September 21, 2000

MEMORANDUM

To: Members of the Duke University Board of Trustees

From: Nannerl O. Keohane

Subject: Summary of Activities

I am pleased to provide this report of activities since our May meeting. I extend a special greeting to our new trustees: Paula Phillips Burger of Baltimore and Dr. James Raphael Gavin III of Chevy Chase, Maryland. Both know Duke well -- Paula from her days as vice provost, and Jim from his work at the Howard Hughes Medical Institute. I am confident both will bring their distinctive experience and expertise to the Trustees' deliberations. I also want to salute Spike Yoh as our new chairman. Spike runs a tight meeting, as the September meeting of the Executive Committee confirmed; we ended several minutes ahead of schedule and our agenda was completed!

Mary Johnson Hart

Let me begin my report with sad news. Mary Johnson Hart, the much beloved widow of Deryl Hart, one of Duke's former presidents, passed away in July. Mary Hart was 92 and she gave 66 years of her life to her Duke family. She was a gracious lady and friend, counselor to generations of Duke students. Over the years, dozens of medical and divinity students lived in "Mary's house" on the corner of Duke University Road and Cameron Boulevard. Dean of the Chapel Will Willimon, who presided at Mary's funeral, recalled that when he traveled around the country, people often would say to him with pride, "My son was one of Mary's medical students." It was quite a tradition. Mary Hart will be missed.

Class of 2004

The temperature has subsided and we are beginning to see the first signs of fall on campus. The surest sign of a change of seasons and also in the life of the university is the arrival of a new class of 1,600 Duke students. The Trustees will be pleased to know that the Class of 2004 is the most diverse and strongest academic class in Duke's history. Undergraduate admissions director Christoph Guttentag tells me that some 10.7 percent of our first-year students are African American and 5.8 percent are Latino -- both records -- and 11.6 percent are of Asian heritage. 197 were ranked first in their high school class, 448 were in the top five, and 595 were among the top ten.

Our efforts to identify and attract outstanding students from our home state have been successful; 16 percent are from North Carolina -- the most since 1986. Our students also come from 46 other states and 33 countries, from Korea and Kuwait, Jamaica and Japan, from Botswana and Brazil and Bangladesh. And as Christoph noted in his convocation address, they all bring very special talents to Duke. For example, one won a national junior high chess championship -- as a third grader -- and in doing so became the first female American national chess champion. One invented a backpack holder for a Walkman that sells in Australia; one studies mathematical models of tornadoes; another helps Sotheby's determine the value of British auction items; and one addressed a UN session on the 50th anniversary of the Universal Declaration of Human Rights. It's an exceptional group of students, and I know the Trustees join me in welcoming them to Duke.
Year Opening

At the February meeting of the Trustees, the Board asked the administration to give high priority to addressing issues surrounding alcohol consumption on campus. We've launched a series of new initiatives this fall, bolstered some others, all designed to educate students more fully about the risks associated with excessive alcohol consumption.

Over the summer, Interim Vice President for Student Affairs Jim Clack sent separate letters to members of the Class of 2004 and to their parents encouraging candid dialogue on the dangers of excessive drinking. We have distributed Buzzed: The Straight Facts About the Most Used and Abused Drugs from Alcohol to Ecstasy, an important book on substance abuse by three Duke scholars -- Professor Cynthia Kuhn of Pharmacology & Cancer Biology, Professor Scott Swartzwelder of Psychology and Behavioral Sciences, and Professor Wilkie Wilson of Pharmacology and Cancer Biology -- to all resident advisers. Student orientation programs focused on alcohol use and abuse, and panel discussions featuring student role models were held. I also spoke to the issue at Convocation as well as at several other venues with students.

During the semester, a number of high profile role models will speak about the safe and responsible use of alcohol to the freshmen, including basketball coaches Mike Krzyzewski and Gail Goestenkors, assistant men's basketball coach Steve Wojciechowski, and football coach Carl Franks. The return of our undergraduates also brought a program of new alcohol-free entertainment on campus. Unfortunately, for a variety of reasons, these events have not been well received, and Jim Clack is working with student leaders to identify ways to make similar events more inviting. Jim is also working with a committee, including student leaders, reviewing our alcohol policy. These are difficult issues, and it will take all of our creativity and energy to change a culture that seems to be increasingly associated with alcohol abuse. I applaud the leadership Jim Clack is giving to these issues, which will be a focus of the Trustees' Student Affairs Committee's meeting in October.

