's global strategy.

All of this has been good and I think the faculty is becoming increasingly involved in the decision making process for Duke in China. I think we now have the right structures in place for feedback. But decisions are being made quickly and much has changed even in a year, so these committees have a lot of work to do. With that in mind, I want to emphasize that some of the things in the planning guide that you receive may appear to be farther along than they really are. For example, the programs that are mentioned on pages 11 through 15 of the planning guide have not yet been approved by all formal processes. And to my understanding, even those proposed by Fuqua School have not made it through its own faculty, so there is still uncertainty as to what will actually move forward. So stay tuned – there's work to do.

After reading the document, which I found very informative and I hope you did as well, I still have two overarching concerns. The first is one that I alluded to in my address to the faculty in February and that is identifying

the faculty champions for this project. Now, we've heard from administrators involved in the project, but we have not yet heard from the group of faculty who will be teaching and doing research at this new university and we do not yet understand their roles in keeping the programs strong and vibrant over time.

One of the reasons that Singapore was a success was that a core group of excellent faculty members from Duke received sufficient incentives to move their research efforts and in some cases their entire lives to Singapore and establish a real presence there. The question we can ask is "Will that be happening in China?" I hope as things progress over the next few months we will begin to hear more from this group and the efforts to get more faculty engaged in the day-to-day activities.

The second concern is related to the first, and that is the cost of the project per persons involved, which I think is a really tricky metric and one I just made up but hopefully you'll understand the point. While it is clear that significant resources are necessary to make the Duke-Kunshan University a success and of high quality, it is also clear that the resources spent there may limit or alter programs that might be proposed at Duke that potentially could have greater impact on more faculty and students. It is important that we understand how this venture and what we spend there will lead to a better Duke. So, with that as a preamble, I give the floor to President Brodhead who will tell us about the Trustee meeting and also lead the discussion of Duke in China.

Richard Brodhead (President): Thanks Craig and I thank you also for your thoughtful preamble to this discussion. I have the task to tell you about the Trustees meeting that took place – if I remember the days right – on the 25th and 26th of February which is no longer just yesterday but still fresh in mind and with your permission I'll give a kind of summary overview but I'll take the items a little out of order in order to save China for last since, I expect that's the part we'll go on about longest.

The attendance at this Trustees meeting was virtually total and one of the things you'll understand – since many of you participate on committees of the Board of Trustees – is that these are very smart people who are totally devoted to the well-being of this university and who come and spend extraordinary amounts of time making sure they understand the questions that are at stake and can give wise counsel on them...

...along with a photograph of this amazing yellow tie! (laughter)

Let me just give a quick re-cap of some of the items

that we talked about in the various sessions of the Trustees meeting. Woven through several of the committees and in some of the confidential sessions, there was discussion with the Trustees about those issues that go under the name "campus culture." You may remember that in December the Trustees meeting came soon on the heels of



changes in Tailgate, namely the canceling of Tailgate as we know it and some sensationalistic publicity involving sexual practices of students at Duke. This had raised Trustees' interest in the whole question of what the social life of Duke is like and whether it matches the aspirations that we have and indeed the aspirations that our students have. And, at the meeting, we didn't discuss this fully at this meeting we will come back to it in May, but at the meeting, people were very heartened to hear the many signs there have been of students themselves stepping forward to take ownership of the issue of culture, what culture represents them, what culture serves them and so on.

And, so there was quick notice of the thing called the Greek Women's Initiative which you have read about and which was very important at the beginning of this term; of the gender summit that took place at the end of last term; the open forum that almost 200 students came to that Steve Nowicki and Larry Moneta and Sue Wasiolek and I attended and answered questions and things of that sort.

There was also discussion of the change of the housing model and this I suppose we will hear about at greater length on some occasion from Steve Nowicki. This is an effort to change the way housing is apportioned to upperclassmen on the West Campus in such a way to try to give everybody something more like the qualities that make living in fraternities desirable to some students. Namely, the idea that you could have a place be your home for more than one year if you wish to be there and there would be social spaces and social amenities more evenly apportioned to all. That was a subject of considerable interest and discussed at length.

Also at the meeting, under the rubric of campus culture, I previewed what has subsequently been announced – namely the receipt of the largest gift ever made to the university: the 80 million that was given to completely rehabilitate the West Union, Page Auditorium and the Baldwin Auditorium. If you think about that, you will understand those aren't buildings, those are the key spaces of campus culture – at least potentially they are. They are the living room of the campus. They are the town hall of the campus. They are the place where people gather and it's our wish to make those the buildings they never were made the first time around, places that are just incredibly inviting, open to all forms of student activity, all forms of student community, all forms of student communication. And, Page, the splendid Page where one will now go to hear memorable lectures, witness memorable performances. And Baldwin, to turn into the first class music venue it always could have been. So these are continuing subjects but that was one subject there.

At the February meeting it is the custom of the Trustees to consider the announced priorities of the University and our strategy for moving forward with them. This year was different from the last two years in that the last two years our favorite device on the remote control that runs the University was the pause button, as during hard times it was necessary to put many projects on pause. The interesting question that comes before us now, as the University has a return of a sense of security and, perhaps, even of some measure of prosperity, is how do we advance on the many, many desires there are across this University at the

level of building faculty, at the level of building educational programs, and at the level of the building of the buildings that would be necessary to sustain certain activities?

This wasn't the meeting to decide such things but I think we had a good understanding of which things fall in the absolute first rank of priority – to be done under any circumstances of which West Union and Page, I'm happy to say, they were at the top of the list – and then which things would we go forward with as funding was identified, in many cases through philanthropy, and how can we make the case for philanthropy best match the strategic needs of the University – a very interesting, thoughtful discussion and the prelude, I hope, to good things in the future.

