

Northwestern University
Minutes of the Faculty Senate
Guild Lounge and Videoconference
January 10, 2024

The Northwestern University Faculty Senate held its standing monthly meeting on January 10, 2024 in Scott Hall's Guild Lounge and over Zoom videoconference. President Regan Thomson called the meeting to order at 5:02 p.m. A quorum was present.

The president noted that the minutes from the November 15, 2023 meeting were approved electronically and entered into the record.

The president then began his [report](#).

The president clarified recent comments made by University President Mike Schill at the Faculty Assembly last fall. President Schill said that it was requested he no longer attend Senate meetings unless asked, characterizing this as having “worn out his welcome.” The president said the Senate continues to have an excellent working relationship with President Schill, and that the Senate values his approach and commitment shared governance. The rationale for not having President Schill at every meeting is that it's the president's belief the Senate should be an independent body of the faculty, where members feel free to discuss wide-ranging topics. The president said that while the interest in and support of the Faculty Senate by President Schill is deeply appreciated, his presence at meetings caused some people to feel less willing to speak up. Additionally, discussion topics tended to drift towards hearing President Schill's opinion. The president stressed that President Schill will still be invited to Senate meetings to address specific topics. The president will also be meeting with President Schill the day after each Senate meeting to brief him on the proceedings.

The president then gave a quick update on the new football stadium. He said earlier in the week Senate Therese McGuire, chair of the Budget and Planning Committee, reached out to Chief Operating Officer Luke Figora for an update on the status of the new stadium. Specifically, information regarding when demolition of the old stadium was expected. Vice President Figora said

the demolition of the stadium has not yet commenced. He also noted that the project team is working to reconcile the final design and value-engineering work that an executable GMP (“guaranteed maximum price”) can be issued. Vice President Figora in his response reiterated that the demolition will not commence until a GMP plan is in place. While dates have not yet been confirmed, the GMP plan is expected to be in place later this month.

The president then asked if there were any questions.

Senator Barbara Newman (English) said it was her understanding that one of the Evanston community groups opposed to the stadium has raised a legal obstacles to demolition. The president said he knows nothing further about that other than what has been reported in the news.

Senator Caryn Ward (Medill) asked for clarification: Is demolition of the stadium taking place later this month or is the GMP plan expected to be finished by the end of January? The president said the GMP plan, not the demolition, was expected to be complete by the end of the month.

The president then introduced Provost Kathleen Hagerty and Vice President and Chief Financial Officer Mandy Distel for an [update on the University budget \(link to their presentation\)](#).

Provost Hagerty said the goal of these annual updates is to give faculty a sense of how budgeting at the University operates and also to share details about last year’s and this year’s budget. She then gave a strategic overview of how budgeting works at Northwestern.

Provost Hagerty said the University’s financial position is strong, maintaining a positive operating margin and a resilient balance sheet. She said revenues exceeded expenses, but the goal is not to have money left over. The goal, she said, is to spend all the money without going into a deficit. This year, fiscal year 2023 (Sept. 2022-Aug. 2023), the University ended with a balance of \$8.6 million on a budget of over \$3 billion. She said this is a perfect outcome given that they spent nearly the entire budget without exceeding it. She added that the endowment is at \$13.7 billion and the University’s debt is approximately \$2 billion. Moving forward, she said the budget is informed by the academic priorities of the University, which are set by the University President and Provost, and in conjunction with the deans. Accordingly, Provost Hagerty said the University is in a good position

to strengthen academic enterprises. One example of this the large investment the University has made on faculty and staff. Last year, she said, the University spent more than twice on hiring faculty than what they spent the previous two years. Additionally, she said, the University will continue to support the undergraduate (financial aid) and graduate(stipends) students. Lastly, in terms of financial planning, Provost Hagerty said they also monitor potential risks, like rising costs in benefits and the like, to the academic enterprise.