In another effort to assess campus culture, I have asked Dean Willimon to reprise his 1993 study of campus life. At that time, President Brodie asked Will to devote several months to an in-depth review of the residential and social lives of our students. His report documented a culture driven by a higher degree of anti-intellectualism and alcohol-based social activities than many felt was appropriate for an institution of Duke's caliber. It played an important role in campus efforts to review residential life and in the discussions which led to the establishment of the all-freshmen East Campus. I have asked Will to report to me by Thanksgiving. Both Jim Clack and I am grateful to Will for undertaking this assignment which, no doubt, will be helpful to the vice president for student affairs search committee, which is beginning its work. The committee is chaired by Vice President Allison Haltom; the vice chair is Associate Professor Stephen Nowicki of the Department of Zoology.

The new PeopleSoft administrative software suite linking admissions, financial aid, records and financial data into a single database for all the university's students and schools faced a major test when students returned to campus. The system worked fairly well for the most part but some problems were encountered. The most serious impact was in completing the registration of first-year students, particularly in Trinity College, which is implementing for the first time our new curriculum which, in turn, dictates new enrollment patterns. System problems made things difficult for approximately 400 entering students who arrived in Durham with only three confirmed courses to complete the registration process before the start of classes. The problems were fixed and all students had a full course load by the end of the first week of classes. As reported by Vice Provost Jim Roberts, who has headed the team working in the new system, for the first time at Duke, we have an integrated student information database; students were admitted through PeopleSoft last spring; students registered for fall classes on the web for the first time; financial aid has been packaged and now disbursed; and students accounts are now being administered through PeopleSoft.
The campus has not been idle this summer, as our students and families learned when they arrived to find new traffic and parking patterns. A real challenge was determining how to rearrange parking for students and employees displaced by the permanent closure of the Oceans parking lot and Wannamaker Drive between the Chapel Drive traffic circle and Towerview Road, as a result of campus construction, including the start of the West-Edens Link residence hall complex, which the Trustees approved in May. After months of planning, parking and facilities management workers spent the summer erecting fences and gates, laying down pavement and shifting spaces. There's been a ripple effect throughout much of West Campus, as you will see when you are here.

The most striking change has been the creation of the "Blue Zone" for all West Campus undergraduate students' cars. Stretching from Towerview Drive to Duke University Road along Wannamaker Drive, the 1,400-space Blue Zone encompasses seven parking lots formerly used principally by employees and graduate students. The entire "Blue Zone" is now surrounded by iron fences -- with a gate and guard hut near the Towerview Drive intersection -- that have effectively closed Wannamaker Drive to through traffic. This enabled us to solve one problem: finding an adequate number of parking spaces for undergraduates. But that solution made it necessary to find spaces for displaced employees and graduate students during the week and the Iron Duke supporters attending football games on weekends. The first issue was resolved by rearranging parking for employees and graduate students -- a 238-space addition to the gated lot behind the Gross Chemical Laboratory off Towerview Road and a 300-space lot slated for the RT zone between Bassett Drive and N.C. 751. The football parking issue was addressed by requiring students to move their cars from the Blue Zone on Friday evenings prior to the five Saturday home games this fall. While there has been some grumbling, in the main, everyone seems to be cooperating. Space for the students' cars is available in the H lot (at the corner of Anderson Street and Erwin Road) and the PG1 parking deck off Flowers Drive. Increased bus service is being provided from the lots to campus on Friday and from campus to the lots on Saturday after the games. I've gone into this detail so you can appreciate the complexity of the parking arrangements at Duke, another important change resulting from having developed our new Campus Master Plan.

When the freshmen arrived, they were greeted by display racks in each of their residence halls containing free copies of The New York Times, the Durham Herald-Sun and the Raleigh News & Observer. The Chronicle also has space in the freshman dorms for the first time as a result of the program. This is the start of a year-long experiment to encourage our entering students to read about local, national and international events, and to foster the critical thinking and evaluation tools necessary for responsible citizenship. We especially hope that our students will learn about the Durham community as a result of the project, and it's probably fortuitous that we're introducing this pilot program during the national elections. Dean of Trinity College Bob Thompson has encouraged faculty to incorporate these newspapers in their course work, and a 31 faculty members have done so. News director Al Rossiter reports that some 39 percent of the first year students are taking one or more of the papers.