There was a discussion on the Saturday of the Trustees meeting of the question of communication. This again was partly triggered by all the widespread and somewhat negative publicity attached to Duke this fall, if I were just to use the word PowerPoint perhaps that would be sufficient shorthand for what I would indicate. What was quite interesting here is that Mike Schoenfeld had gotten access to various bodies of research about Duke and its reputation and the Trustees, I think, were somewhat amazed and quite thoroughly gratified to see that every serious index one would look at revealed that Duke is very highly recognized and very highly respected. And you ask what things it is respected for? The answers that came up overwhelmingly at the top were its academic programs and its academic rigor. Mike then went on to talk about ongoing strategies of communication which will be in the interest of us all, but I think this was a very well-received discussion.

You know that at every Trustees meeting, one school is highlighted and the Trustees look at it in more detail. This time it was the Graduate School, which is of course the least obvious school to the average Trustee, and in a certain sense the most abnormal school because it is not an entity by itself, it is a phenomenon that stretches across any number of schools. Jo Rae Wright gave a wonderful explication of the Graduate School and the strength of its programs, the attention we give to the well-being of students in the program, and she gave us an especially helpful and much appreciated account of early efforts to work with students to think about all the possible careers that might be opened up through their graduate training – rather than perhaps to get to the end of that training and then wonder what in the world to do next – a very useful and conscientious discussion.

I now return chronologically to the Friday afternoon session where we talked about the subject of China. It will be no surprise to you, the Trustees of this University, as

the administration and as the faculty, have been interested in the question of internationalization for a very long time. When I first came here, the Singapore Medical School had already been approved and was seen as an interesting test case for international space. As you know, the possibility that the city of Kunshan might dedicate a large tract of land and then build buildings to our specifications for Duke programs to be offered, was first broached with the Trustees in the December meeting of 2009, so that is to say



that it has been a long discussion between then and now. I reminded the Trustees that every meeting I go to in China, the same proverb is said to me: the journey of a thousand

miles starts with a single step. But it seems to me that the lesson of the last year and several months has been “nevertheless, the journey of a thousand miles has not only the first step, but ever-so-many other steps that have to be taken.” The whole point of which is you can't get to the end of the journey without having taken all of those steps in the sequence for which it is possible to take them. I think it is well understood when the Kunshan-Duke venture was first broached, I believe I could fairly characterize the response of the Trustees as being on the one hand excitement, because it seemed to be a way to link Duke to China, to make Duke visible in China, especially as a kind of cross-disciplinary or collaborative kind of University, a way to help us draw students to our own programs here, a way to give faculty exposure there connections to research issues that of course you can study as well or better in China as you could here. If you read the article in *The Atlantic* last fall about what power companies are saying about things you can learn in China, where they build 30 times more power plants than they do in the United States, that you can't learn in this country because the real time experiments are taking place there. You get a sense of what these opportunities would be.

So Kunshan was recognized as a place that would make Duke visible in China, move us into a space of research expertise and possible collaborative partnerships and a place where faculty could go and learn things that they could then come back here to make part of the education of Duke students here.

I would say excitement about the prospect was one half of the coin of the early Trustee response, the excitement was the obverse and reverse. The obverse was excitement, the reverse was anxiety. And why anxiety? Because we haven't done anything like this, it is not a world we know. Indeed it was not possible to say on the first day what exactly the answer would be to every particular question about what this program would look like. There has been a ton of work done in the last year, and a very signifi-

cant amount of work done in the last three months to try to clarify the nature of a project there. I think of it like a metaphor of a lens in photography. The picture has become focused, the picture has become resolved.

So what things have taken place since I last reported here? First of all, ever so many Duke people, who would need to understand unobvious phases of this project, have gone in person in Kunshan to understand what's up. So we've had people in charge of purchasing go there, we've had people in charge of facilities issues go there, we've had people in charge of human resources issues go there and just to develop a sort of growing familiarity with the way things would work and a growing comfort with such things.

We always knew that we would need to work out an understanding with the city of Kunshan about who would bear the cost in the first several years of the program when tuition from the program was not sufficient to cover its costs. We had always made clear that Kunshan would have to bear some share of that cost in addition to the cost of the buildings and the land or this venture would not go. That arrangement was worked through, Peter Lange was present and several others in the month of January to work through that arrangement.

As you know, to be licensed by the Ministry of Education in Beijing as a foreign university, Duke needs to have a Chinese partner. In the first instance, we thought that partner would be Shanghai Jiao Tong University which was initially interested. As we tried to walk down that road, we discovered that the provincial politics of creating a university right near you that nevertheless is in a different province was going to keep that from being workable on their side and so it took us some time to find the suitable partner. In the last months of the year 2010, Wuhan University, another top ten university, came forward and we discovered that its interests were highly compatible with ours, that you didn't have these geographical and political rivalry issues that we had had previously and we have found working through with Wuhan that they have been highly willing to respect things that have been of the essence of our participation, namely that Duke would set the admissions standards for programs that have the Duke name on them, that Duke would determine the criteria for faculty appointment, that Duke would determine the particulars needed for degrees. These have now been codified in an agreement, there is a statement of principles. I hope you read it. It's quite an interesting document and our attempt to say, "these are the things we care about that are going to need to have to be observed in this school," then there is a working through of all the intricacies of what would the board arrangement be, what would the number of seats be, all the efforts to try to safeguard Duke's interest and then at the end of it, explained in considerable detail, we do not start this program with the thought that it will fail, but if this program should not succeed in meeting our expectations, we would have to regard it as an experiment that taught us something, but that we would have to have a way to bring it to an end, and that is also clarified in the agreement.

