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Minutes of the Regular Meeting of the Academic Council

Thursday September 23, 2010

Craig Henriquez (Chair, Academic Council and Professor of Biomedical Engineering and Computer Science): Welcome, everyone. It seems like just yesterday we were all here together. I hope you've all settled into the fall semester, though it feels more like the middle of summer on this the second day of fall. For any new members or anyone who is new here, my name is Craig Henriquez and I am a Professor of Biomedical Engineering and this is my second year as Chair of the Council.

If you looked at the agenda for today, which is up here behind me, you can see it is actually relatively light in terms of presentations. We have a few formal actions that the Council must do. We have the approval of candidates of earned degrees, we will elect new members to the Faculty Hearing Committee and we also have a by-law change that has been proposed and that requires formal action.

In addition, I will be updating the Council on some topics that we discussed last year and give a preview of what's coming up for this year. So if you look at the first four items, I'll be talking pretty much the whole time. We will end it with an update on the financial situation by Provost Lange and Executive Vice President Trask.

Before we go much further, I'd like to introduce, or at least remind everyone of the members of our Executive Committee of the Council: **Suzanne Shanahan**,

who is in Sociology & the Kenan Institute for Ethics; **Ann Brown**, in Medicine; **Jennifer Brody**, African and African-American Studies; **Steffen Bass**, Physics; **Larry Zelenak**, Law School and **John Staddon**, Psychology and Neuroscience, who is our Faculty Secretary, and last but not least **Marie Lynn Miranda** who is in the Nicholas School of the Environment and who also has agreed to serve as Vice Chair for the second year in a row. The Vice Chair is elected by ECAC and is supposed to substitute for the chair should the chair be out of town or otherwise unavailable. So thank you Marie Lynn for doing that job.

As most of you know, the job of ECAC is to meet with the senior leadership of the university. We meet weekly, two hours a week on Wednesdays to provide feedback on proposals that come to us that will eventually come to Academic Council – we also have the sometimes-challenging job of filling out 50 or so university committees, which are either President, Provost, or the Board of Trustees and even our own committees in Academic Council.

The meeting schedule for ECAC is on our Academic Council website which you see here, and you can also see who we've met with and who we are planning to meet with. We have met with the President already, Provost Lange yesterday, we met with the Vice President

of Human Resources, Kyle Cavanaugh, and will meet with Tallman Trask next week.

One other announcement: last year you may know that we created for the first time a handbook for the Academic Council. If you haven't looked at it, I encourage you to do so. It basically tells how the Council operates, gives you some sense of what the duties of Council members are, what the duties of the Chair and Executive Committee are, has all of the bylaws so you can read them to your heart's content, and also a list of acronyms and words that are used commonly throughout the Academic Council meetings, most of which many people don't know but we have called it the *Provostopedia* (laughter) to remind us that these are specific terms of the university, our own special acronyms and numerous new ones.

Speaking of the website, we have made some additions over the summer – I don't know how many people have paid attention to the Academic Council website; you probably don't go to it often except for meetings, but we have added a couple of new tabs. We have a "News" tab here which is modeled after what's been done at the university for some of the senior leadership in terms of interesting items that come out of the *Chronicle of Higher Education* and other such news organizations; some information here on athletics and academics, a link to Duke's PrimeTime on Health Care, if you missed this on Kyle Cavanaugh updating the faculty and staff on changes to health care and also an announcement that the Harvard President is creating a January Innovation Fund, which I wondered if we could apply for and get our winter forum paid for (laughter). So I would encourage you to take a look at it.

Just a last reminder the attendance sheets are going around. We do keep attendance in this class (laughter) and it's important that we do so because we need to make sure that we have a quorum when there are official duties to be done within the Council. It's also important that you let us know if you are not going to be able to attend the meetings so that we know how to plan ahead. There's a rule that if you have three unexcused absences – which is a bit draconian, I don't think we do this in many other organizations – if you miss three meetings and don't notify us in advance, you are going to be asked to leave the Academic Council which may or may not be a good thing (laughter).

So, please let Sandra know ahead of time that you will miss a meeting. We also record all of our meetings, we keep minutes, they're transcribed, so everything that is said is written down. Please announce your name when you ask a question.

The first order of business is to approve the minutes from the May 13th meeting. [the minutes were approved by voice vote with no dissent.] The next item is approval of candidates for earned degrees. Today we will have nominations of candidates for earned degrees from all the schools except for the School of Nursing. This is not because we have anything against the School of Nursing, it's because we have dealt with them in a special way. If you were not a member of the Council last fall then you probably don't know the full

story, but we enacted a new process for approving candidates for September and December degrees. As was discussed then, students who graduate during the summer or fall terms cannot get their degrees until they are approved by the Board of Trustees in their meeting. The step prior to approval by the Board of Trustees is our approving these candidates for degrees at this particular meeting. This has posed a problem particularly for the School of Nursing because their graduates cannot apply for a job until they get their degree certified, which means a month or so until the Board of Trustees meet. So we talked about this and decided to have a special meeting of the Academic Council in August before the Executive Committee of the Board of Trustees meet in August as well to approve such degrees.

Now, at the time we thought we could do it for both September and December degrees, but it turned out that not all of the schools except for the School of Nursing were able to have the degree candidates available by August. So, Nursing was approved. We approved 17 Master's of Science in Nursing and 3 Doctors of Nursing Practice in the August meeting and we will approve the rest today. And in December we'll do what we did last time which is to have our special meeting in January and of course you are all invited to the special meeting -- but it turns out that you only need two Council members to show up to be in agreement with our bylaws, just so you know (laughter).

We also, this year I believe, will have the first class graduating from the Medical School in Singapore, so there are some details that still need to be worked out, and I'm not exactly sure when that approval will take place but you will be alerted when that happens. Of course in May, we will do it as we always do it.

Earned Degrees

Diplomas dated September 1, 2009

Summary By Schools And College

School of Nursing

| | |
|------------------------------|----|
| Dean Catherine L. Gilliss | |
| Master of Science in Nursing | 17 |
| Doctor of Nursing Practice | 3 |

Graduate School

| | |
|----------------------------|----|
| Dean Jo Rae Wright | |
| Doctor of Philosophy | 85 |
| Master of Science | 18 |
| Master of Arts | 45 |
| Master of Arts in Teaching | 13 |