Also new to the campus this fall is the Daily Dialogue, an online version of the weekly printed Dialogue. The Daily Dialogue fills a major communications void we have had in reaching the university community with timely news and information because it is being updated at least daily and often more frequently. Daily Dialogue is produced by the Duke News Service and takes advantage of work they're already doing. It's a nice marriage of traditional news gathering and information reporting with the latest in technology. Daily Dialogue can be accessed at http://www.dukewires.duke.edu/Daily.html.
The Campaign for Duke

Improving the quality of our faculty and the educational experience our students enjoy, and increasing the endowment to support these enhancements, are among the highest priorities of

The Campaign for Duke. Thanks to the leadership of co-chairs Pete and Ginny Nicholas, and the hard work of Trustees, deans, and our able development staff led by Senior Vice President John Piva and Vice President Bob Shepard, as of June 30, 2000, Duke became only the third university in history to break the $400 million mark in one year. All together, the university raised $407,952,525 between July 1, 1999 and June 30, 2000 -- a $77 million, 23 percent increase over last year's record! The gifts came from 88,423 donors, 46,000 of whom are alumni. The nearly $408 million is more than twice Duke's total five years ago when we began The Campaign for Duke. As of September 18, The Campaign for Duke has raised $1,278,381,127. This extraordinary level of giving represents both great generosity and hard work. Even more important than those formidable numbers, however, are what our donors and their gifts make possible -- more opportunities and resources for Duke undergraduates, graduate and professional students, strengthening our faculty, and more effective services to our employees and patients.

One of the more unusual gifts this summer came from Paula Adcock, who works in the Bryan Center post office. You might call her a penny-pincher. In August she delivered 70,708 pennies in a trash can to the Cancer Center's development office. In a world where donations usually arrive in envelopes weighing less than an ounce, Adcock's gift was a heavy hitter. She had to borrow her husband's pickup truck to haul her 473-pound donation to its destination.

Let me mention three other gifts we've announced since our May meeting, each of which addresses one of the major priorities approved by the Trustees in The Campaign for Duke.

Compaq Computer Corp. has donated scientific equipment and intellectual property with a multi-million dollar value to the Pratt School of Engineering. This is a very important gift to the Pratt School and will enhance the ability of faculty and students to provide cutting edge research and instruction in some of the most exciting and dynamic areas of engineering technology. Dean Kristina Johnson, who was instrumental in arranging the gift, says it moves Duke a step closer toward being a research leader in "end-to-end" engineering of advanced photonics-based communications and computing systems, an area of emerging strength at Duke and a high priority of Dean Johnson and the Pratt School. As Dean Johnson reported to the Executive Committee in September, photonics is an area of growing importance to a number of small and large firms in the Research Triangle Park. It is also an intellectual area where Duke can provide national leadership in an important communications technology field.

We have received the largest gift specifically to support graduate students in the history of the university: $5 million from an anonymous donor, as an incentive to other donors to increase endowment for graduate fellowships. The funds will match gifts to create new graduate fellowships and increase existing ones, providing one to two dollars for every one given, potentially increasing the support for doctoral students by an additional $10-15 million. Duke is working very hard to improve our support of graduate students and to adjust our programs to help ensure that when they complete their degree, our freshly-minted Ph.D.s are competitive for the best academic jobs available. Graduate students are the central nodes of the modern research university. They are the faculty and scholars of the future. At Duke, they form a critical link between research and teaching, and between faculty and undergraduates. This generous gift recognizes their importance and that they frequently require financial support to pursue their intellectual promise.

New York investment manager and UNC alum Julian H. Robertson Jr. and his wife Josie have given $24
million to traditional athletic rivals Duke and the University of North Carolina at Chapel Hill to create a pioneering collaborative program that will recruit and support extraordinary undergraduate students who will study on both campuses. One of the Robertsons' sons, Spencer, is a Duke graduate (T'98) and they came to see Duke in a different light as a result of spending time with his Duke friends. These new Robertson Scholars will be expected to cross historical barriers and forge new links between our universities in much the same way that some of our longstanding joint faculty programs do. Half the students will matriculate at each campus, but all will take courses at both institutions, using improved inter-campus transportation. The students also will spend a semester living on the "other" campus. This is a wonderful gift that illustrates the vision of Julian and Josie for the two schools and the state they love.

The Robertson Scholars program will build on some important academic and faculty relationships already under way at Duke and UNC. For example, Duke and UNC-Chapel Hill each recently received five grants totaling almost $4 million from the U.S. Department of Education for international centers and programs involving the two universities. Three of the grant recipients are jointly run by our campuses. They're the Center for West European Studies, the Center for Slavic, Eurasian & East European Studies, and the Duke-UNC Program in Latin American Studies. A fourth grant went to the Center for South Asian Studies, a consortium involving North Carolina State University, North Carolina Central University (NCCU), Duke and UNC - Chapel Hill. In addition, the Center for International Studies at Duke received $191,000.