Some of these things are still being negotiated; Bill Nicholson in the General Counsel's Office has been in on

some of these negotiations. Nora Bynum is in China, I think she is in Kunshan today and working out the last phases of the so-called JV agreement, this standing not for Junior Varsity but for Joint Venture and so it is.

The other thing that I think has come into focus in the last few months is the concept of philanthropy in China. One of the many unknowns in the business plan for China is would it be possible for us to receive significant gifts in support of this institution that would mitigate or reduce Duke's own financial liability. We have received the first of these, a gift in the order of about \$5 million for the launch of the school and so that also was a heartening development. Through this time, the Trustees have stayed in this process by creating a special committee, an ad hoc committee on international projects, that David Rubenstein chaired, that met as needed, usually telephonically several times in the last months.

The Business and Finance Committee really put on the green eye shade, if I might say that, in a way that it has never been put on any other project at this University, people would deliver page after page, now you've answered that question, but what about this one. So then we would have teams go back and answer all different kinds of questions, helping to bring into focus how will this exactly work as a business enterprise and what will the continuing exposure of Duke likely be.

With all this information having come into focus, the Trustees meeting took place and when we turned to the China subject, five committees had worked on one aspect or another of the China issue, the Academic Affairs Committee talked about its discussion of the programs that would be offered there, the Undergraduate Education Committee talked about the part of the China programs that would involve undergraduates though I'm sure you understand we have been careful to insist that this is not a four year undergraduate program and will not grow into one through any very rapid progress and without lots of safeguards.

The Human Resources Committee talked about HR conditions and how those would be managed, the Business and Finance Committee gave a very long report on the questions it had asked and how it became satisfied, and the ad hoc committee gave a report too. At the end of this discussion, it was really quite interesting. This is now my fifth Trustees meeting on this matter. Trustees meetings, in case you don't understand it, can be quite high stakes events. You have a lot of people who want to be doing right by the University deciding the questions that put the University in the greatest space of opportunity and also at the greatest space of risk.

It's interesting that when all of these committees reported and after all of the questions that had been asked and all of the answers supplied, someone who had been one of the most anxious members of the first round, a person who I believe felt almost all of the anxiety and initially little of the excitement raised a hand and said, "What a difference a year makes," and then the discussion mostly took the form of people saying that they were quite satisfied that we had done a degree of diligence with this project that we had never undertaken for any other before, and the Trustees then voted without dissent to authorize the Uni-

versity to enter into the agreements that would file the application with the Ministry of Education. We are about to do that when the negotiations are completed in Wuhan, I presume we will then go forward.

This is of course, I'll go back to Craig's point. This is, nevertheless an experiment. It cannot be a matter of certainty. If we want to wait until it is a matter of certainty, we will never do it, and we will run a different risk, the risk of having missed the chance to do something which might turn out to be important to the educational profile of the school at this moment of history. Nevertheless, we are all aware that as we enter into the experiment we have to assume the responsibilities that go with it. The responsibilities you mentioned of making sure there are champions who will vouch for the continuing quality, vouch for the presence of a Duke culture in Kunshan rather than a Duke name presiding over who knows what, we have made estimates about tuition that can be charged, we have made estimates of number of students who will enroll, how can these things not be estimates? What else could they be at this point? But we will need to watch these things with care and I can only promise you that it will be our commitment and the interest of this University to make this thing succeed but to watch it very carefully at the same time so that we do not find ourselves at an unanticipated state of exposure.

I'll happily answer all the questions I can answer and if you are like the Board of Trustees, you will have questions that will finally exceed even my ability in which case I have Peter, Jim Roberts, Bill Nicholson, Kyle Cavanaugh, lots of people who can answer other questions. Peter?

### Questions

Peter Burian (Classical Studies, former Chair of AC): I have a question of due diligence, I guess, about something that I'm sure you have probably thought about and that is issues of human rights and academic freedom. I



found two very brief, and not entirely encouraging remarks, about that in the otherwise very full report. The very last of the principles on page 3, "minimize the hundreds of risks and maximize freedom for Duke given specific cultural contexts" and on page 21, (Risks to Academ-

ic Freedom) "Duke is committed to the principles of academic freedom as a foundation of part of the joint venture agreement, Duke will need to take the lead in ensuring that these principles are woven into the fabric of daily life." An excellent idea, my question is really about, it seems to me, with the excitement, personnel, money, our sacred honor and so on, is the business of saying when things have gone too far would be very difficult...

Brodhead: Indeed it will.

Burian: And I just wonder how thoroughly it has been thought through, supposing at a given moment, the University, along with the rest of China is prohibited from consulting Google or whatever it might be. Suppose that a professor is asked to leave because he had said something that was disagreeable with the regime. We know that the standards in China at this point have been different from our own, it would be absurd to ask that Duke make them the same, but I just wonder, this is a worry that seems to have not been totally addressed and I'd like to have your thoughts about it.

Brodhead: You are about to reignite my faculty address of February 17th where I talked about the subject. Let's face it, it's a difference of doing a project in China from doing a project in Frankfurt. In Frankfurt, it was never going to be a worry about academic freedom. The concept of academic freedom is a German invention if I remember right, in the 19th century. So certainly this is a risk. It falls in the category of things I said a minute ago, which is we know we can't completely indemnify ourselves from this risk, as you yourself acknowledge. It's not as if you can guarantee that you will have freedoms in China that China does not routinely grant.

It seems to me that the point I tried to make in my address is that we have to go into this with our eyes open exactly on this score. China wants Duke there because they understand that there is a vision of higher education that they are unable to create. If you talk to educational leaders in China they are very, very frank about this and so they want Western universities there to help bring a model of education that will provide a kind of thing that their current, even best schools can't do at this moment.