School of Medicine

| | |
|----------------------------|---|
| Dean Nancy C. Andrews | |
| Doctor of Medicine | 1 |
| Doctor of Physical Therapy | 1 |
| Master of Health Sciences | 1 |

| | |
|---|-----|
| Master of Health Sciences in Clinical Research | 9 |
| School of Law | |
| Dean David F. Levi | |
| Doctor of Juridical Science | 1 |
| Divinity School | |
| Dean Richard Hays | |
| Master of Theology | 5 |
| Master of Divinity | 3 |
| Master of Theological Studies | 4 |
| Fuqua School of Business | |
| Dean Blair Sheppard | |
| Master of Business Administration | 1 |
| Nicholas School of the Environment | |
| Dean William L. Chameides | |
| Master of Environmental Management | 1 |
| Sanford School of Public Policy | |
| Dean Bruce Kuniholm | |
| Master of International Development Policy | 5 |
| Pratt School of Engineering | |
| Dean Tom Katsouleas | |
| Master of Engineering Management | 19 |
| Bachelor of Science in Engineering | 5 |
| Trinity College of Arts and Sciences | |
| Dean A. L. Crumbliss | |
| Bachelor of Science | 13 |
| Bachelor of Arts | 46 |
| TOTAL | 296 |

Faculty Hearing Committee

Henriquez: The Faculty Hearing Committee is a subcommittee of the Academic Council and has jurisdiction to consider complaints from faculty concerning issues such as termination of employment, violations of academic freedom and allegations of harassment not resolved by other university bodies. The entire process for issuing a formal complaint so as to reach the Faculty Hearing Committee is outlined in Appendix N in the Faculty Handbook, which is now online.

The Faculty Handbook states that the Faculty Hearing Committee will consist of twelve tenured faculty members nominated by the Executive Committee of the Academic Council and elected by the Council at large. The newly-nominated or reappointed members will serve a three year appointment and they are:

[Kerry Haynie](#), Political Science
[Judith Kelley](#), Sanford School of Public Policy
[Jocelyn Olcott](#), History
[Terry Oas](#), Biochemistry

They will join

Neil McWilliam, Art, Art History & Visual Studies
Lori Setton, Pratt
Chris Schroeder, Law
Jim Cox, Law
Steffen Bass, Physics
John Board, Electrical & Computer Engineering
Philip Rosoff, Pediatrics – Oncology/Hematology
Kimberly Wade-Benzoni, Fuqua

Are there any questions? If not, all in favor of electing these four members to a three year term on the Faculty Hearing Committee, please say aye. Opposed? Thank you very much. I want to thank all of the faculty who have served on this committee and are going off this year and those who have agreed to serve. This is a very, very important committee to the faculty and to faculty governance. I want to thank Larry Zelenak who served as chair of this committee last year and I especially want to thank Jim Cox who has agreed to take on the position as chair – he actually told me yesterday that he is currently burning incense in his office in the hope for a very quiet year (laughter).

Acceptable Use Policy

Before we move to the last two items on the agenda, I wanted to take some time to share updates on some topics that we discussed last year and a preview of some of the topics that we will be discussing this year. If you were here in April and May, you know we had a very spirited discussion about the Acceptable Use Policy for computing and electronic communication. If you recall, the proposed policy raised concern about what it might take for Duke or someone within Duke to access someone's email or electronic data. There was a lot of back and forth, we had several presentations, we had people from security offices and OIT discussing, people from university counsel here, and after this discussion, it was determined that accessing a user's email account or other digital files is a very rare event. Should the need ever arise when there is not a legal compulsion or need to look at the data, it would require the sign-off by the President and Executive Vice President. That language is now in the AUP.

The document also makes clear that users should be aware that their data and messages are not guaranteed to be secure, for a variety of reasons, and they should act accordingly.

Another key part of the policy is a reminder to all members of the community to keep their passwords secure. They should not reveal their passwords, if they feel their passwords have been compromised they should change it immediately. This is something that all members of the community should be aware of.

Now, despite our approval, the policy has not yet gone live. There is a little bit of delay in this process. Part of it was that once we sent back the revised language, OIT felt it needed to go back to various groups. It

went back to the Information Security Steering Committee (ISSC) and also to the Health System. I was told last week by Tracy Futhey that the AUP will likely go live sometime in the next couple of weeks. They are in the process of getting that approval, just so you know.

Last year we also heard a presentation about the open-access policy. Over the summer, Perkins Library organized an Institutional Repository Development Team, this is now IRDT and it will go into the Provostopedia (laughter). The IRDT is led by Tim Pyatt, University Archivist and manager of the DukeSpace repository – this archival space has been around for several years in the university. The library group is developing a service model, so remember what this was: the idea that the faculty would make their scholarly publications available for open access and there would be processes that would facilitate this and there would also be processes for people to embargo whether or not they want their information put online.

The questions that came up at the meeting were: what is it going to cost? What is it going to take to make this work? How easy will it be to get the work flow of a scholarly publication? So this is now a work in process. This group is working on the service model now, to collect citations of faculty publications from various sources, to filter them, collect publications from sources where we can do that directly, and have subject-liaison librarians contact faculty when they need to get the author's first version – so they are working through the process of how to do this. They also hired a digital-repository developer in July, this person actually did similar work at North Carolina State University, and this person was paid for, not out of University funds but out of grant funds that they received to create this online repository. The goal is to have some processes in place by the spring and to be able to show something to the faculty by then. In the meantime, Kevin Smith is working with faculty within Duke to get into the systems now – some have asked for it. Econ now has 426 papers in the system already. He is also working with the Triangle Universities Nuclear Laboratories and the Divinity School is working to get some of their publications in there soon. This process is ongoing and the hope is to make this available to the Duke community sometime in the spring or fall, or at least make it more broadly accessible.

If you have any questions, I direct you to [Paolo Mangiafico](#) and [Kevin Smith](#) in the library who can answer these questions.

Undergraduate Education

Last week, if you attended the Arts and Science Council Meeting, you heard that there are some changes in the administrative structure related to the oversight of undergraduate education. As many of you know, in 2007, the University created the position of Dean and Vice Provost of Undergraduate Education as a way to better integrate the academic and social dimensions of a student's experience at Duke. Steve Nowicki, who is

here with us today, has served in this role since 2007. One of the challenges of this position, since its beginning, has been working within the existing structures at Duke where we have 82% of our undergraduates get their degrees from Arts and Sciences and 18% who get their degrees from Pratt. But while the students are degreed in two schools, they actually live in four schools and the faculty who interact with these students may live in all of the schools. To make things even more complicated, we have actually seen the emergence of a new major within the university, the neuroscience major, which has a connection to one of our signature institutes, DIBS (Duke Institute for Brain Sciences). So perhaps the best way to describe what is happening is that the landscape of undergraduate education at Duke is evolving and it is not contained in a single school. To help manage this evolution, there will be some administrative change. One of those changes is that Lee Baker, who is also here today, will be given an additional title of Associate Vice Provost for Undergraduate Education. This is a new title but not a new position and reflects the fact that some of the functions that are traditionally associated with Trinity College are now really university-wide functions. Lee will report directly to the Dean of the Faculty of Arts and Sciences but also dually to the Dean and Vice Provost of Undergraduate Education and will help manage curricular and co-curricular programs that cross school boundaries and impact all schools.

There are deans in the other schools who serve similar roles to Lee who will also dually report to their dean and the Dean of Undergraduate Education to provide a connection from all schools with undergraduates to the university level.