Provost Hagerty then shared data on recent areas the University has invested in. She said the University had 4.5% increase in the merit pool along with a separate pool for promotions and retentions. Staff vacancies have also decreased to pre-pandemic levels, with time-to-fill for staff positions also down. Provost Hagerty said the University also invested a lot in data science and research computing. Research staff support in NUIT has also nearly tripled, which she said will help support training, consultation, data science, etc. She said the University has likewise made investments in high-performance computing environment, research storage services, data sharing and transfer services, data centers, and networking services. There has also been continued adoption of cloud services to meet additional research requirements. Provost Hagerty said the University has made large investments in students, awarding over \$250 million annually in scholarships to undergraduate students, with over 60% of students receiving financial aid. Additionally, the University has spent significant amounts on academic capital projects, included completed projects in Mudd Hall 4 and 5, the first phase of the InQBation Lab 1801 Maple, and the Tarry Building renovations. Provost Hagerty added that planning and design activities continue for other key academic projects, such as the Jacobs Center. Finally, the University has spent a lot of effort hiring faculty. Provost Hagerty noted that the success rate for hiring in academic year 2024 was well above the historical trend with tenure and tenure-track hires nearly equaling the previous two years combined. This resulted in an estimated \$138.1 million in University-wide investment in faculty hiring (estimated expenses include salary and start-up/capital costs and will extend over several years).

Vice President Distel then shared information on Northwestern's finances. She gave a large overview of the budget. As Provost Hagerty mentioned, the University's operating budget exceeds \$3 billion annually. She said that operating performance (operating revenues less operating expenses) is managed with the goal to at least break-even in order to maintain resources for both operating and

capital investment going forward. Vice President Distel said the University's consolidated financial performance is aggregated from more than thirty schools and units, with different budget models.

Vice President Distel said Northwestern has four different budget categories in its model:

- **Appropriated schools** (WCAS, SoC, SESP, McCormick, TGS, Medill, and Bienen), which are partially supported by a budget appropriation, along with other school-specific revenue sources
- **Non-appropriated schools** (Feinberg, Kellogg, Pritzker, SPS, NUQ), which keep their own revenues, but also support their expenses, including central overhead costs
- **Auxiliary units** (Residential Services, Athletics, Parking) use sales and services revenues to support their operations
- **Administrative units** are supported by a budget appropriation.

Vice President Distel said the primary sources of operating revenue are tuition, endowment payout, private gifts, grants and contracts, and sales and services. She stressed that many of those are limited in their growth potential and some come with restrictions, from say a donor or a sponsor. She said that on an annual basis they look at unrestricted revenues to determine where to invest. The University's expense base is taken up largely by compensation and benefits.

Vice President Distel then shared more detailed figures on the University's operating revenue for FY 2023:

- **Grants and contract:** \$885.5 million (29%)
- **Tuition and fees (net of aid):** \$733.1 million (24%)
- **Endowment payout, pledge payments, and investment income:** \$739.6 million (24%)
- **Sales, services and other:** \$396.9 million (13%)
- **Private gifts:** \$291.5 million (10%)

Vice President Distel then shared more detailed figures on the University's operating expenses for FY 2023:

- **Salaries, wages, and benefits:** \$1.675 billion (55%)
- **Non-personnel expense:** \$1.059 billion (35%)
- **Depreciation and interest:** \$303.6 million (10%)

She added some context to the above figures by stating that faculty salary was \$685 million, staff is approximately \$550 million, and then there are students and temporary staff for the rest of the wages, and benefits is almost \$340 million; non-personnel expenses (surpassed pre-pandemic levels) include services, supplies, travel, events, maintenance, utilities, and costs of operations; depreciation and interest expenses reflect amortization and financing of the University's land, buildings, and equipment.

Provost Hagerty then shared further information on faculty compensation. She said that each year the University sets a merit salary pool, which is established based on a percentage increase applied to the previous year's budget, with the cost of benefits factored in. As she mentioned earlier in the meeting, there is a separate pool for recruitment, promotion, and retention costs. She said faculty hiring plans are approved and funded based on discussions between the Provost's Office and the schools. Tenure-track promotions and retentions are funded based on departmental, school, and Provost's Office reviews (over \$5.6 million in additional faculty support last year, including retention and successful promotion and tenure cases). She added that additional compensation in support of sponsored research is funded separately as needed. And as far as individual merit raises, those are determined by the deans in coordination with the Provost to ensure overall alignment with the University's merit pool.

Vice President Distel then went over the resource planning process. She said the administration starts in the fall of every year holding a series of budget discussion to determine overarching components of the University's budget (all the financial drivers mentioned above). Then, in late January, she said that each school presents its strategy and funding options to University leadership for consideration. Vice President Distel noted that throughout this process the past few years the administration has engaged with the Faculty Senate's Budget and Planning Committee, and

conversations are ongoing to determine how that involvement might be strengthened. In March, tuition and endowment payout rates are brought to the Board for approval. In the spring, she said, resource prioritization decisions are made. Finally, annual operating and capital budgets are brought to the Board for review and approval in May/June.