My view is that part of what makes our system so powerful is exactly the values that you and I are talking about, the values of free expression, the values of free inquiry that are woven so deeply into academic institutions. We need to insist on those values when we go there, we can't be so naïve as to believe that they will be practiced the same there as they are here or in certain other countries, and the other point I made there is if China wants to get the value on its end of the experiment it has to look to open itself to the culture of American academics and a campus is the place where one can do it.

I've heard people say, I'm sure you have to, that things are permitted routinely on campuses that wouldn't be routinely in public places, but that's not a guarantee that one can take to the bank. All I can tell you is that when you come to the end of the day, you have got your choice, which it does seem on the whole better for us to try and learn something about China, to learn about how to navigate, how to negotiate between their culture and ours, how to help our students learn how to do that negotiation or

does it seem better to assume that will be impossible and to break off that intercourse in advance? I personally feel that the engagement route is better for the world in the long run, but I'd have to say that we will have to work to make this a success and none of us know what test it will be put to.

Burian: And may I add, it's not precisely an answer to the question I asked, I guess because I didn't ask it well. What I guess I'm wondering is at what point, by whom and on what grounds, would a decision be made... I assume that for example we know pretty much what this group did, (Brodhead: "yes"), we know when the academic programs are not working to our satisfaction: has similar thought been given to precisely what conditions would be tolerable? If not, who would decide and how?

Brodhead: I'll tell you. My now somewhat lengthy experience teaches that there's no guessing in advance the form that a crisis will take that puts principles to the test (laughter) so we haven't constructed a system that says "If they say this, it would still be ok but if they say that, then that would go too far." There's really no working that out in detail. I'm just telling you I go into this assuming that it's by no means impossible that there will be circumstances that make us have to face very difficult questions and of course, we'll have to have the courage to face them. And I would say we'll have to at that point have the courage of our convictions and a little bit the courage of our experiment. We're not going into this for self-interested reasons except in the sense that in the long run we believe that it will be good for Duke education to make Duke a more robustly international campus, right? And, so that in itself has an ethical value and then we'll just have to figure how different values need to be put in the scale together as circumstance test us.

Peter Lange (Provost): Absolutely. What I mean is to put a little point on what Dick said. There is a document which is Exhibit 5 of the Joint Venture Agreement, which is the exhibit which is then incorporated in principle also in another document, itself which the Chinese government would have to accept in order for either school to be entity status. Now, I'm just going to leave you a few passes.

It doesn't answer the answer to the hypothetical for the reasons the President I think has made clear, which I think that the hypotheticals don't work but you can understand the principles that we're asking the Chinese government to accept in order to accept our entity status. So I'll just read a few of the passages. The reason we didn't give you the whole document is that it's 47 pages plus another 30 pages of exhibits and I'm sure the response would be giving us that a day before is like giving us nothing.

Alright, the "Preamble to the Fundamental Principles of Academic Quality" – that's what this exhibit is called – "Duke-Kunshan University aspires to the quality of the best international research universities. It must therefore operate in a manner consistent with the principles characteristic of those institutions of higher education throughout the globe. Freedom of inquiry, instruction and expression are essential commitments in the pursuit of this aspiration and must therefore be animating features of DKU. Pursuant to this, the following fundamental principles shall apply in the areas of faculty quality, student quality, curri-

culum, libraries and technology" which are then enumerated. I'm just going to read you a couple of the passages which I think will be most relevant to the faculty. Under the faculty quality section, "DKU faculty members shall be free to teach, to research and to publish in the spirit of free and open academic inquiry; to discover new knowledge; to convey disciplinary and interdisciplinary knowledge; to participate in and expose students to the full marketplace of ideas; to train students in the methods and skills of particular disciplines and in the general skills of critical thinking, evaluation of evidence, independent thinking and co-generated expression." With respect to student quality, "DKU students will be active learners guaranteed the right to pursue academic topics of interest, the freedom to express their opinions and conclusions with full access to information and relevant scholarship." So basically what this does, this is the platform on which the President's discussion stands and it is obviously the platform therefore which we will already have enumerated with them and which they will have to approve in order to approve the entity.

Steffen Bass (Physics/ECAC): Two questions. One question regards student life essentially: what we do not want is this campus to be some kind of enclave where we



just go, teach our students and do not learn about China, about the surrounding community and so forth. Unfortunately very little in this planning guide tells us... is this campus is in a remote area where cultural exchange with our neighbors is not possible or is this campus situated such that I can walk out and see a street full of shops and residential areas where I can walk through and find the average inhabitants of Kunshan with whom I could interact and learn something about China and the culture? So that's the first question.

Brodhead: Are you going to give me a chance to remember that one before you ask your second? (laughter)

Bass: Sure.

Brodhead: May I answer that one first? Alright, when you step out of the campus of Kunshan, you do not step out into a crowded street full of people and shops any more than you do at Duke University in Durham. It is actually in a very flat region; it's a river valley. It's a city of how many million? Several million people. It's about five minutes of transportation to the train station at which the bullet train will take you in about sixteen minutes to

Shanghai. The city of Kunshan itself has a downtown. You probably know it houses one of the oldest surviving cities from China – it’s in Kunshan, the so called Venice of China that we visited last year.

We certainly expect that students are not going to huddle in the campus. Don’t forget that the first students will probably mostly be Chinese students. We expect to also draw students from around Asia – as we have in Singapore – and I look forward to the day when Duke students will go there to work with Chinese, Japanese, Korean, Taiwanese, Singaporean students on campus and then to learn something about Chinese life when they’re there. If we showed you a picture of the buildings as they stand nowadays, I think you would say “oh, now I recognize the problem of street life is still a little down the road.” The buildings are just coming up out of the ground right now. It’s an obvious question. Here’s an interesting thing. Suzhou, you know that Kunshan is actually right next to Suzhou which is the city with the giant research parks and those things and one of the most beautiful cities in China. That’s about nine minutes by bullet train from Kunshan. So I would say it’s proximate.