I should also report that on the November 7 ballot in North Carolina, there will be a $3.1 billion referendum to support facilities construction at the state's community college and the 16 campuses of The University of North Carolina. The state's publicly supported campuses are already bursting at the seams, and there is no doubt that unless they modernize their laboratories, classrooms, and technological capability, future generations of North Carolina's brightest students will be denied access to the education they need. As the previous discussion about the Robertson Scholars and our important collaborations with the UNC system makes clear, there is a great deal at stake for Duke in ensuring that these institutions continue to thrive. I plan to speak and write in support of the bond issue in the days ahead.

Research

There has been considerable national interest in and coverage of research by our faculty over the past few months. The following section highlights several examples of the ways in which our faculty and students, often with federal support, are involved in findings and breakthroughs which have a major impact on the quality of the lives we enjoy.

This summer, the National Institutes of Health announced that the Medical Center has been awarded a $27 million grant to conduct the detailed analysis necessary to determine whether potential vaccines show promise as a preventive measure against infection by HIV, the AIDS virus. The NIH merged two existing federally supported AIDS vaccine trial groups into one and named Duke the central testing facility for the combined entity, called the HIV Vaccine Trials Network (HVTN). The five-year grant also will be used to attract new researchers to the field of vaccine development. Principal investigator for this important work is Duke immunologist Dr. Kent Weinhold.

Campus ecologists have reported that young Duke Forest loblolly pines growing in carbon dioxide-enriched air, expected to become the norm later this century, are becoming reproductively mature earlier, producing more cones and seeds than identical pines growing in today's air. While the long term-effects of such changes are still uncertain, "the implications for regeneration are substantial," says Shannon LaDeau, a doctoral student in ecology who described the study at the Ecological Society of America's annual meeting. The extra carbon dioxide is being delivered to three 90-foot-diameter plots by rings of computer controlled towers. This is part of
the U.S. Department of Energy-funded Forest-Atmosphere Carbon Transfer and Storage experiment known as FACTS-1.

A new research initiative has been made possible by The Campaign for Duke. Three faculty members will receive a semester off and $5,000 each for research purposes through the new Barbara and Randall Smith Arts and Sciences Intellectual Enrichment Fund. The program was created with funds from the New York couple, whose daughter attends Duke. The Smiths are giving Duke $500,000 over five years to encourage and make it possible for Duke University faculty members to pursue new academic directions. The first three recipients are James Clark, professor of biology and Earth and ocean sciences; Daniel J. Gauthier, associate professor of physics; and, Ralph Litzinger, assistant professor of cultural anthropology.

Professor Clark recently reported on an important research finding with potential implications for our understanding of global warming. By analyzing sediments laid down in a North Dakota lake thousands of years ago, a research team found evidence of century-scale cycles of drought and moisture. The finding not only sheds light on ancient drought cycles, but also offers hints that global warming may tip a precarious balance, with the increased aridity in continental interiors sending the Central Plains and other such areas into such cycles. The work is sponsored by the National Science Foundation.

In another important environmental finding, a research team led by Duke biology professor William Schlesinger reported that declassified spy satellite images, combined with aerial photos, document an invasion of honey mesquite bushes into a former arid grassland that is now part of a long-term scientific study of the processes of desertification in southern New Mexico. By comparing 1937 and 1996 aerial photographs with military reconnaissance images made in three intervening years, scientists with the Jornada Basin Long-Term Ecological Research Program near Las Cruces, New Mexico, were able to document "an increase in both shrub numbers and area." The National Science Foundation funded the research.

With support from the Joyce Foundation, public policy Professor Phil Cook and an associate from Georgetown University found there is no evidence that the Brady Handgun Violence Protection Act has lowered homicide rates in the United States. Writing in the Journal of the American Medical Association, the researchers said the reason the Brady Act didn't have a more substantial effect on gun homicides may be unregulated secondary-market gun sales -- such as those at gun shows. They suggest that those sales provide "an enormous loophole" that works to limit the law's effectiveness against violent crime.