I should tell you that this group of Deans has already been working and meeting with Steve over the past several years, so this is not a new relationship but a more formalized relationship of the Deans and the structure to demonstrate that actually a lot of things are now changing in how undergraduate education should be viewed from the University perspective.

Now why mention this at Academic Council? First, the change reflects a reality that undergraduate education is not as 'siloed' as it once was and stretches across the traditional school boundaries. As a result, the units and the committees that govern or oversee curricular changes may need to evolve accordingly. Much of this still needs to be worked out – we are at the early stages of this and ECAC and Academic Council may be called on – we don't know yet – to consider some proposed changes. So I just ask you to stay tuned and be aware that there are some changes going on in terms of the oversight and view of undergraduate education at Duke.

Duke in China

Speaking of an evolving landscape, last year this council and ECAC spent a significant amount of its time discussing and thinking about Duke in China. As most of you know, Duke and the city of Kunshan have created a partnership to build a campus which should be com-

pleted in spring of 2012. There was a ground-breaking ceremony this past January in which the President and a number of officials in the university went to Kunshan and started this process. The Fuqua School of Business will lead the first phase, they will develop some executive MBA and non-degree executive education programs, a master's degree, and additional training of PhD students in China. That's the plan.

I want to emphasize that Duke degrees in another country cannot be offered simply because we want them to be offered: there is a process. They have to be signed off by the various Ministries of Education within those countries, the accreditation boards within the US, and also, perhaps most importantly, they have to be signed off by us as the faculty. Over time, the thought of this campus is to expand its use, perhaps a site for undergraduate study abroad programs and new research opportunities for faculty, but there is work to be done here.

Right after the groundbreaking, Sandy Williams, who had served as senior advisor for international strategy for Duke University and led much of the early work in our development and discussions on Kunshan, left Duke to become the president of the J. David Gladstone Institute, a biomedical research institute in California. Greg Jones, who had been serving as Dean of the Divinity School at the time, agreed to step down as Dean and assume the responsibility of overseeing Duke's global strategy. He is now the Vice President and Vice Provost for Global Strategy & Programs.

Last year, this body offered its support to the first phase involving the business school, but asked that the faculty have a greater input in the determination of the future plans in Kunshan, particularly involving other schools.

It is important to point out that Kunshan and China are not the only possible place for Duke to engage. In fact, there are some discussions going on in terms of Duke engagement in India, Abu Dhabi, Brazil, Singapore and perhaps some others. So this is again an evolving landscape, and I think in all of these cases it is important that the faculty voice be heard here in terms of the development of these programs. As such, ECAC has initiated some discussions with the Provost and Greg Jones about a committee structure that might make sense here. We are in the early process of doing this, but I hope to have something in place in the next few weeks. The idea is to create something akin to APC and UPC at the university level and maybe the best name is the *Global Priorities Committee*. The Global Priorities Committee will have faculty membership that will be vetted by ECAC and a key piece would be to have input from Academic Council as well as have broad representation of faculty across the university who have experience in international programs. So again, we are in the initial phases of this.

I would like to hear your input on this if you want to say anything today, if you want to tell us offline that's fine. We are going to hear from Greg Jones who will give a presentation in November to the Council – we had planned to do it in October but his schedule required him to be out of the country in October so he will be present-

ing in November. In October, we will actually have an update on DukeEngage from director Eric Mlyn.

Athletics

Last year we also had a presentation from the VP for Athletics, Kevin White. This was actually one of the few times that the head of Duke Athletics met with the Council. It's sort of a rare thing, but I think it is good for the Academic Council and faculty to have a continued dialogue with Athletics and I think Kevin White is in agreement with this. Now, almost twenty years ago, there was a commission called the Knight Commission on Intercollegiate Athletics which released a landmark report trying to reform college athletics. This is a blue-ribboned panel, an independent group that is not associated with the NCAA. It criticized low athlete-graduation rates, questionable academic standards, and the increasing tendency of athletics programs to operate independently of university oversight.

Over the twenty years there have been a lot of changes, the NCAA has mandated some changes and the universities have agreed to change the way that they oversee athletics. As a consequence of this reform, there have been other reports from the Knight Commission, in fact they have issued several over the years. This past summer, they issued their latest report called "Restoring the Balance: Dollars, Values, and the Future of College Sports" which warns of accelerated spending on college sports and potential threats to college and university finances. This is a topic of considerable interest and is fairly timely given the economic situation on campuses everywhere. So in December we plan to have a discussion of this report, we'll have faculty presentations and we'll also have a presentation from the new chair of the Athletic Council, Professor Jim Coleman.

I wanted to alert you to that, you can do your reading. The link to the report is actually on the Faculty Resource page, on our website, which I forgot to mention -- let me mention that at the end.

Upcoming Reports

Finally, we are going to have an update regarding faculty diversity, and the faculty survey that I hope everybody filled out. We'll hear from the University Librarian Deborah Jakubs, we'll talk about Libraries and its role within the University. The Chair of the Faculty Compensation Committee, Richard Schmalbeck will give us a report on salary equity, which I am actually interested to hear because we have not had a salary increase in the last two years so the report might be the same (laughter).

Are there any questions or comments or anything that I've said so far or suggestions for additional topics at this stage? Putting you on the spot. Well if you do have any suggestions, I suggest you email us at acouncil@duke.edu or through the "Contact Us" tab which is on our website, and also remind you that if you have any questions for the Provost or President or Execu-

five Vice President, you can send them to us with your name or anonymously and we will make sure that we discuss them at the meeting.

Faculty Resource Page

Before we get to the bylaw change, I forgot this. I don't think I did this, did I? We added this thing called the Faculty Resource Page which is right here. After spending most of last year searching around the Duke University website for information, I realized that it would probably be a good idea to put it all in one location so I don't have to go searching for all of this again. I can't tell you how many times I have to search for the Faculty Handbook (laughter) so the link to the Office of the Provost is there, or if I want to find out something about the President's Office, it's there. So all of this information is contained on the Faculty Resource page, a lot of the things that we talk about in the Council meetings, so if there is a topic that comes up and you don't know about it, you can look here first. There was some mention last year of Duke Policies and Procedures, well, there is a Duke Policies website that houses all the policies of Duke University so you can find them here now. The Duke Faculty Handbook which is on the Provost site but linked specifically here, HR, Advantages for Faculty, I encourage you to look at it, there are a lot of interesting things if you visit the HR website both for staff and faculty. Benefits, Human Resources, Office of Faculty Affairs, Faculty Development in the School of Medicine, Office of Institutional Equity, Childcare Partnership, Live for Life, and Personal Assistance Service. Some teaching resources if you're not familiar with these, grants and compliance issues, media and communications, so you can just stop right here and get your links to the Chronicle and Duke Today. Some public sites that you might find interesting including the Knight Commission Report and the AUP site, and we actually included a few faculty blogs, so this is our sort of a new form of the old *Faculty Forum*, in an electronic form.