Bass: Second question, which is a little bit more tricky (laughter). So when we were told early on about the first plans for this venture, of course one of the main pillars – and it is still until this date – is Fuqua’s involvement and Fuqua’s programs if she wants to carry it out at Kunshan. But in the early briefing documents we were also shown pictures or at least several mentions of the property in downtown Shanghai which Fuqua was eyeing for certain programs. This property of course would be very, very attractive because it is so close to many central locations where everything happens. So, my question is where does that stand? Is there still the possibility that Fuqua may secure a fantastic holding on the Bund and then so to speak, abandon Kunshan to do its thing in Shanghai proper and we are left with \$2 billion per year in extra expenditures which right now are unaccounted and Fuqua would then move onto the property of Shanghai?

Brodhead: Well, I will say we have talked about the idea that there are programs you will teach at Kunshan – the idea of it being like a contemplative campus – and then programs you would want to teach downtown in the financial district. The city of Shanghai has approached Duke and had conversations with us – we are not the only university they have had conversations with – about educational spaces downtown. I think what we have found is that we can’t resolve those discussions until we resolve the questions of our entity status in Kunshan. And so when I say the journey of 1000 miles takes as many steps as it takes to get 1000 miles, we still have some steps to get to the answering of that question.

Fuqua has all along had the idea that there are some kinds of programs that you would teach in a residential campus setting for which Kunshan would be the desired place. And there’s others – presumably to people who are...you know Fuqua teaches a lot of programs where the tuition is paid by the employer of people who continue to be employed even while they are being a student and you could imagine a downtown location that would have those properties.

So, my short answer to you is the idea of a dual presence has not been abandoned but it will need time to be clarified. But certainly we would not have any interest in developing a Shanghai presence in a way that would subvert the Kunshan presence.

John Staddon (Faculty Secretary, Psychology and Neuroscience): This might be an obvious question but free access to the Internet is essential for free scholarship. Are there any guarantees that the students and faculty at Kunshan will have comparable, unlimited access to what the students have here?

Brodhead: I have heard people talk about the ability of Duke to create a system in a foreign country that would create freedoms comparable to ours in an enclosed space. I’m not the expert on that and I shouldn’t say it. I think the truth is this will be something we will fight for and the answer, the argument we will always make is “if you wanted us here to see how a certain kind of education works, you have to allow the conditions that make it possible.”

Don Taylor (Sanford School): I’ve taught in Beijing the last two summers on the health program, and sort of an interesting thing about the Internet: the first summer there was a problem with the Internet. I was going to use my blog and students who were in that course, I found out, couldn’t get there because it was being blocked and I mentioned that to the class and one of the students handed me a slip of paper that had a web address and she said all the students know this and can get around what they call the Great Wall of China (laughter). In fact, as it turned out, once we shared it around, all the students could quite easily defeat their mechanisms. The only people who were blocked were really people like us from the hotel who were very irritated because we couldn’t check our email until the students told us the way around it. I don’t think it’s a great policy statement, but I just think their ability to block the Internet is not going to be able to last very long.

Brodhead: It’s an extremely interesting thing and you have to ask yourself, China is going to evolve one of several ways in the future. The presence of American universities successfully in China will probably be a contributing factor to make things evolve one way rather than another. That must be one of our reasons for being there it seems to me. I read yesterday that China stopped searches to the play Hamlet after someone reading Hamlet online had paused over the phrase, the famous line, “The lady doth protest too much methinks.” The word “protest” having triggered the government censors (laughter). In my experience, humans are ingenious creatures and people are lazier in free cultures like ours than they are in semi-repressive cultures. I think your story is an interesting one to keep in mind. Paula?

Paula McClain (Political Science, former Chair, AC): Over the last couple of years, we’ve had to cut \$125 million from Duke in Durham’s budget because we have been in a financial situation and now at least in this document we are going to be sending a good bit of money to Duke-Kunshan, but all of the tuition that they take in will stay with that institution. Are we now going to be squeezed even more to provide money for this other venture?

Brodhead: It’s an obvious question and I’ll answer it absolutely as honestly as I can. As this project has come

clear in the past years, we have chosen to invest some money in it, in the building of the buildings, we decided it was worth our while to spend some money to have the oversight of the master planning and to guarantee the quality of construction. That was a cost of about \$5 million that was already out the door. We now estimate that in the first five years, we will need to spend, it would come out of SIP funds in effect, about something between \$1.5-2 million a year in support of this program not in perpetuity. The only thing I would ask you to remember is that when we launched the Global Health Program, actually we spent \$5 million a year out of strategic funds to launch that and it now has become one of the differentiating strengths of this University. So really, in the budget of \$1.5 billion, it's our thought that the amount we are talking about is not that large, and not so large that you would actually be trading off between it and other things. In my speech in February, I said we now understood that there would be a continuing cost to the central University of about \$1.5 million. I was asked the next day by an irate person, "So you mean to tell me that this is going to cost Central Campus \$1.5 million?" No. That's not what I meant. Actually, as we see prosperity return, we come to the time where we understand that we have choices to make.

I think that the reduction that we achieved here, we did not actually take \$125 million out, we took a fair bit out and I believe that was done in the face of necessity and always in the understanding that our goal wasn't to reach a smaller budget but to continue to invest in strategic priorities even as we reduced. That's why we actually continued to fund the inter-disciplinary institutes. That's why we continue differentially to fund financial aid through that time. Tom?