In a study funded by the National Heart, Lung and Blood Institute, researchers from Duke and four other institutions have found that eating a healthy diet together with restricting salt intake can reduce blood pressure to such a degree that it may eliminate the need for medication in some hypertension sufferers. Investigators had earlier found that a diet rich in fruits, vegetables and low-fat dairy foods, but not necessarily low in salt, reduced blood pressure by an average of 5.5 points without requiring them to lose weight or restrict salt. The researchers, including Professor Laura Svetkey, director of the Duke Hypertension center, reported that when subjects combined salt reduction (1500 mg per day or less) with the special diet, their blood pressure dropped by an average of 9 points overall -- a reduction equivalent to that gained by using medications. The benefits were even more striking for people who had the greatest degree of hypertension.

Findings from several important Medical Center studies dealing with heart disease were also reported this summer. One showed that by performing coronary bypass surgery on a beating heart, instead of on a still heart, doctors can reduce intensive care unit stays and the costs associated with them. This new approach emerged on the surgical scene about three years ago and appears to offer the same results as conventional bypass surgery, with the important difference that the patient is not supported by a heart-lung machine during surgery. While a
heart-lung machine allows surgeons to operate on a totally still heart, it is thought to be a source of potential negative side effects such as stroke and cognitive decline after surgery. Although the study was small, anesthesiologist Dr. Katherine Grichnik and associates said they believe the results show that off-pump coronary artery bypass has great potential in getting patients back to their normal activities sooner and at less cost. The research was supported by the Duke departments of anesthesiology and surgery.

A related study looked at the neurological effects of use of a heart-lung machine during heart surgery. The study, led by Duke anesthesiologist Dr. Alina Grigore, suggests that the rate in which patients are rewarmed after surgery has a role in the cognitive deficits that sometimes are seen in memory, concentration and attention, some for as long as five years after surgery. To protect the brain and other organs from damage while the heart is stopped during surgery, physicians cool a patient's blood as it passes through a heart-lung machine. The Duke researchers reported they found that patients who were allowed an additional five to 10 minutes to return to normal body temperature scored better on standard tests of cognition six weeks after surgery. The study was supported by grants from the National Institutes of Health.

Duke Comprehensive Cancer Center researchers and associates from other institutions reported in June that a new monoclonal antibody that targets a mutated protein found only in cancer cells can eradicate tumors in mice without the aid of additional toxic substances. Injecting the antibody directly into implanted brain tumors almost tripled average survival and even "cured" one-quarter of the 177 mice treated during nine experiments, the scientists reported. Lead author Dr. John Sampson said this is the first report that a tumor-specific antibody with direct tumor-killing abilities can effectively treat tumors in the brain. The study was funded by the Pediatric Brain Tumor Foundation of the U.S., the Cancer Research Institute/Partridge Foundation and the National Institutes of Health.

In another important area of medicine, a 10-year Duke study has found that racial bias appears to exist in the prescription of antidepressants to the elderly and could signal underdiagnosis or undertreatment of depression in African Americans. The study of 4,162 elderly adults shows whites are nearly three times more likely to be prescribed antidepressant medications than African Americans, even though researchers say the rates of major depression are about equal. That rate jumps to seven times more likely if only prescriptions of selective serotonin re-uptake inhibitors are considered. Duke psychiatrist Dan Blazer said one would assume the prescriptions would be equal by race, especially if the rate of disease is similar in both groups. The National Institute on Aging funded the study.

History Professor Alex Keyssar has just published the first comprehensive history on voting rights since 1918. In The Right to Vote: The Contested History of Democracy in the United States, Keyssar contends that because of slow progress and repeated setbacks in the establishment of voting rights, the United States should reconsider its self-image as the world's standard bearer of democracy. He says that while the nation today possesses something very close to universal suffrage, such inclusiveness "was not always the case -- not by a long shot." As the presidential campaign season unfolds, and pundits prognosticate about voter turnout, Keyssar's book introduces a context for such discussions and encourages individuals to rethink America's record as a democracy in light of its voting rights history.

A massive four-volume Methods of Modern Mathematical Physics by Duke math professor Michael Reed and a colleague now at Cal Tech has been called "the bestseller of the 20th Century in Mathematical Physics" by the participants of the XIII International Congress on Mathematical Physics held in July in London. The mathematicians cited the book as having the most influence on their scientific careers, constituting a major influence on the development of science and being the most popular in terms of sales.