Bylaw Change

Last thing from me before we get to Peter and Tallman's presentation: I presented to you a proposed bylaw change to the language governing the annual Academic Council election process. We talked about this over the past year, but there has been some turnover in terms of the membership of the Council and so we decided to wait until this meeting to do it. The email was sent on September 13. Why was it sent on September 13? Because the bylaws require that we submit all language changes to the bylaws ten days in advance of the meeting in which we vote. We alerted you and the language was posted again with the agenda.

A key point is that we would like to allow the flexibility in the bylaws so that the election committee can decide how it wants to form the nomination ballot. The nomination ballot as currently done is that all of the faculty who are eligible to serve, appear on the nomination

ballot. So those in the School of Medicine know that you have to go through a list of 1,700 faculty members who are eligible. Now, you may ask "How many of the 1,700 faculty are interested in serving on the Academic Council?" My guess is it's less than 1,700 (laughter). So our hope is to collect the names of those interested and make that the nominating ballot. But we did not want to tie the hands of future Academic Council chairs, and we don't know how exactly things will evolve over time, if it gets to the point where nobody chooses to self-nominate (laughter), we could have a problem, so we would like the flexibility. The language written reflects the ability of the election committee to choose which way to do this year to year and allows us to create a nomination ballot that shows people who want to serve and that way you know that if you click on someone's name, you are not going to put them in a difficult position of saying no because they have already said yes. With that, I have not received any emails in opposition to this, but I want to see whether or not there is any discussion with this proposed change in bylaws.

Questions

Steve Baldwin (Chemistry): Are you concerned that it



might be possible to game the election somehow? In other words, will we decide how we are going to do it once we find out who wants to run? And if we don't like that particular collection of

people then we will open it up more widely?

Henriquez: Well, I hadn't been thinking about gaming the system (laughter), but the flexibility allows us to see whether some things have changed. It's true that in the past there have been groups that have made it clear, particularly in the election that they have already been nominating or given the greatest number of nominees, and that's the group that formed the election ballot. So, in some sense you can already game the system in that way. I think the key thing is that we have to have several reminders in the process so that everybody who wants to serve, or feels like they would be willing to serve, gets an opportunity to click yes in the nomination process, so we just don't have a one-time process, but we have enough time to allow that to happen, and hopefully it won't get gamed. Over time, if we see that something unusual is happening, we can always go back to the old method.

Baldwin: I don't have any problems with either way, it's just that the switch mechanism could be a little more transparent.

Henriquez: I see. Any other comments? Behind me you see the old language. Here is the new language. So the key point is "shall at the discretion of the Election Committee, either list all of the faculty who are eligible

to serve or list that subset of eligible faculty members who have expressed the willingness to serve. The nomination ballot shall be presented to the faculty in early spring for a ballot that includes all of the faculty members that are eligible to serve and shall indicate the faculty members who have already been elected in the coming academic year and those who will be on leave or otherwise unavailable to serve.”

Dona Chikaraishi (Neurobiology): Craig, what is



the Election Committee?

Henriquez: The Election Committee is a group that is nominated by ECAC and who serves on that right now is on our website – I know Kathy Nightingale is one, Don Frush is the other, Julie Barroso and Jo Wells. Four people. So they make the determination. Now I suppose we could make this at the discretion of the Council?

Susan Lozier (Nicholas School): Or at the discretion of ECAC perhaps? So those worried about a renegade election committee would be...

Henriquez: A renegade election committee would be a bad thing (laughter).

Baldwin: That's what I was worried about (laughter).

Phil Costanzo (Psychology & Neuroscience): Have expressed a willingness to serve to whom? Is there a formal process?

Henriquez: Last year we actually had something built into the electronic voting that allowed people to click if they were willing to serve. It turned out that was only used on the back end. It told us whether or not someone was willing or not willing to serve – nobody knew that ahead of time. The process that we're thinking about is a similar process where before the nomination phase there would be a period of time where people will get this request, the list would be created from that and then it would seed our nomination ballot. The nomination list would then be sent to Academic Council office and we would form the list that way.

Peter Burian (Classical Studies): A very small point, but it seems to me that in any case the ballots should include who has already been elected for the coming year because people would like to know what departments for example in Arts & Sciences already have representation. I think it's important information in any case.

Henriquez: (referring to overhead): To be clear, what's the language we think should be here?

Burian: I would delete...

Marie Lynn Miranda (Nicholas School and ECAC): Are you suggesting, Peter, that we take the phrase and shall indicate the faculty members who have already been elected and make it:

The nominating ballot shall be presented to the faculty on a date early in the spring term and shall alternate listing them in forward and reverse alphabetical order, year by year, and shall indicate the faculty members who have already been elected for the coming academic year.

Burian: Yes – just leave that clause (for a ballot that includes all the faculty) out. That's a better way to do it – thank you.

Henriquez: Okay – any other comments?

Speaker: Do you foresee with a reduced pool, which obviously there will be, a problem with certain groups having to be represented? Certain faculty levels?

Henriquez: You're right – there are requirements in terms of faculty level representation – we have to have a certain number of assistant professors and the like, so that is true. And we don't know whether or not we would get sufficient number of those or to meet the requirements for that year. Usually, it's like two or so that are needed and that's all we need. I'm guessing we won't have a problem. But we might have to beat the bushes a little bit to make that happen. We won't know whether or not that will be the case. So, we were thinking that if this year we decided to do this as an experiment, well first of all we couldn't do it as an experiment without changing the bylaws, so if we did it as an experiment and we learn something, if it turned out it was being gamed or we didn't have the number of representatives needed, we would go back to the old approach and just leave it to the discretion of the Council chair and then twenty years into the future, somebody might say oh, it would be a good idea if we could list those who were willing to serve and they could go back and not have to change the bylaws again. Any other comments? May I have a motion then?

Miranda: I move that we adopt the new language with the amendments suggested by Peter Burian.

[Motion passed by voice vote with no dissent.]

Update on the Financial Situation

Henriquez: All right, last agenda item – and we have plenty of time. If you recall, the last update to the Council on the financial situation was March 18. Yesterday, President Brodhead sent out his own update to faculty, staff and the Duke community. In this update, he reminded us of the steps that were taken to reduce the budget by approximately 100 million dollars over three years. As of last March, there were steps including voluntary staff and faculty retirements, finding efficiencies in things like telephone services and computer purchases to reductions in school budgets and that has saved ap-

proximately 60 million of the 100 million. Now, there have been some recent gains in the endowment, some uptick in giving in some parts of the university and some new revenue streams – and this has relieved some of the pressure which is not as great as it was a year or two ago – but there is still work to be done.