Tom Metzloff (Law): I was thinking about this as in thirty years from now. A lot of this planning document is just getting out of the ground and creating an institution. As I think about in thirty years from now, the suggestion is that the scope of the Law School and financial debt... what about the actual governance of this institution? You have a list on page ten that basically tells that senior leadership in the University were in their spare time planning this student endeavor: is there a plan for a dean there? What is the thinking about faculty governance at this institution? I realize it's hard if you don't know what the program is, but what do you expect that to be? It's strange, I think given the list on page ten, and Kyle and Tallman and all those folks who are spending their spare time on dealing with this institution thousands of miles away.

Brodhead: I'll call on Peter to answer this one as the chief academic officer. Peter, are you there? (laughter)

Lange: The answer to that, Tom, is that once we have a faculty in place, my anticipation is that we would put faculty governance procedures in place that would be somewhat parallel to the ones we have here, although on a much smaller scale obviously because the size of the faculty will be much smaller. There will be an academic principal that will be selected by us, but with the agreement of the Board under the rules that you'd see in the document, and that principal, who would be the equivalent of the president of the campus, will have a person with whom he or she will be working who will have probably at the beginning the

combined role of provost and executive vice president given the scale that makes sense.

At one point we had had those two roles separated but that seemed inappropriate given the scale at the beginning and that person would be effectively provost or dean, however you want to look at it for the campus at the outset. Does that answer your question?

Metzloff: Yes, I think it's an interesting thing to think about, how much faculty governance there is supposed to be.

Lange: Well it will, but what I'm relating is the fact that that depends a little bit on how the programs are put together, the extent to which the faculty is there on a sustained basis, how many are there on a sustained basis. It may be that the governing body would be all of the faculty for a period of time, or at least all of the faculty on the campus at a period of time because that would be the right scale. In other words, basically a committee on the whole. Over time I would expect that it would expand, it will be like most institutions develop over time, they develop an internal differentiation and they develop sophisticated rules and I see no reason to expect that not to happen there but that wouldn't be my expectation at the outset and I don't think setting up a set of formal rules at the outset will probably be particularly useful to be honest with you.

Brodhead: Warren?

Warren Grill (Pratt School of Engineering): Just to follow up on that, will it not remain the case that Duke-Kunshan is subject to faculty governance by this Council as it is now?

Lange: Yes.

Grill: So five years from now, we will still be the dominant faculty governance that is overseeing this operation?

Lange: Right. Via your control over those who in turn are the persons to whom the leadership of Kunshan reports on the Duke campus.

Grill: As well as all academic programs?

Lange: Of course. That was the assumption.

Brodhead: Absolutely.

Henriquez: And to follow up on that, I'd imagine that the folks mentioned on page ten will still in their spare time need to have Kunshan as part of their job description as things move forward. Things are going to be planned and things are going to be proposed for Duke-Kunshan from Duke. Folks here will have to be engaged.

Lange: The fundamental point we've been wrestling with is how much structure do you put in place there as contrasted to stretching the structure here and at what point does the weight of activities there become such that it is more efficient to create an additional position there rather than trying to administer at a distance from here with some people there who have multiple functions? And that's just part of the growth of the campus and we know that eventually the people on this list will tire of having to do one and a half or one and a quarter or one and an eighth jobs and that the weight of activities there will be such that it will be appropriate to establish positions there which would report up through the structure to that Provost/EVP, or whatever structure is coming out, but at the outset in order to keep the infrastructure down... You should have

seen the administrative chart before this one, but you wouldn't have seen it except for on landscape and in a larger format and we basically shrank that way down and the result is yes, that we in these areas are taking on some of the additional responsibilities.

Joel Meyer (NSOE): There are several mentions of scholarships, can you give us an idea of what the estimates are or projections that are built into budget projections here for how much that would be?

Brodhead: I can but I will turn to my financial experts. Jim Roberts, would you take that one?

Jim Roberts (Executive Vice Provost for Finance and Administration): There is expected to be fundraising to DKU and a lot of that could come in the form of scholar



ships but in our tuition-pricing strategy we'll assume that we will discount tuition in order to have a scholarship policy that attracts the quality of students that we want at affordable price points.

Meyer: So you use tuition to subsidize?

Roberts: To some degree, yes.

Meyer: Is there a sense for how much that would be?

Roberts: We just have planning assumptions at this point. For example, in the Fuqua MMS program, we're assuming that we might discount the tuition on average by 35% so all of the financial projections have built into them that there will be some scholarship out of tuition income.

Ruth Day (Chair, Arts and Sciences Council, Psychology & Neuroscience): Back on faculty governance, here it is said that the faculty governs curriculum, and here that is true, that 99 point whatever percent of the time. What assurances do we have that that's going to happen at DKU as well?

Lange: The program approval initiates with the regular program processes that we have here, so no program for DKU can be approved because it offers a Duke degree without the approval of the Duke faculty through the normal procedures that we have ending up in front of the Council. We did the MMS not too long ago and that will be true of the other degrees. Now if we are talking about the ongoing curricular control course by course, I don't think that is totally worked out, but if you aren't talking about that, no course for a Duke degree can be approved for Kunshan without going through the Durham campus procedures for the approval of degrees and we've already

demonstrated that through the processes that we've been doing with the MMS and as we will do with others.

Day: Right. And this will be for the entire undergraduate curriculum as well?

Lange: Well, the undergraduate curriculum at the moment is not a degree curriculum, so it would not be true to the same extent because we wouldn't be bringing things through to the Council for a certificate, we don't do that now, but we do assume that we will use the processes within the undergraduate education body to review those program certificates as we do now.