Duke People
Two new officers have arrived at Duke since our last meeting -- Sally Dickson and Thruston Morton III. Sally Dickson joined us from Stanford as Myrna Adams' successor as vice president for institutional equity. Dickson's commitment to the values of inclusiveness and diversity, and to making sure that all members of the university community are treated with respect, plus her vision and experience, make her an ideal choice for this important leadership position at Duke. You will meet her at our October meeting. I know the Trustees are pleased as well that Myrna will remain at Duke for the next two years as a part-time special assistant to Tallman Trask. Among other things, she will use her considerable background in conflict resolution to work with our Human Resources group to define the processes through which we resolve employee disputes. Myrna is fluent in Spanish, which will help her play an important role in our efforts to support the increasing number of Latino and Hispanic employees at Duke.

We announced last month that Thruston B. Morton III is succeeding Gene McDonald as president of Duke Management Co. Thrus, who has spent virtually all of his professional career at J.P. Morgan and Co., brings a great deal of skill and experience to one of the most important leadership positions at the university -- the stewardship of the university's endowment and investments to ensure that present and future generations of Duke faculty and students have the financial resources needed to provide educational programs of the highest quality. We welcome Thrus, wife Patricia (T'77), and the Morton family to Duke. You will have an opportunity to meet Thrus in October.

There have been two important appointments to leadership positions in the Medical Center. Michael T. Burke has been named the new chief financial officer for Duke University Hospital. Burke succeeds Roger Akers, who last fall was named assistant vice president for revenue systems at DUHS. He comes to Duke from KPMG Peat Marwick, where he served as senior manager in the firm's Health and Life Sciences Performance Improvement Consulting Practice since 1995. Prior to joining Peat Marwick, Burke held senior finance positions at the Children's Hospital of Buffalo and Strong Memorial Hospital at the University of Rochester. Also, Dr. Matthew Ellis has been named director of the Duke Comprehensive Cancer Center's breast cancer program. He comes to Duke from Georgetown University where he was assistant professor in the division of hematology and oncology.

The fall athletic season has started well with several of our teams ranked among the nation's best, led by our women's soccer team which is 7-0, the best start ever. The men's soccer team, which was ranked No. 1 in the nation in preseason polls, lost its first two games against ranked opponents, but since then has won four straight games. The football team has not yet won a game, but clearly showed improvement in last week's game against Virginia.

The Duke-North Carolina athletic rivalry has taken on a new twist. Beginning this year, the two schools will compete for the Carlyle Cup, a sterling silver and enamel trophy designed by Greensboro-based Carlyle & Co., which will go each year to the school that collectively outperforms the other in more than 20 different sports. By applying the formula for the cup, Duke and UNC would have split the series the past two seasons, each winning by less than one point.

Deborah Willis, an internationally acclaimed artist, historian of photography and curator, is the new Lehman Brady Chair professor in Documentary Studies and American Studies, a joint professorship at Duke and the University of North Carolina at Chapel Hill. Willis, winner of a prestigious MacArthur Fellowship this year, holds a joint visiting faculty appointment at the Center for Documentary Studies at Duke and in the American Studies Curriculum at UNC during the 2000-2001 academic year. Willis is a leading scholar in the investigation and recovery of the legacy of African American photography.

Finally, our students continue to garner impressive awards. Twelve Duke University students have been awarded J. William Fulbright Scholarships to study abroad for one year. This year's Duke recipients -- nine Class of 2000 graduates and three graduate students -- will travel to nine countries in all: China, Costa Rica,
Ethiopia, Germany, Ivory Coast, Japan, Lithuania, Morocco and Romania. Thirty-three Duke students applied for the scholarship this past year. The 12 awards granted represent a 36 percent acceptance rate, the university's highest in recent years. This year's recipients are Adam Henry Bund of Lexington, Mass.; Christopher James Dyer of Bryan, Texas; Katherine Leigh Fieri of Martinez, Ga.; Matthew William Kovalick of Fairfax, Va.; Simone Michele Manigo of New York City; Elias Ibrahim Muhanna of Cyprus; Jaime Beth Palter of Sharon, Mass.; Catherine Lynn Phipps of Durham; Matthew Louis Reisman of Tallahassee, Fla.; Joanne M. Richardson of Durham; Robert Thomas Rozehnal of Dillon, Colo.; and Colin Traian Williams of Boulder, Colo.

In the Performing Arts ...

Six major theatrical productions - including a few Broadway hits -- are coming to Duke this year in the Broadway at Duke series, which annually brings top plays to campus. The 2000-2001 productions are The Reduced Shakespeare Company's The Complete Millennium Musical; Les Tambours Du Bronx, a French percussion group that began as street musicians; the Tony Award-winning musical Chicago; Tom Selleck in A Thousand Clowns; the theatrical spoof Forbidden Broadway Cleans Up Its Act; and Matters of the Heart, an evening with Patti LuPone.