Perhaps the most encouraging statement in the President’s letter was that the good work to date permits the administration to make plans for a modest salary increase in the next fiscal year. So that appears to be very good news, the details of which are still to be worked out. It is important to emphasize that each school has its own set of financial challenges and the budget issues in each school will not be solved the same way given the differences in how much the various revenue streams contribute to the overall school budget. For example, the Law School budget is highly dependent on tuition (a highly stable number) while the Medical School budget is highly dependent on external funding- (an increasingly unstable number). Each school manages its own budget and for that reason news of improvement in one school does not necessarily mean improvement in another.

Last week, Dean (AI) Crumbliss noted in his address to the faculty that the current faculty size in Arts and Science of 645 “cannot be sustained in a world of balanced budgets” which of course begs the question, what number can be sustained and what will be done? Two weeks ago, the university community heard from Kyle Cavanaugh, Vice President for Human Resources, who said that “there is a lot of uncertainty in health care” and efforts have been made such that the health care premium increases for 2011 will be held to less than half of the national average. So there will be increases in what Duke pays and what you pay and all this impacts the bottom line of how much is available for compensation.

So a lot of things are changing at the same time and this is what makes the budget process complicated and difficult. Today’s presentation may be a review for some of you and may be new to others but the goal is to remind us where we are and the philosophy with which Duke is weathering this economic downturn – the philosophy to date has been one that emphasizes shared sacrifice and a more surgical and systematic approach to cost reductions.

Peter Lange (Provost): Good afternoon everyone.



We are happy to do our duo once again. Before we begin, I want to welcome five visitors that we have from

the University of Zagreb. We have the Rector, Aleksa Bjeliš, and four of his colleagues (applause). I met them last night and I said “Oh, we’re having an exercise in faculty governance tomorrow – would you like to come?” and they said “Absolutely” – so here they are.

The presentation that Tallman and I will be making today really follows on the President’s letter yesterday. As Craig indicated, some of this will be quite familiar to some of you. Not that much changes between March and September in the University budget. We will be reporting some numbers which at that time we did not know and which we now know and we will definitely be saying more about some things going into the future and we will also provide some greater detail with regard both to how we have saved money and how we anticipate saving money in the future. It’s always good to remember where you came from. I’ll do this very briefly, many of you have seen this slide before. This is just a summary of what the crisis did to the university budget. It turned down, it affected our net assets, it reduced endowment payments, it curtailed our central funds flow – something I’ll come back to – and it increased the demand for financial aid.

So at that time at the beginning of the crisis we probably had substantially more than \$100 million which we might need to get out of the budget over the three year period that the Trustees generously offered us so that we could pursue a strategy very similar to the one that Craig just outlined, that is a more surgical and deliberative strategy than a massive across-the-board strategy and among other things in our decentralized system and with the highly differentiating character of our schools, across-the-board cuts really don’t make that much sense. It makes much more sense for each of the Deans to work on his or her budget in the school, working with their faculty, and we did have the faculty committees which have been working on budget matters within the individual schools to make the cuts commensurate with their individual strategic and other priorities.

On the other hand, we did have certain general principles which are also in there. So what are the results over the last two years? The first number up here is a new number, until the President’s letter at any case, which is that the investment returns for Fiscal Year 10 were 13.2%, a better outcome than we had anticipated and it is important that it is a better outcome than we had anticipated because all of our budget assumptions and the assumptions that we made about how much we needed to cut, etc. are based on projections over the three years. This is a good thing. It helps reduce the ceiling that we have to hit before we bring our budget back into balance.

We’ve had a lot of cost reductions across all sectors and Tallman’s going to say more about those in detail in a moment. We’ve had a lot of program innovation, we’ve had a partial recovery of fundraising, the President’s letter mentioned the very striking results of the fundraising last year. The only qualifier I would put on those is that those are one-year cash returns. Pledges are still way down and so people are willing to give money annually but it’s much more difficult to get people to

give money and say “here is what I’ll give you for the next three to five years” or “here’s a large gift that I will pay out over three to five years.” I think we all understand why that’s the case. Nonetheless, it affects the time horizon and it affects the way that you can do the budget. The ARRA research success has been striking, and I think we both want, and all of the administration, want to thank the faculty for their incredible hard work and I can tell you that as the President indicated yesterday in his letter, as of last week, we capped the \$200 million threshold in ARRA funding which is really amazing. We were around \$150 or \$160 million six months ago, but money has continued to flow in despite the fact that we thought it would not, and so we are now over \$200 million and that is really amazing.

Of course, it has a potential downside, which is that you have to manage the situation when that money is no longer coming. Nonetheless, the faculty did a fabulous job of rising to that occasion and bringing in money to support their research. Also I would say that the schools did quite well last year budgetarily, many of the schools actually had small budget surpluses and those schools that had budget deficits in general did not beat the projected deficit. So they had projected deficit and they beat it. Not every school, but that’s basically the picture. It wasn’t a bad year and it helps us make that progress and as a result we’re at this situation where we covered about \$60 million of the reductions that we need to make. We think the target now is somewhere closer to \$100 million or so and that means that there are still \$40 million or so to go and that means a lot of hard work. I’m going to let Tallman tell you a little bit more now about the ways that those \$60 million were realigned.

Tallman Trask (Executive Vice President): This is a chart of employees on general funds, largely. I should say in advance this chart changes on a daily basis, so I picked here the first of September. As noted on the bottom, it has seasonal changes. People have been very inventive during the times of budget difficulties, creating new titles that we have never thought of before, we have to track them, and employment categories and so forth. Anyway, this number has been fluctuating over the last several months between 392 and 450. I believe when it all settles out it will be between 400 and 425 less the seasonality which is the number of employees we are down since March 2009 when we began the effort. We knew going in given the fact that 60% of our budget is compensation-related that we would have to have a significant change in the number of employees that we are supporting here, and that in fact has happened.

One of the things I want to point out to you which I think is important is as you’ll note, CAMC are the Central Administrative Units that are run by me and the President. More than half of the reduction has been in Central Administrative Units. Our budget problem we thought was roughly 5% going into the discussion. Those units, over the past eighteen months have been brought down about 10%. So we’ve done what we said we would do in terms of trying to protect academic programs and take as much as we could out of administrative effort. The other encouraging thing was we tried

very hard to get people to reduce the amount of money they were spending on non-personnel activities across the University. This is the comparison between fiscal 09 and fiscal 10. We finally have fiscal 10 audit numbers which are going to the Board in October. What they show you in general overall are non-salary expenses. We are down a little over \$30 million from 9 to 10. So if you take the 400 plus individuals, with their salaries and benefits, they total about \$30 million out of the base. If you look at the reduction in the expenditures of non-salary down about 30, those two together total the 60 that we think we have made so far. I think that all of us have worked really hard to get here, we’ve made a considerable amount of progress, I think the one thing that Peter and I worry about is people think it couldn’t hurt so bad, it must not be that hard, we can let up, which we can’t do.