Day: So there are these parallel approval processes of faculty governances here versus there and they would do theirs and they wouldn't be coordinated with standards here?

Steve Nowicki (Dean of Undergraduate Education): So if I could comment on that, I think that at the moment the model is that it, at the outset, all would go through existing processes here. The undergraduate component that has been included, or is being included, in the MOE document that is being worked on are existing courses that are just going to be offered on that site. So there are existing Duke Undergraduate courses. They are being primarily targeted at Chinese and Pan-Asian students but those are not new courses, and I think the presumption is that were new courses developed for that, they would be approved through the existing process. As Peter said, in ten years time if this explodes then one might say that maybe we should have a parallel process but I think that is way harder right now.

Brodhead: Let's keep an obvious point in mind, which is our best guarantee of making this thing a success is to guarantee that the thing meets Duke-quality education. People aren't going to pay tuition to go to it if it doesn't. At the same time we are going there to do something a little different from what we do at home. It seems to me we need to have the imagination to figure out how do you assure the quality without replicating every single procedural thing that guarantees quality at home? If this thing is a success, I'm going to guess that we will eventually host partnerships with many of the most excellent universities in Asia on the Kunshan site. Figuring out what is the right way to think about courses and programs like that will take imagination on our part and let's not say that in advance we won't ever be willing able to have that imagination, but we'll just have to watch the experiment unfold, remember the safeguards that we have in mind and then see how we can match those with the opportunities.

Marie Lynn Miranda (NSOE/ECAC): So in response to Paula McClain's question about the investment, I may have misheard you but I thought I heard you say on the order of \$1 to 2 million a year?

Brodhead: That's what I said, from University strategic funds. There are other funds. If you read the document, you know that there are funds that Fuqua already pays to educate students in China in its program for instance, to rent hotel space, that would now actually be spent in Kunshan. That's a Duke expenditure, but nevertheless it is not a new expenditure. There is a figure in there for anticipated philanthropy and so the part that would fall to Duke's continuing strategic fund investment

for a period of perhaps five years is between \$1.5 and \$2 M.

Susan Lozier (NSOE, AC Chair Elect): This question is primarily addressed to Peter. You mentioned that once we have faculty in place, I'm just wondering if you could comment about the procedures you have in mind about getting the faculty in place and presumably someone will be transplanted abroad from this campus and others will be hired, and I was wondering what the involvement will the current faculty here have in that process?

Lange: To be honest with you, the excitement of this planning process will start daily, and the discussions we are having today, and the discussions we are having to drive through to get this joint venture agreement settled and when we can get onto the actual program planning and the course planning and the curriculum planning. As I have already said, the courses and the curricula will have to be approved because they are Duke degree programs by the Duke faculty.

Now, the hiring of faculty will be governed by the units offering the degrees or the programs that are being offered, at least at the outset. The academic principal also has the opportunity to hire faculty, that's all in the joint venture of our proposal. The academic principal does have the opportunity to provide DKU status, to Duke faculty or to Wuhan faculty, not to other faculty. Does that answer your question? We don't have a specific mix. One of the things we are working on right now with Fuqua for instance is the detail of the MMS program and the specific mix: faculty from Duke who will go there on a short term basis, faculty from Duke who will go there on a longer term basis and faculty that Fuqua would hire to teach in its programs as scheduled in Kunshan.

Brodhead: It's of some comfort to me that twice last summer, coming back through airports, I found myself standing next in line to Duke faculty members who had taught, Don I think you are one of them, in the programs in Beijing in the global health programs which themselves have found a lively audience in China. We don't know the answer to ever-so-many questions: how many faculty will be willing to live on a long-term basis in Kunshan? We didn't know the answer to that in Singapore, but we learned it through experience and we are just going to have to go into this with goodwill and our eyes open and then learn the lessons and shape the results as best we can.

Linda Franzoni (Pratt School): I just wanted to ask a question about relative size. If SIP funds are on the order of \$1 to \$2 million for this, what is the order of SIP funds that will be available in Durham?

Lange: On the order of what was it again? Maybe it was forty.

Tallman Trask (EVP): If they flow like they were before the downturn, it is in the range of \$75 million a year.

Voice: What is it this year?

Trask: Forty.

Brodhead: Because it is still controlled by the last bad year.

Pat Wolf (Pratt School): I would like to return to a question that was asked earlier about human rights and I think what I hear, at some point you could be perceived as



an enabler by being there. And I think as our investment, in both time and money in buildings and students, grows over there we worry that events that occur there will be brushed off in an effort to save the investment that is going on. I was trying to think of an analogy and the only one I can think of is the Catholic Church in the middle of Mussolini's Italy. We just don't want to be perceived in that way (laughter).

Brodhead: Thank you (laughter).

Wolf: I'm not saying that that is what it is now, but when it comes to that, and the question that was asked was who is going to make that call, who is going to say that this is too much, we are getting out? And is that going to be the Board of Trustees? Is that who makes that call?

Brodhead: Let me tell you, I spoke as if the Trustees had a mix of excitement and anxiety, I myself am very capable of anxiety (laughter). I've imagined situations even harder than the one that you just mentioned. Because how can you be sure that you won't face such a thing going forward? And you make a very interesting point which is the more successful it is, the more interest you will have in going along with things.

And yet, a university being an open community that is founded on principles and values, there will be a hue and cry, and we'll raise it ourselves if and when that is necessary. When the time comes I believe that the decision would need to be made finally by the Board of Trustees as the initial decision to file the MOE with the Chinese government had to be approved by the Board of Trustees. I'm sure it would be done with much discussion by the faculty and with full participation by the administration but it would have to be a Trustee decision.

