

**External Board Service Policy for Faculty and Staff of
Duke University, Duke University Health System, DUMAC,
and the Related Wholly Owned Subsidiaries, Support Corporations, and Controlled Affiliates**

Duke University is committed to upholding the highest legal and ethical standards in its conduct of business and participation in governance activities. All representatives of Duke have a responsibility to protect its institutional integrity and reputation. In keeping with this principle, Duke seeks to avoid conflicts of commitment and conflicts of interest or the appearance of these types of conflicts in all aspects of business and employment, including those associated with external board service.

Because of the varied interests, activities and backgrounds of our faculty and staff, individuals may be invited or called upon to serve as governing board members for organization external to Duke (outside organizations). These entities may be public companies, private for-profit companies or not-for-profit organizations. Duke recognizes and supports the value of faculty, senior administrators and staff serving on governing boards, particularly those that support, fulfill and promote key aspects of Duke's mission and interests.

Faculty and Staff Responsibilities:

A Duke faculty member, senior leader or staff may participate in external board appointments as part of official employment duties provided that (1) supervisor approval is obtained, (2) compensated, for-profit board appointments are limited to one, and (3) a dual interest management plan is in place.

In reviewing the requests, the supervisor will consider the nature of the entity's activities, its relationship to Duke, the anticipated time commitment involved, and the individual's duties and responsibilities at Duke, including professional development synergy.

All faculty and staff must annually disclose outside board service relationships and commitments. Senior administrator outside board service disclosures will be made available for review by the Executive Committee of the Duke University Board of Trustees.

Senior Administrator Responsibilities:

For purposes of this policy, senior administrators are defined as entity officers, presidents, vice presidents, vice chancellors, deans of the schools, and other individuals deemed to be senior administrators based on leadership of a significant business unit, center, institute, or program, or because of professional prominence or renown.

In addition to policy provisions applying to all faculty and staff, senior administrators are further limited to a single compensated board appointment, regardless of the type of corporate organization (public, for-profit or not-for-profit). Senior administrators may not serve in a fiduciary capacity for any non-affiliated entity that (1) has a business relationship with Duke or seeks to have a business relationship with Duke or (2) is or actively seeks to be in competition with Duke. In the rare case where an exception might be warranted, approval to exceed a single compensated board appointment or to serve in a competitive board appointment will be required from the President and the Executive Committee of the Duke University Board of Trustees.

Given the time demands and reputational risk that can arise from outside board service, senior administrators must seek supervisory approval for all outside board appointments.

Implementation Guidance:

1. Voting participation as a member of the outside board is permitted, unless the matter brought for consideration potentially conflicts with Duke interests.
2. Duke time may be used when the participation advances the Duke mission or programmatic goals; vacation or paid-time-off must be used when participation is outside the scope of Duke responsibilities.
3. Duke title may be used, but may be limited in the case of participation outside the scope of Duke responsibilities. Consult with your supervisor or the Office of Audit, Risk and Compliance.
4. Faculty and staff should refuse compensation, or request the standard compensation be donated to Duke, for board service deemed within the scope of Duke responsibilities. Accepting compensation requires supervisor approval and annual disclosure on the dual interests/conflict of interest form.
5. Board service may require recusal from certain discussions or decisions where outside entity matters overlap with Duke responsibilities or financial interests, but in no case may limit the ability to perform duties associated with or required by Duke employment.

For further guidance, contact the Duke Office of Audit, Risk and Compliance at oarc@duke.edu or 919.613.7630.

Approved by the Executive Committee of the Duke University Board of Trustees on March 27, 2020