

Northwestern University
Minutes of the Faculty Senate
Scott Hall (Guild Lounge) - Evanston, Wieboldt Hall 421 - Chicago
January 16, 2019

The regular monthly meeting of the Northwestern University Faculty Senate was held on January 16, 2019 at Scott Hall's Guild Lounge in Evanston with videoconferencing to the Chicago campus in Wieboldt Hall 421. A number of Senators participated remotely. President Baron Reed called the meeting to order at 5:07 p.m. A quorum was present.

The president welcomed the Senate and then gave his report:

The Provost's Advisory Group on the Academic Calendar will be releasing a survey on final exams and other final assessments. This follows up on resolutions passed by the Senate two years ago, calling on the University to explore ways in which faculty may be able to offer greater flexibility at the end of the term— especially in the spring quarter, when many students have internships and other opportunities that begin in early June. The president asked Senators to encourage colleagues to fill out this survey once it has been distributed.

In response to concerns over student wellbeing, the Faculty Senate and ASG (student government) have begun talking about ways in which QPR suicide prevention training (“QPR” stands for “Question, Persuade, Refer”) can reach a greater part of the faculty. As a first step, the president asked faculty *who have already had QPR training* to follow this link, bit.ly/qpr-id, to register with CAPS.

The next [Faculty Assembly](#) will take place May 22. In addition to our conversation with President Schapiro and Provost Holloway, the Senate will hear from TGS Dean and Associate Provost for Graduate Education Teresa Woodruff, who will be sharing her Vision 2025 strategic plan for The Graduate School. Part of that plan is greater communication with the Graduate Faculty, and her participation in the Faculty Assembly will be an important first step. The president asked the Senate to encourage colleagues to mark their calendars for the Assembly.

The Senate then heard reports from some of the standing committees.

Faculty Handbook Committee Chair Richard Kieckhefer followed up on his announcement at the November Faculty Senate meeting that the committee is reviewing the current academic freedom statement in the Faculty Handbook. The committee plans to hold a forum on academic freedom at the March 13 Faculty Senate meeting. Senator Kieckhefer said he has developed talking points for this forum, and he promised to share those with the Senate.

The Faculty Rights and Responsibilities Committee presented a [report](#) on the proposed [Appropriate Use of Electronic Resources Policy](#). The public comment period for this policy has been extended to February 1. This policy governs when the University may access your email and other electronic files without your knowledge, as may happen, e.g., in response to a request from a law enforcement agency during the course of an investigation. Comments from you or your colleagues may be returned either to [Associate Provost Andrea Bueschel](#) or to the Senate's [Faculty Rights and Responsibilities Committee](#).

The Educational Affairs Committee updated the Senate on their work to revise CTECs. The Provost Office has appointed a committee to revise CTECs co-chaired by Assistant Provost for University Records and University Registrar Jaci Casazza and Searle Center Director Bennett Goldberg. Committee Chair Claudia Swan is a member of this committee on behalf of the Senate. Senator Swan also noted that the committee is currently considering positive formulations of the University slogan "AND is in our DNA."

The Governance Committee presented the following proposed changes to the Senate Bylaws for first reading:

Amend the Faculty Senate Bylaws to add a new Article III, Section 8:

The Faculty Senate may remove the President of the Faculty Senate if two-thirds of all Senators vote in favor of a motion of no confidence, providing that the motion was made at the previous meeting. A motion for a vote of no confidence can be brought on the basis of unethical or unprofessional behavior or the inability of the President to complete the duties of office. The motion is brought forward either by a simple majority of the Executive

Committee placing a vote of no confidence on the agenda of a Senate meeting or as a motion from the floor during “New Business” at a Senate meeting.

The Past-President shall preside over debate of the motion of no confidence. Voting shall be by secret ballot, and the counting of those ballots shall be done by the Parliamentarian. Senators not present at the meeting will be given 48 hours to submit their vote electronically to the Parliamentarian assuming that the votes of those Senators are needed to determine the outcome. If the two-thirds vote is achieved, the President shall be immediately replaced by the President-Elect. Nominations for a new President-Elect shall be made at the next Senate meeting with voting at the subsequent meeting following the general procedures outlined for selecting a President-Elect in Article III, Section 3. If a President-Elect replaces a President following a vote of no confidence, that person will complete both the remainder of the current term and the following one-year term.