Vice President Distel then went over the [financial statements](#) for FY 2023. She focused on the Statement of Activities (annual budget performance, the \$8.6 million on a total expense base of \$3 billion), Statement of Financial Position (wealth, i.e. \$18.5 billion in total assets), and Statements of Cash Flow (cash usage, \$3.6 billion, 2.4 of which is debt). She highlighted the increase in endowment payout and small decreases on the revenue side of the ledger, and compensation on the expenses side. See link to slides above for further context.

The president then opened the floor for questions.

Senator Ezra Getzler (Mathematics) said he is heavily involved in graduate recruitment in his department. He said the current graduate school stipend is roughly \$38,000, which is considerably lower than many of Northwestern's peers. He then asked if Northwestern plans to reduce the number of graduate students or increase the portion of the budget dedicated to graduate student stipends. Provost Hagerty said the University is in the middle of bargaining with the union. She said they have done some planning for next year's stipend, but she is uncertain where it will land. Thus, she said it is difficult to discuss anything more about the graduate student stipends without knowing the outcome of the negotiations.

Senator Newman said word has come down to faculty that the increased cost of stipends will lead to a decrease in the size of graduate student cohorts. She said that outcome would lead to a decrease in the number of course offerings, fewer choices in the courses graduate students can take, and teaching assignments far more likely outside their field. She then asked, assuming this is a likely tradeoff, has the effects of decreased numbers of graduate students been discussed in the negotiations with the union and are the students considering such a tradeoff. Provost Hagerty said that is not a common topic in the bargaining session. She said there are so many expenses to balance in the University budget, so it is all relative. She reiterated negotiations with the graduate students were ongoing thus limiting what she can discuss.

Senator Julia Oliver Rajan (Spanish and Portuguese) said there were pressing issues with cleanliness in Crowe and Kresge (two major campus buildings), particularly in bathrooms, classrooms, and common areas. She said these issues not only impacts well-being, but are also tied to operational expenses. She said the buildings are consistently filthy, which is especially concerning given the recent spread of respiratory diseases. Other problems include sticky and greasy furniture and unsanitary conditions in toilets and water fountains, all of which leads to low morale, significant impacts on health and safety, and reputational damage. Senator Rajan then asked if there was a plan for the expansion of campus janitorial services in the coming year. Vice President Distel said the specifics in Crowe and Kresge will be followed up on. She said they have not increased staffing in janitorial services recently.

Senator Luís Amaral (Chemical and Biological Engineering) thanked the Provost and Vice President for such a careful and pedagogic presentation. He said it was the most informative in the three years he's been in the Senate. He then requested that the slides include graphs in addition or instead of tables so that faculty can learn how the values of certain categories change over time. Senator Amaral also expressed a concern over a comment President Schill made at the Faculty Assembly about shared governance, specifically the role of faculty in budget discussions. He said faculty should be partners, and could potentially have more of a role. He added that disaggregating the budgets in each of the schools, at least between the appropriated and non-appropriated schools, would be extremely helpful to understand where the pressures are. Provost Hagerty said it is possible to separate the numbers, noting the Kellogg used to have its own financial report available to the public.

Senator Seth Lichter (Mechanical Engineering) followed up on Senator Amaral's comments by asking if the report could include a breakdown of spending, and cost projections, on each of President Schill's listed strategic priorities. Provost Hagerty said it would be an interesting exercise, but as a practical matter it is incredibly hard to do. She said many of the priorities are high level and how they are implemented is much further down the line. She said she has considered how to do this for many years because she wants to make the programmatic side of the University more visible to the Trustees, but the fact remains that what is done and the accounting numbers aren't easy to line up.

Senator Mark Witte (NTE, WCAS) said he agreed with Senator Amaral on the presentation's merits. He asked about the use of the term need-blind admissions, if that term is no longer used or if the policy has changed. Provost Hagerty said the policy hasn't changed, only the expression has.

Senator Rick Cohn (Northwestern Emeritus Organization) asked if the \$5.6 million allocated for faculty salary was sent only to the appropriated schools. Provost Hagerty said yes, those funds were sent to the appropriated schools (see list above).

Senator Witte asked if there were plans for buildings at 1823 Sherman Ave (old music administration building), 711 Elgin Rd, and 640 Lincoln (Roycemore). Provost Hagerty said those buildings are in rough shape. Two of them are also landmark buildings, which makes it incredibly expensive to change. She said one of the challenges is a lot of money is spent to rehab the buildings without a lot of space opening up.

Senator Amaral said there is a great space on Central St where something the size of Tech could fit. Provost Hagerty said that would be a pretty long walk from campus.