This year's lineup for "On Stage," a performing arts series now in its fifth season, includes Cubanismo, an Afro-Cuban jazz band; Dairakudakan, a Japanese modern dance company; Break, an urban street dance ensemble; and Nathan and the Zydeco Cha Chas, a Louisiana dance hall band. Up first, on October 5, is Cubanismo, an Afro-Cuban jazz band from Havana.

The passion of forbidden relationships -- and their consequences -- is the theme of Duke Players' 2000-2001 season, with plays that range across centuries and cultures. The season opens October 25 with The Darker Face of the Earth, a play by Pulitzer prize-winning poet Rita Dove, in R.J. Reynolds Industries Theater in the Bryan Center.

I hope you will have an opportunity to experience one or more of these productions. They truly enrich the cultural life of our university.

Duke University Health System

Chancellor for Health Affairs Ralph Snyderman and his colleagues have continued to deal with the complex challenges facing the Duke University Health System. Thanks principally to some very good work by Health System Executive Vice President Bill Donelan and others, there have been some good discussions with the leaders of the Durham County Hospital Corporation and Lincoln Community Health Center in recent days about putting in place better management tools to help Lincoln serve the community and meet its financial obligations. Lincoln is a vitally important component of Durham's health care delivery system, and it is experiencing unprecedented demands for service, partly as a result of the significant increase in uninsured Latinos seeking health care at Lincoln.

It is apparent from discussions Chancellor Snyderman and Vice Chancellor for Health Affairs Jean Spaulding have been having with community leaders that there is an emerging consensus that all of the area's health care providers need to work together with Durham County to develop a plan for the health care needs of our community. We are encouraged by these discussions, and cautiously optimistic that we can engage County leaders in a constructive dialogue about how we can cooperate as partners to meet the very real health care challenges facing our community. Ralph will be reporting on this and other major issues to the Health System board.
Also this summer, Coventry Health Care Inc. signed an agreement to buy the Health System's managed care subsidy, WellPath Community Health Plans. The decision to create WellPath five years ago was the right one at that time, but the managed care environment has changed greatly since then. Health System leaders felt it was time to let the physicians and nurses in the Duke Health System focus on providing the best possible medical care and let others manage the insurance product.

**Other News**

We continue to be active in trying to help the Research Triangle area address its transportation needs. You will recall that Duke received a good deal of criticism several months ago when we opposed a raised platform site for regional rail on Erwin Road in front of Duke Hospital. Since then, the legitimacy of the objections Duke raised have come to be seen as appropriate by many of our previous critics.

I was pleased to receive a letter from Gov. Jim Hunt last month thanking the university for its leadership in the transportation efforts. The governor specifically praised the partnership between the state, Duke, The University of North Carolina, the Triangle Transit Authority, the City of Durham, and the Town of Chapel Hill in dealing with the 15-501 business corridor between Durham and Chapel Hill. Tallman Trask and I have been meeting with Durham Mayor Nick Tennyson, Chapel Hill Mayor Rosemary Waldorf, and UNC's Jonathan Howe over the past several months, and both cities and universities are helping to fund a transportation study that will help inform Phase II of the regional transportation plan from Durham to Chapel Hill. We believe that together, we can help shape the best solutions to the area's growing transportation requirements.

New software is making the application process easier for those seeking jobs or transfers at Duke. The new applicant tracking software, Resumix, helps applicants by matching resumes and cover letter information with all open positions at the university, medical center, hospital and health system. That allows applicants to be considered for every position for which they qualify. Resumix also has proven beneficial for recruiters and hiring managers. Because it reduces the time needed to hire and enroll candidates, recruiters say they can now spend more time actively seeking the best people to fill hiring department needs, making Duke more competitive in today's tight labor market.

Corporate Express has been awarded the sole source office supply contract for Duke University and Duke University Health System. This contract, which began June 1, guarantees a high volume of sales to Corporate Express, and better prices for Duke. Duke's move to Corporate Express as the sole vendor for office supplies is a result of the university and health system's procurement initiative, led by Tallman Trask and Bill Donelan, from which we hope to save as much as $16 million on services and goods over the next fiscal year.