Lange: I would note that there are certain categories on here that are very much at the discretion of individual faculty members or small groups of faculty members such as travel and especially entertainment. We have driven down our entertainment expenses substantially, that’s a place where we run the risk of letting things slide up and what we need to remember is individually no dinner looks that much more expensive, no bottle of wine looks that much more expensive. But over our whole faculty, and all the other things we do, if we let it slip up one by one it will show up later in a substantial way.

Let me move on then to some of the continuing financial challenges. The schools still face tight budgets. We have been fortunate enough, because of the modest recovery of the endowment, to be able to hold spend-outs to the schools or distribution from endowment flat, rather than going down, but of course the schools were expecting before the crisis that endowment values would go up every year, then at the beginning of the crisis they were expecting that they would go down, now they are just expecting them to be flat.

Philanthropic support is still uncertain for the reasons that I said earlier, it is particularly noteworthy because those kinds of gifts affect the possibility for instance, for endowments of new professorships, or very large gifts for buildings which are often paid out over multiple years. Research funding, I’ve already mentioned, the end of ARRA and more generally, you know somebody pointed out to me recently that the truly discretionary part of the federal budget is about 10 to 15% of the federal budget. And NIH and NSF and those agencies are in there, so you cannot be secure about how that funding path will go.

I think the one thing that you can probably be secure about is even if the administration is very firmly in support of research as they said earlier this week that doesn’t mean there’s going to be big growth – they may be able to defend the levels but I don’t think we should expect growth like we had. We still have to rely on reserves for undergraduate financial aid – this is a commitment that the Board of Trustees and the President consider to be one of our deepest university commitments and we’re willing to spend reserves in order to

support that program which as you know at the undergraduate level is not capped, it's a function of those students who choose to come to Duke in any particular year.

Now we also have to recognize, and this goes back to something that Craig mentioned earlier, that different schools have different capabilities of raising new revenue – either through changing the size of their student bodies or establishing new programs. And we've seen a lot of program growth, but it's not evenly spread across the schools. And then finally there's still a very uncertain recovery of the central strategic funds or the SIP funds – I'm not going to go into a long discussion of it, but basically the pace and size of recovery of those funds from the traditional sources from which they came is dependent on DUMAC's performance. The better DUMAC's performance, the sooner and the better those resources will come back – but they are not back yet.

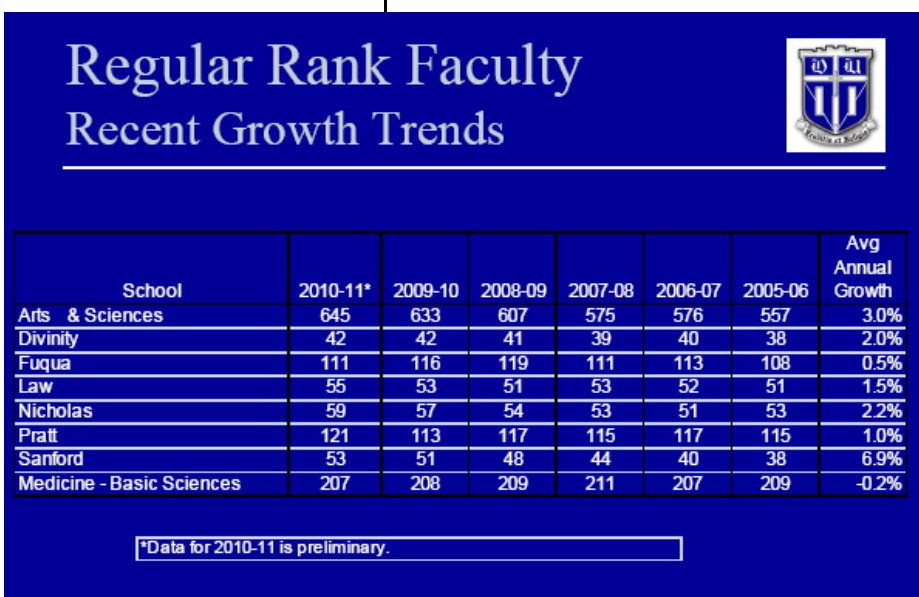
As we've stressed throughout, we had certain principles that we wanted to maintain, and this slide is a direct repeat of earlier presentations, but I think it's important because these principles have been sustained throughout and will continue to be sustained. We wanted to sustain our momentum by continuing to invest in faculty, we wanted to insure the quality of the student experience – to date I think we have done both of those fairly well. Some would argue that, of course, not paying salary increases is not a way of “investing in the faculty” – and I fully understand and I think that's why we feel this year we need to return to a modest salary policy, but we had been making a choice over the last two years given the overall situation and given the prospects of hiring in the market, it was better to shift some of our resources to being able to continue to hire – we had a very good hiring year last year as a result.

We are seeking to protect the values at the core of the Duke community, our financial aid commitments, the long-term institutional gain of shared sacrifice to maintain morale – and I think we've seen from surveys so far that that's paid off – and to use attrition and early retirement and downsizing to avoid substantial layoffs.

And finally, we have to keep pushing to restore financial equilibrium. These are unchanged principles and they are principles which we intend to continue to hold. Now, with that said, I want to put some of the faculty discussions into context. In particular, I want to say something about Arts and Sciences because that is obviously our largest campus school and it is one about which a good deal of concern has been raised. On this

chart, you see the six years of growth of the faculty in each of the schools and what you'll see is, if you look at the top row, that Arts and Sciences, if you look at the right column, what you see is that with the exception of the Sanford School of Public Policy, which is somewhat different because it was a part of breaking the School out and raising the endowment fund, so the faculty was allowed to grow at an extraordinary rate, Arts and Sciences grew faster than any other School on an already large base. In fact, Arts and Sciences grew, if you were to subtract 557 from 645, I believe that number is 88. So they gained 88 faculty over six years. That's a very large amount of growth. Okay, it spread across all the regular ranks, but it is substantially more in the tenured and tenure-track ranks and we had a lot of senior faculty growth. I think it would be fair to say that had we not encountered the recession, the stress on the Arts and

Science budget due to the size of the faculty would have been substantial. With the downturn, it became worse. Now, what are we talking



about in terms of when Dean Crumbliss mentions the need to use attrition to bring the faculty size into alignment with a balanced budget over the next couple of years? Well, our estimate is probably – and this depends again, there are lots of moving variables here – but our estimate is that it is going to take an attrition of about 20 to 30 faculty on that base of 645. It's not a large percentage, it's less than 5%. That will still be difficult, and it still means that they will have as they had this year, as I'll come to in a minute, a constrained search plan. What the size of the search plan is will depend in part on how many faculty are departing because basically, if you understand the dynamic here, they will run a certain number of searches, they will expect a certain number of those searches to succeed, that will be the input side, and they also will know that a certain number of faculty are going to be leaving due to retirement agreements for instance. What we need to assure is that that first number is smaller than the second one, but if you increase the second number by having more faculty retire or leave for other reasons, then the first number can go up, it can run more searches, and nonetheless get the same amount of attrition.