Fritz Mayer (Sanford School): We sort of downplayed Wuhan in this, and there's a sort of sense of them as a junior partner in the discussion. I'm just curious if you could say a quick word about what Wuhan's interests and aspirations are in partnering with us. I don't know if they are having a meeting as we speak.

Brodhead: They are meeting with our people as we speak. Let me tell you a funny story. China opened the Shanghai Expo by having a meeting of worldwide university leaders and then there was a two-day summit about higher education. I sat at dinner next to a person I had never met, it was the President of Wuhan University. And then that night I was asked, as always happens when you go to

China, as you leave something, then 48 hours later on your time schedule you've finished the fifteenth course of the banquet, and just then someone would like to interview you at length on television.

And so I was interviewed with the President of Wuhan University, but little did I know that I myself would someday have quite an interest in the President of Wuhan University (laughter). In fact, that President has left the presidency to go into the national Ministry of Education and there is now a new President of Wuhan University. Wuhan University is an aspiring university. China is not uncomfortable being hierarchical about things and it has designated an upper tier of universities and it has given them differential resources to advance. Every university I know that falls in that band is looking for ways to partner with American universities not just to strengthen specific academic subfields, but to strengthen the whole model of education – in a sense to learn something about the nature and possibilities of education. I believe that that is the interest of Wuhan in this bargain. Part of what makes Wuhan interesting – it is an extraordinarily unobvious point that nothing but experience could have taught us – part of what makes Wuhan work well as a partner is that they are not physically that near Kunshan.

Schools that are near Kunshan ran into the problem of creating a rival just across town. That is not a problem for Wuhan, but Wuhan is licensed to do business in Jiangsu province which means they are able to participate with us there. We have actually had interchanges, global health has been the closest source of collaboration, but I notice that there are members of our faculty who have studied at Wuhan and there are people who have research collaborations there, so there is a base of understanding. I would say that one of the things we understood going in is that the Chinese rule that you have to have a partner also means that you could have a partner who keeps you from being able to grow into the thing you want and need that makes it worth going into in the first place. I think I can say that so far Wuhan has shown itself quite a fine partner in wanting us to have what we want there and finding that in their interest. Paula?

McClain: I'm a little confused. You're saying \$2 million, but the document says \$37 million.

Brodhead: But the \$37 million includes several different categories which I just enumerated a minute ago. The 37 million is aggregated of the amount Fuqua already spends in China that is already built into its budget that now would go to the Kunshan project; there is a part that is based on philanthropy; there is a part that is based on the initial up-fit of the building which would be done by a loan by the Duke administration to the Duke-Kunshan entity and then that would be paid out of the subsidy partly by Kunshan going forward, so the part that falls to Duke's strategic funds is on the order, if I remember the numbers right, of about \$9 million over five or six years. That's what gives the number I had been using.

Lange: Let me just be absolutely clear. We're confusing an annual contribution and the total contribution. The \$37 million is the total contribution from all Duke sources as Dick just enumerated.

Brodhead: Over several years.

Lange: Over six years. The up to \$2 million a year, is per year from SIP which, if you accumulate it over the six years, would be \$12 million against the \$37 million. Is that clear?

Brodhead: We can supply home tutorials on these subjects (laughter).

Miranda: The question that came up in the Board of Trustees Business and Finance Committee which I think is relevant to Paula's question is what if we don't reach our fundraising goal and what if the tuition that we think we are going to be able to charge, not what we're able to charge, are we planning on backstopping that with SIP funds or are we saying our hard commitment of SIP funds and it stops here is the \$9.2 million that's in the document?

Brodhead: Peter, do you want to speak to that?

Lange: I think it would depend on the circumstances. I couldn't tell you that we would not put one dollar more. It would be foolhardy to say that. It will depend on the circumstances.

It is also the case, that for instance, if the tuition revenue did not reach the anticipated level because the number of students willing to attend at the tuition we were charging was smaller than anticipated, the expenses would also come down because the costs of running those programs would be reduced. So, what I am saying is within that envelope there's flexibility, but I cannot guarantee you that we won't spend one more dollar – just as we had spent money for other strategic initiatives.

And just to give a little proportion here, and I think Dick tried to do this earlier, the original strategic commitment to the Global Health Institute from the campus side was 15 million dollars over five years – or 5 million dollars every year. The amount of money that we have put into the Pratt School over the last decade, because of the strategic commitment we made to have a larger and far more research intensive engineering school given the way the world was changing, is many times the multiple of either of the numbers that we are talking about.

So when we make strategic commitments, we have had as a characteristic of this university that strategic commitments and strategic priorities are backed by money. That has been a regular commitment, is one that I think the faculty have welcomed because when they committed to the strategic plans and we've laid out priorities, we've been assured that there was some requisite financing behind it. Sometimes we've done better than our benchmarks and sometimes we've done worse but when we've gone substantially offline we've come back to the faculty and back to the budgetary process to examine. I'm hoping that none of that happens.

Brodhead: The chances that we know exactly how many students will enroll, the chances that we know exactly what tuition we will be able to charge, the fact that we can guess in year four how much the school will have grown, there's no way we can be right about these numbers. It seems to me that all you can do is to have a reasonable, well-tested guess and get started and then be ready to learn the lessons that only experience can teach.

Miranda: I agree with you entirely. I guess I was just trying to make the point that there was uncertainty.

Brodhead: That's right. We heard about known unknowns and unknown unknowns. We've talked about lots of the unknowns here but in truth there are now some things that are now pretty well known that used to be totally unknown but now there are other unknowns. We will learn them by traveling on the journey to try to make this thing work. Thank you so much.

Henriquez: Despite one's better efforts, there will be no nap. So I will see you all on April 21st for our next meeting.

Respectfully submitted,

John Staddon  
Faculty Secretary, April 14, 2011