Magazine rankings of colleges and universities seem to be a hot item, and in recent months several have been published. The latest *U.S. News and World Report* college issue once again ranked Duke in the top 10, ranking eighth in the nation among national universities; we were tied for seventh last year. Duke Hospital ranked sixth in the nation in *U.S. News & World Report*'s annual hospital issue, with high scores in 12 specialities. The Fuqua School of Business ranked No. 7 worldwide in an executive education survey published in *Financial Times* in May. Today we learned that the issue of *Business Week* to be on newsstands next week ranked The Fuqua School fifth among all American business schools, its highest rating ever. While Dean Rex Adams is rightly cautious that all surveys have questionable methodologies, the upward trajectory of Fuqua on all of the recent rankings is gratifying, reflecting the strong leadership the school has enjoyed and its innovative rise of new modes of education and delivery.

University of Florida researchers have developed a new and arguably more objective method for evaluating America's top research universities. This new process uses nine indicators and groups public or private universities that rank in the top 25 on all nine indicators. Ten private universities had all nine measures within...
the top 25 schools in each category. They are listed alphabetically -- there is no No. 1 -- and they are Cal Tech, Columbia, Duke, Harvard, Johns Hopkins, MIT, Northwestern, Stanford, Penn, and Yale.

In another kind of ranking, The University of Notre Dame took a look at the Sears Cup rankings on overall success of intercollegiate athletic programs, and combined those rankings with a college's student-athlete graduation rate. Under this combined ranking, Duke led the nation, Notre Dame was second, and Stanford third.

Finally, in a baffling ranking, *The Princeton Review* ranked Duke last in the nation in terms of town-gown relations based on a survey of Duke students! When we've talked with several community leaders who are aware of our many collaborations with Durham, they are baffled as well.

On a more upbeat note, the North Carolina-Israel Chorale, whose membership includes several Duke employees, traveled to Israel this summer as part of a millennium celebration in the Holy Land. During their 11-day trip, chorale members performed at the Fourth of July celebration hosted by the American Embassy in Tel Aviv; at Bethlehem 2000, a festival sponsored by the Palestinian government in honor of Christianity's 2000 years in the holy land; in Kfar Blum and in Rehovot, where they performed jointly with several local singing groups. Among the chorale's leaders are three Duke faculty and administrators: Eric Meyers, Bernice & Morton Lerner professor of religion and a professor of Judaic studies; Dr. Patrick Kenan, professor emeritus of head and neck surgery; and Nancy Clapp-Channing, clinical research manager in the Clinical Research Institute.

The university's United Way drive opened September 20 with a $1.1 million goal, our most ambitious yet. We have tripled our support for the United Way in recent years as our employees have responded to the needs of our community through generous contributions to our campaign. Since the U.S. Supreme Court ruled that the Boy Scouts have a constitutional right to exclude gays, a number of corporations, United Ways, and government organizations have withdrawn financial support. Members of Duke University's Task Force on Lesbian, Gay, Bisexual and Transgender Matters and many members of the faculty and staff have asked the administration to cease support of the United Way so long as it continues to have the Boy Scouts as a member agency. The board of the Triangle United Way discussed the issue in August and Senior Vice President John Burness urged the group to influence the national organization to change its policy. The board did agree to expand its own personnel policy to forbid discrimination on the basis of sexual orientation, and included protecting sexual orientation in its "best practices," but stopped short of making it a requirement to receive funding.

**And Finally ...**

Bob Shepard, Bob Booth, and I visited Hong Kong, Taipei, Seoul and Tokyo in July. We were greeted by enthusiastic alumni and parents of students at well-attended alumni receptions in each of the cities. The trip gave us an opportunity for useful conversations with many people of importance to Duke, and helped strengthen our alumni networks. Another priority was to continue efforts to raise the university's international profile, and to that end, I met with top government officials, including the newly elected president of Taiwan, Chen Shui-bian. I also participated in a televised educational forum in Taiwan and gave numerous press interviews. We were very encouraged by the loyalty and enthusiasm of the alumni, parents and supporters we met during the trip and by their commitment to help build a more global Duke.

My trip, of course, was not the only foray by Duke in other continents. On August 6, the Fuqua School of Business Europe opened in Frankfurt, Germany as Duke's first non-U.S. campus. Former Fuqua Dean Tom Keller is the dean in Europe. Also launched that day was Fuqua's fourth MBA program, The Duke MBA-Cross Continent. Sixty students in Durham and 41 students in Frankfurt will earn their MBAs over the next 20 months.
using a combination of classroom instruction and Internet-mediated distance learning.

As always, if you have any questions about any of the topics in this report, please let me know. I look forward to seeing you in a few weeks.