So that's the way we have to manage this process in Arts and Sciences. More generally each of the schools, and this goes back again to the differentiation, each of the schools will have to manage their faculty growth over the next year or two, in conjunction with the overall budget conditions of that particular school and the schools are not all in the same financial condition.

To give you an overall picture, just as I did last year, last year we ran 58 searches which was pretty close to the average number of the number of searches we had run the preceding three years, the average. We had a high year, a low year, and 58 was more or less in the middle. This year we will be running 50 searches, and the principal reason why that number is running down is that we are running fewer searches in Arts and Sciences. The other schools are running searches at or above the level of last year.

I think that's about what I want to say on faculty. What this all means is that sustaining momentum will require continued hard choices. We do have limited capital for facilities investment, as I've said, we still have a little money through the transition money that we have, we have for instance done some renovations in Gross Chem., we have continued to work on classrooms, we have continued to try to make spot renovations, even substantial spot renovations, we do have Keohane 4 going up, K4 as we've called it, because we had outside sources through reserves that had been built up, but we have not a great deal of opportunity for facility investment. Our vacancy management oversight has to be very tight. Dr. Trask and I sign off on every requested job posting on the campus or in the Central Administration Management Center, and let me tell you, well it's not fun



(laughter). Anyway, we sign off on every single one of those as they come across our desk. Some are actually returned, some people in this room may have actually experienced that. Program adjustments continue, individual schools continue to manage costs, we will have as we have said, modest presumption of compensation for the next year and we are going to continue with DART. Again, I'm going to call on Tallman now to talk about where we think some of the future savings can come from to help us push up that number toward bringing the university budget back into balance over the next two years.

Trask: Those of you who have been here for a couple of years remember DART is an acronym that Peter made up. It was not my choice (laughter), but it has worked fairly well, and I think it is in many ways the discussion about where we are going to get the next 40 million out of the budget. We will undoubtedly have some additional reductions in personnel through attrition; at this point I don't anticipate any large scale retirement programs being put forward beyond what we have already done. In there we are going to focus on a number of issues which have to do with efficiency, looking at how we actually spend non-salary dollars, and I want to give you some examples and here they are on the chart. We are determined, and actually getting close now, to eliminating paper from the payroll process. It doesn't sound like a big thing until you remember we are paying 45,000 people a month, and many of them twice a month. The number of pieces of paper that have been floating around in the payroll system is enormous and you have to take into account not only the paper but the time of the people to fill out the paper forms and we are going to spend a lot of time this year trying to cut that back. Centrally that won't save a lot of money. Where savings are will be in the departments where that processing will not have to occur. We won't be able to capture that locally but I'm assuming that will be reflected within the departmental budgets.

We have worked a lot on communication, phones, the campus is now essentially voice-over IP complete, which if you think about it took \$2.5 million out of the budget. The health system should be complete sometime in 2011. We have been scrubbing very hard on cell phones, PDAs, and so forth, trying to figure out who has them, who is paying for them, where did they get them. As you know, this has been complicated by the fact that until, well I hope next week when the President signs the Bill, this has all been caught up in a question of whether employer-provided cell phones were taxable income to individuals and Congress has finally come to its senses and ruled that off the table, so now we can go forward and deal with our own policy on that.

We've had fair success in bringing down the cost of computers being bought on a per-unit basis, although we have noticed that people persist in buying more high-end devices than we thought they would and so we have an ongoing discussion there.

The biggest thing I want to talk about here is e-procurement. Some faculty have been involved in that, we are about ready to go live on a test case in a number of departments in January 2011, trying to consolidate the way we buy things, trying to automate it, trying to make it simpler, and trying to make sure that people get the best Duke price for everything they buy.

The reason that's important is to think a bit about the magnitude that is involved here. I said 60% of our money is basically in people. The rest is in stuff. Roughly speaking, Duke University buys about \$650 million worth of stuff every year and it runs the gamut from anything you can imagine. We know we are not getting best prices on those. We know some people are still buying things on paper requisitions which can take a long time

to fill out and a long time to process. At \$650 million, if we can get the prices down on those items by 5%, we are going to be down \$30 million. Now, a lot of that will go to contract grant volumes and so forth. It's the biggest thing we have left to crack; we have worked hard with the faculty groups trying to get the test ready.

As you may know, we tried this unsuccessfully about twelve years ago. I think this time we finally do have it right and will roll it out to some pilots in January and hopefully over the course of 2011, make it available campus wide. I should also say this is the DART score card we have been working with from the beginning when we tried to figure out where was there money to be saved and how much money could we save and how much money had we saved to date. We are convinced there is still enough room in this analysis to say that we can get the \$40 million out of the budget. Some will come through personnel as I said, but a lot of it is going to come through from non-personnel actions. One of the issues we have is that those actions are literally hundreds of thousands of transactions a year and we're not going to sit and review hundreds of thousands of transactions a year to make sure that they are to our satisfaction. People are going to have to take on that responsibility when they initiate the transactions but we are going to try and make it simpler and try to give them better tools to do it.

Lange: Okay, so that gives you a pretty good picture. This is the last slide as is obvious. If we still have money to get out of the system, we still have tradeoffs that we are going to be making so I thought it would be worthwhile at the end to just remind people of the kinds of tradeoffs that are involved. There is a tradeoff between the amount of salary increase we can give and the benefits that we can pay. And unfortunately, our benefits are driven by forces which we do not fully control – healthcare being one. We are doing a very good job probably cutting, probably will have an increase in healthcare that is about half or less of what the national increase will be, but it is still going to be an increase, and you have to think of total compensation as being salary plus benefits and so we are still working through how we are going to manage this tradeoff next year and the years to come.

Second of all, there is a tradeoff between compensation and faculty hiring. The more money we spend on compensation in total, the less money there is both for faculty hiring and for administration of various sorts, and in the schools we are hearing that there is a feeling that administrative support has been cut about as far as it should be so to the extent that's the case, as you can understand, is going to be a certain tension. We are still working and looking at some central administrative costs and will be working on it this year.

Finally, there is the same kind of tradeoff that our list suggests between compensation and administrative support that we can provide faculty. In other words, you can't have everything, you can't have more administrative support supporting your role as a faculty member and at the same time, we can't expect salaries to go at the rate that we might otherwise like.

Despite these choices and despite the fact that we still have these tradeoffs, we have made a lot of progress and that's really thanks to the whole community pitching in to make this possible. All these cuts that Tallman was showing, all these areas where we have saved money, all the places in the schools where sacrifices have been made, are a function of many, many, many choices made, not by administrators, but also by faculty members everyday in the way they live their lives and in the kinds of new things that they have to do under these circumstances. So, we've made a lot of progress and if we keep up the same basic approach, even with a different mix of choices, I think we are confident that we can reach our goal within the time frame allotted. We are both happy to take any questions.