Amend Article III, Section 3 to add the language in italics:

The President Elect must be selected at the last regular Faculty Senate meeting in the Spring quarter. The Executive Committee shall function as a nominations committee, securing one or more nominations to bring to the Senate at the penultimate regular Faculty Senate meeting in the Spring quarter. Nominations may also come directly from the floor in the penultimate regular Faculty Senate meeting. Candidate(s) should be given the opportunity to address the Senate, either in person and/or in writing, before the vote at the last regular Faculty Senate meeting. Voting shall be conducted by secret ballot. If there are three or more candidates, rank-choice voting shall be used. If no candidate wins an absolute majority of first place votes, the candidate with the fewest first choice votes would be removed from consideration and those votes would be reallocated to the voters’ second choice candidates.

Amend Article III, Section 7 to add the language in italics:

In the event of a vacancy in the position of President, the President Elect will serve as President for the remainder of that academic year and for the academic year in which they would have normally served. In the event of a vacancy in the position of President Elect, the Senate shall *begin selection of a new President Elect at its next regularly scheduled meeting (pursuant to the process outlined in Article III, section 3), or if no such meeting is scheduled before six weeks will pass, at a special meeting of the Senate announced no less than three weeks prior to such meeting.* In the

event of a vacancy in the position of Immediate Past President, the most recently serving past President of the Faculty Senate shall serve as Past President for the remainder of the term. In the event of a vacancy in a chair of a Standing Committee, the Executive Committee will act in accordance with Section 4 above, at the time of the next regularly scheduled meeting of the Senate.

The Executive Committee introduced the following resolution on official scholarly status at the University:

Resolution on official scholarly status at the University

Whereas having an official status at Northwestern University—including tenure-eligible, non-tenure-eligible, emeritus/a, and visiting scholar positions—confers professional standing on the recipient and reflects on the integrity and reputation of the University, and

Whereas a resolute concern for academic freedom obligates the University to defend a community member’s ability to express controversial, unpopular, or objectionable ideas, under the condition that the scholarship supporting those ideas has not been found to be in violation of the University’s established policies of academic integrity,

Be it resolved that all departments, programs, and other units that are empowered to extend some official status to a scholar or researcher are called upon to do so in accordance with deliberate procedures that ensure an appropriate degree of due diligence has been exercised.

The president then introduced Provost Jonathan Holloway and Senior Vice President for Business and Finance Craig Johnson, who proceeded to give an overview of the University’s finances. Key takeaways from their talk are below.

The Provost revisited his remarks from the [October Faculty Senate meeting](#), including what units suffered cuts (majority in IT and Facilities), what steps were being taken to ensure better management of the finances ([Position Management Process](#)) and new budget processes that involved asking

administrative units to cut ten percent of their non-personnel expenses and five percent cuts to academic units' non-personnel expenses), and they implemented a new and stronger process when it comes to the approval of major contracts and expenditures. The Provost said, despite these setbacks, the University has continued to hire and grow.

The Provost then asked Senior Vice President for Business and Finance Craig Johnson to share some of the financial data. The highlights from Northwestern's FY2018 are as follows:

- Still AAA rating from all three major credit rating agencies. However, Northwestern has been put under watch.
- The University issued another \$500 million in debt, for a total of around \$2.5 billion.
- Investment performance was strong: 10.3% return rate on the endowment.
- Northwestern's current net assets are \$12.2 billion (\$11.3 billion of this is the endowment).
- The University drew an extra \$100 million dollars from the endowment to cover the \$94 million budget deficit. This larger draw (6% versus the usual 5%) is unsustainable in the long run.

The Provost then outlined his plans for the future. He spotlighted two major initiatives the Provost's Office is currently working on: the Student Lifecycle Initiative and the Faculty Pathways Initiative. The former is a recognition of the shift in the student body's diversity, including the socioeconomic diversity of the student body. The Provost said that the administration has not done enough to support this group, and the Student Lifecycle Initiative is meant to identify these gaps and correct them. The Faculty Pathways Initiative is meant to serve as replenishment given how competitive the top universities have become. One component of this initiative is the ASCEND program, which is composed of about 25 faculty, who go through individualized coaching on a number of different topics like time management and research organization. The Provost said the Faculty Pathways Initiative is ultimately meant to serve and support faculty throughout the different stages in their career.

The Provost promised an announcement from President Morty Schapiro and himself detailing all the financial plans would be sent the next day.

The president then opened the floor for questions.

Senator Claudia Swan asked about the strategy behind how different units were asked to trim their budget. The Provost said that deans and associate deans are responsible for decisions regarding discretionary spending.

Senator Laurel Harbridge-Yong asked what role major capital projects played in the budget deficit and how the cuts are being doled out per unit, specifically regarding the contradictions in financial goals and the actual policy. Senior Vice President Johnson said that all units have an overall expense target, whether or not it is in a restricted fund or not, and the local leaders have to figure out how to make all their expenses meet that target. He added that he is in close conversation with the associate deans about ways they can adjust their plan, if necessary, to meet the budget. Senior Vice President Johnson then answered the first question about the capital projects stating that these projects are fiscally complicated. Not all of the money is possessed up front (like bequests or five-year payments), and the University took on debt to cover these costs. Essentially, all of these new buildings went online at once, leading to an outsized impact on FY2018's income statement.