The Senate then entered a closed session to consider an honorary degree nominee.

Following that, the Senate then heard standing committee reports.

Senator Jacqueline Babb (Medill), chair of the Educational Affairs Committee (EAC), presented the committee's priorities for the 2023-24 academic year. She said their first priority is CTEC revisions. She said the revision process began in 2018-19 with three goals: reduce bias, foster constructive feedback for instructors and students, and allow students to share their experience in classes. A group of faculty (some senators) and administrators provided the registrar with what they wanted to see with that instrument, she said, and then the pandemic came and stopped all progress. Once activities returned to some normalcy, Senator Babb said the Registrar's Office put together a revised instrument, which was presented to the Senate in May 2022. The Senate's feedback was then shared with Registrar Jaci Casazza and now the Registrar has a new CTEC draft. Senator Babb said Registrar Casazza plans to meet with her committee on January 16 and she will then give an update

at the February Senate meeting. She cautioned the Senate to stay focused on an instrument that is as unbiased as possible and also gives instructors valuable feedback. Senator Babb then said her committee's second priority is the transfer student resolution, passed by the Senate in March 2022. She said the EAC's resolution called for data collection on the admissions pipeline and student experience, approved courses for transfer, and advising/support positions for community college transfer students. The administration responded with articulation agreements with Oakton Community College and City Colleges of Chicago with clear course transfer credits. Senator Babb said the EAC plans to follow-up with an inquiry about the support for transfer students once they arrive. Once that information is obtained, the EAC will ensure data can then be collected on the transfer students' progress over time.

The president then opened the floor for questions.

Senator Ian Horswill (Computer Science) asked if there was any realistic possibility of making CTECs mandatory. Senator Babb said that was a great question and she would bring that to the Registrar Casazza when she visits the committee later that month. She added that in her department they have students fill out the CTECs in class to try and help the completion rate.

Senator Amaral said he was one of the original members of the committee to redesign CTECs. While on that committee, he said one of the things that became clear to him was the need for multiple instruments, one for instructors and one for students to communicate with other students. Senator Amaral added that students at Northwestern do not use third party sites (such as RateMyProfessor) because they are able to share info using the CTECS, which he characterized as a positive good because it can avoid some of the toxic responses. Senator Babb agreed with Senator Amaral and said she would also ask about multiple instruments, but expressed some doubt about the feasibility of such an approach.

Senator Newman asked if there are any recent studies at Northwestern that have shown bias in the CTECs. President-Elect Wilson (former EAC chair) said that efforts were underway to have that type of analysis done. She said the Registrar's Office cares deeply about that question and wants to collect and analyze the data.

Senator Judy Rosenbaum (Pritzker) asked what is meant by bias, the language the question uses or what the students say. Both could have bias. Senator Babb said that was a great point. She said the idea is to create an instrument that is unbiased as possible knowing that humans filling it out will inevitably have their own biases.

Senator Cat Fabian (NTE, School of Communication), chair of the Non-Tenure Eligible Committee, said the NTE Committee identifies issues and best practices related to NTE faculty. The committee is comprised of eleven members this year. They also meet quarterly with Associate Provost for Faculty Sumit Dhar. She then shared a data tidbit: of the approximately 3,300 full-time faculty at Northwestern, about 2,400 are NTE faculty. She said the balance obviously varies across departments and schools i.e. the medical school has around 1500 NTE faculty. Senator Fabian then provided some background on past NTE Committee work. In 2016, Northwestern ran a pay equity study, which was a good start, but in response the Organization of Women faculty called for more longitudinal, targeted methodologies to assess NTE faculty, as the “instructor and lecturer” categories continued to be female dominated. In 2019, the NTE Committee conducted a survey of full-time NTE faculty, producing an [extensive report in June 2020](#). Among the recommendations were expedited schoolwide and departmental budgeting for earlier reappointments, developing NTE promotion tracks and reducing one-year appointments, addressing low and stagnant salaries, and ensuring equitable contract standards across the University. Senator Fabian said the NTE Committee met with Associate Provost Dhar in the fall. At that meeting, it was made clear the Provost’s Office would like to move faculty line decisions earlier in the year. She also said the NTE salary equity study is underway. Additionally, Senator Fabian said the Provost’s Office is working with the schools to formalize reappointment and promotions policies and procedures. Many deans, she acknowledged, have already done this one their own. She said the NTE Committee recently obtained an email list of NTE faculty to ensure representatives can communicate with their constituents, noting that will be an annual practice. Lastly, she said that the committee continues to monitor appointment length, teaching load, promotion paths, and salary-benefit standards, based on AAUP guidelines, in each of the schools and at peer institutions.