Questions

Steffen Bass (Physics/ECAC): You mentioned on one of your transparencies the plan to pay out of the long-term pool, and I was under the impression that this plan was governed by a three-year average, with this year being the worst given that on the tail-end of our financial crisis. So how does this mesh together that there is that payout that could have this working average?

Trask: I'd have to draw you the formula. It is a three year rolling average of previous December 31 balances, but also, historically we have capped it below that number, so we still have money that was accumulated in previous years that was not spent that can roll into the rate, and so what Peter and I determined was we would let some of that money go out over the next couple of years and hold the path increase at zero rather than compound the problem with some minor reduction in the payout rate and basically to say to deans, "we can't tell you when it is ever going to go up again, but we can tell you with some certainty, absent some catastrophic event, it's not going to go down" which is around a good certainty to the budget process.



Bill Seaman (Art, Art History, & Visual Studies): In one of the Arts and Sciences Council meetings, former Dean McClendon made a very surprising comment that he had hoped to pay back the cuts from the internal research funding and I can probably answer my own ques-

tion about whether that is still the case, but it is in the minutes of the Council so I wanted to ask.

Lange: I guess the flip answer would be that Dean McLendon said that and he's now at Rice (laughter), but I don't want to make that answer, but it's also not the Provost's prerogative to give an answer to that question.

Al Crumbliss (Dean, Arts and Sciences): It's our intent to pay those back but we have an agreement, does the Council keep a certain form and they were cut by 15% and we are going to make that 15% up. I'm not sure when but it will happen.

Lange: And I would say that is another one of those tradeoffs that I was talking about. That is a form of faculty support which has to be traded off with another thing of Arts and Sciences.

Karla Holloway (English): I admit that I had come back from reading Dean Crumbliss' report to the Arts and Sciences Council and I had a question for you, but I feel even more concerned now after seeing the slide of principles at Duke and not seeing the word diversity. Given the necessity to reduce the number of Arts and Sciences faculty, and given the traditional incentive of a three- to five-year walk down from the funds that have helped us to diversify the faculty, the forces for diversity no longer seem to be as robust and consistent. If this reduction is our operating principle, is diversity still an active and affirmative institutional focus? I figured you were going to say "Sure" (laughter), but what ways of incentivizing, what benchmarks are in place or are under consideration so that the diversity that is here and is such a substantive part of our institutional profile continues to earn us the kind of regard that we have had in the past?

Lange: Ok, so I think that is a really excellent question, and I appreciate it and actually I prepared for it (laughter).

Holloway: You and me dear! (laughter)

Lange: All right. Now I am just going to show you, this is a hard chart to read and I'm just going to explicate it. So, since 2000, the number of black faculty in Arts and Sciences (I'm going to focus in Arts and Sciences for a moment, I'll come back to the more general question) has gone from 31 to 40 and the percentage, and since 2006, from 35 to 40, so over the crisis we have sustained the rate and you can see that here by the fact that these round portions are relatively the same size across.

Now they are not quite the same size, although they don't vary a great deal because the overall size has grown so much but we have actually been able to sustain the percentage of the faculty that are black faculty over this whole period. This number here is 6.2%, this is 5.7%, that is a small fluctuation, this is 6%, 6.16%, 5.6%, 5.9%; so we have been sustaining that up to this point.

Another way of seeing that is this chart, and what you will see on this chart, this week we had the Black Faculty Strategic Initiative but we've now reduced that to just the Arts and Sciences portion, and what you will see here is this has been the pattern of growth of other regular ranked faculty, this is the pattern of growth of tenured and tenure-track faculty, and this is the pattern of

the two combined. So what you will see is that in the past two years, despite the fact that we have been in a downturn, we have managed to actually increase, to stay in a rising curve with respect to the number. Now, the question going forward is "You have been incentivizing departments to hire minority faculty by saying to them "You don't have to pay for it all at once, you do have to pay for it eventually, but you don't have to pay for it all at once, what happens if you have fewer of those slots?"

The first thing to know is that we have maintained the portion of central funds going for diversity hiring to the same proportion of the total. So as the total funds for faculty support have come down, the amount available for diversity hiring has only come down proportionally. We haven't discriminated in one way or another, if I can use that word.

The second thing I would say is that it matters to do something for 17 years: it starts to actually change the culture. You can't rely on that, but it starts to change the culture, and I continue to bird-dog the process. I have discussions with the deans on a regular basis about what their plans are; we just had a discussion last week with several of the deans about what their plans are for diversity hiring within the context of their hiring plans for this year, and beyond that I can't go. We are going to have some of the same incentives because we still have some central funds, we are going to continue to maintain our watch on the process, and I also believe that the underlying culture has changed in a way that will be more favorable to minorities.

Holloway: For the institutional principle we must seek that....

Trask: Can I ask the question which I thought you would ask next which I did not prepare a chart for (laughter). One of the things we also need to watch with great care is – as over 400 people left Duke, to make sure that there were not discriminatory aspects in that; and so we have tracked very carefully to watch in those departures both in terms of gender and race and the departures mirror the overall population almost identically.

Josh Socolar (Physics): I have a quick question for Tallman. It seems like there might be lots of opportunities for saving big money in buildings and facilities and conservation and that sort of program to that effect. I'm just wondering whether we can put that in place or if we have already maxed out or what.

Trask: I'm not sure that we've maxed out. We're under temperature policy control on about half of the campus – that has shown some significant savings. Part of our problem is that at least half our buildings are so old that it is quite difficult to do that because we can't control the temperatures in the buildings anyway (laughter) and therefore trying to change it a little bit is quite difficult. But I think there are some things there. We've continued on water conservation, even though Durham has not announced it's in a drought, you can probably tell that it is, so we are paying attention there. We have a couple of projects in the works that will attempt to make big moves in those regards – trying to tamp down costs. But I think they're really going to protect Duke against the next problem, not this problem, because they are big

infrastructure investments that pay back over long periods of time, will bring down the total cost in the out years. There are a few things that we are talking about with the deans and one of the balances that I really worry about and that I hear from somebody everyday is how bad the grass looks. I know it, but I'm down 15 groundskeepers. We made that choice deliberately and it's unfortunately showing on the margins.

Lange: To add one thing. One of the ways that we have gone more green is by buying less coal and using less coal and making more steam through gas. You may be aware as you drive from West Campus to East Campus past the new driveway up the Smith Warehouse, that on your right there is this thing that looks like one of those old breweries but is actually not a brewery, a freshman didn't create it (laughter), it is actually the new steam plant which was recovered from the old steam plant but is now natural-gas fired and I think it – I really don't like to do this but I am going to anyway – it's really a testament to Tallman's vision that we converted that plant at a good time and now have a natural gas steam plant and that plant has won six architectural awards for renovation and I think he deserves the credit for that (applause).

Henriquez: Thank you everyone – I will see you all on October 21st for our next meeting.

Respectfully submitted,

John Staddon
Faculty Secretary, October 10, 2010