Senator Karen Springen asked how the government shutdown is affecting the University. She also followed up on the question about capital projects asking about how much of the new athletic facility is currently paid for. Senior Vice President Johnson said he does not know the exact numbers on the paid for versus borrowed accounting for the athletic facility. In terms of the government shutdown, he said the University is waiting on about \$5 million from the Department of Defense and National Science Foundation. If the shutdown continues, the University will lose about \$1 million a month. Additionally, if the shutdown lingers into spring, the National Institute of Health might be affected as well. The biggest concern, however, is the backlog of proposals in each of these departments.

Senator Richard Kieckhefer asked Senior Vice President Johnson to offer a relative assessment of the University's investment performance. He replied that the Investment Office's strategy is to diversify funds in different vehicles (hedge funds, private equity, government assets, real assets). Furthermore, Chief Investment Officer Will McClean benchmarks the endowment performance against Northwestern's peers. Senior Vice President Johnson said that Northwestern has been in the top quartile of performance over the last ten years. The only potential weakness in this strategy, he said, is

the illiquidity of the assets. This means that in periods of stress, the University can't access the money quickly, but it will still see stable returns in the long-term.

Senator Al Hunter asked about the difference in the decision-making process between revenue-neutral units—units that fund their own projects, for example—versus units that cannot support themselves. The Provost said the funding models for the units, centers, and institutes have significant variability with regard to funding models. The schools that are appropriated by the central administration generate varying funds themselves. Weinberg, obviously, is the most diverse, the Provost said. Chemistry and Economics generate large amounts of grant money, for example, but the majority of the humanities do not. As an art historian, the Provost said he is well aware of this fact. This requires academics managing universities, he said, as they understand the textures of schools as complicated as Weinberg.

Faculty Senate President Baron Reed said that one of the slides presented to the Senate indicated that \$1.4 billion dollars was spent on salaries, wages, and benefits, up 5.7% from 2017. He asked where the faculty fall within both of those numbers. Senior Vice President Johnson said that the total number is roughly split, about \$600 million for faculty and \$800 million in staff. He also said he expects around 3% growth annually in faculty salaries in order to stay competitive. The Provost added that growth and restriction are relative. The University wants to grow its research dollars, which in turn leads to more salaries funded by grants.

Senator Therese McGuire asked about the progress on updates to the Norris University Center. The Provost said, simply, that the University needs donors.

Senator Sri Sridharan first said he was extremely grateful for the transparency regarding financial matters. He then asked the total amount of money from the endowment returns that were used for operating activities. Senior Vice President Johnson said it was \$647 million. Senator Sridharan said he was concerned about this number: overreliance on the performance of volatile markets to fund general operating costs. Senator Sridharan also wondered about how close the University was to losing the AAA bond rating should a negative return on investment happen this year. Senior Vice President Johnson said if they don't issue debt, but also don't have a good return on investments, then there is a 50/50 chance Northwestern's rating is downgraded. He said this would not be devastating considering

Northwestern is one of very few universities with a rating this high. As far as the endowment payout goes, he said that the University has a rule that the endowment value can be depressed to make the payout for a few years in cases of down markets. This is a built-in protection for the swings in market returns. For example, the \$500 million return from 2018 was invested back in the endowment to potentially cover a 0% return this year.

Senator Jennifer Cole said that her department, Linguistics, was promised space in a newly renovated Jacobs Center. Since renovations have now been halted and the building sits empty, while her department is confronting space issues in their current location, she asked whether there is a possibility of moving into Jacobs as it is currently constructed while the University continues fundraising. The Provost said that when Jacobs was vacated, the fire suppression system was dismantled in preparation for renovations. In order to be brought back up to code, the University would have to spend \$12.5 million. One option, then, is low-cost rehabilitation that would get people into the building while the University continues to fundraise for more extensive repairs. This is currently being evaluated by the administration, the Provost said, and he added that they will deliver on the promises made to faculty.

Faculty Senate President-Elect Lois Hedman asked about the level of optimism, or willingness, among donors for projects that might not be as desirable as a new, named building. The Provost said that donations have been doing really well. The challenge when it comes to fundraising then is how to write the proper narrative for giving opportunities.

With no new business, the meeting adjourned at 6:58 p.m.

Jared Spitz

Secretary of the Faculty Senate