The president then opened the floor for questions. Seeing none, senator Fabian said to please reach out to her if senators have NTE concerns they would like to discuss.

Senator Rebecca Zorach (Art History), chair of the Social Responsibility Committee, shared the committee's work from last year and this year's ongoing efforts. She noted that last year the Senate passed a bird-friendly resolution sponsored by the Social Responsibility Committee. She said the committee this year is focusing on the role of faculty community engagement in promotion and tenure decision. She added that committee has also discussed parking and transportation issues, tobacco-free campus policies, campus speech and student well-being in relation to Israel/Palestine, campus policing, and student labor issues in Residential Services. She said she would be happy to receive feedback if any senator felt any of the items should move up on their list of priorities. The main item Senator Zorach wanted to discuss was the committee's conversation with Chief Investment Officer Amy Falls last year, in preparation for Vice President Falls' visit at the February 2024 Faculty Senate meeting. She said the committee's focus had been on the University's investment policy, which came up initially as it related to sustainability, but there have also been concerns raised about defense contracting investments. She shared links to documents that could orient senators to Northwestern's investment policies. Namely, Northwestern's [Statement on Investment Responsibility](#), [Fossil Fuel Investment Guidelines](#), and the [Advisory Committee on Investment Responsibility](#) (ACIR, not active since 2021). She said part of the conversation the committee had last year was divestment versus staying invested and engaging managed funds to invest in clean energy transition. She said the Senate should consider what peers are doing and what the implications are for latter strategy, which is Northwestern's current stance. To that point, Senator Zorach said it would be particularly important to ask about the status of ACIR, which has been shelved for two and half years. She said ACIR reviewed and passed a proposal from Fossil-Free NU to divest from the top 200 carbon emitters on to the Board of Trustees. That proposal spurred the Board's Statement on Investment Responsibility, which says that "in most cases, divestment from the University's Endowment is an ineffective means of exercising investment responsibility," and that on "very rare occasions, a continued investment may be so morally reprehensible, such as investments that directly support slavery, apartheid, or genocide, that such investment would necessitate the University's divestment." Last spring, Senator Zorach said Vice President Falls expressed hope for ACIR to have a substantive mandate. She said it would be important to know when, or even if, ACIR will be reconstituted.

The president then opened the floor for questions.

Senator Amaral said that one of the issues with the way Northwestern invests is much of the endowment goes to private equity firms. The University essentially says they have no power to change those firms' strategies, which sets up a conflict of interest, he said, because the Board of Trustees has many private equity managers. He said a good question for Vice President Falls is should the University be investing through private equity firms. He wondered if they outperformed general markets. He also noted the costly staff at NU essentially deciding on where to invest in private equity.

Senator Fred Turek (Neurobiology) said peer institutions are often cited and that he wanted to make sure the committee looks at a range of how universities deal with these issues. Senator Zorach said what she looked at was the top twenty endowments in the United States, eleven of which have divested fully or partially from fossil fuels. She acknowledged there are certainly other kind of comparisons that could be made.

Senator Getzler said he has recently read about pedestrian deaths, which to a large degree, could correlate with the increasing size of vehicles in the United States. He suggested that parking fee on campus could be correlated with the weight of the vehicle. He argued that would bring home the cost of social responsibility.

Senator Angela Lee said the faculty should recognize that whatever recommendation they make will have an impact on investment returns, and that faculty must be willing to endure whatever results may come because climate change is a vital issue. Senator Lee said she was also a COP28 delegate. She said she experienced firsthand how difficult negotiations on carbon emissions are, and how varied the manufacturing of and use of fossil fuels is across the world. As the world transitions away from fossil fuels, she said, some countries will undoubtedly suffer, and other island countries may not exist if carbon emissions don't peak by 2030.

Senator Steve Jacobsen (Earth and Planetary Science) said he appreciated Senator Lee's elegant statement. He said, as complexity is added to the discussion, he wanted to remind faculty that defense contracting is a significant portion of the research funds at Northwestern. Also, he said he would gladly pay for covered bicycle parking.

The president noted the time and asked if senators were okay skipping the final agenda item given that the previous item centered around investment policies. Seeing no objections, the meeting adjourned at 6:59 p.m.

Respectfully submitted,
Jared Spitz
Secretary to the Faculty Senate