

Report of the 2019-2020 Financial Affairs Committee (April 8, 2020)
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(Chair)

Charges from the Senate Agenda Committee to the 2019/20 Financial Affairs Committee (FAC):

1. The FAC, in collaboration with the FTNTTFC, shall explore sources of more granular match-mate data for FTNTT faculty than is currently available to Northeastern's faculty cohort.
2. The FAC shall examine the total faculty compensation, given the yearly increases in the cost of benefits (especially health insurance), in comparison to salary raises. **(Report, Senate Minutes, January 15, 2020)**
3. Based upon the findings in charge 2 and a review of match-mate institutions, FAC is requested to make recommendations for merit raises for full time faculty at the University by December, 2019.
BE IT RESOLVED That the recommended full time faculty raise pool for merit and equity for FY 2021 is 4.0% of continuing salaries starting on July 1, 2020. **(Resolution passed 31-0-2, January 15, 2020)**
4. The FAC shall review the draft institutional base salary policy and, if appropriate, make recommendations. **(see the university policies page: https://www.northeastern.edu/policies/pdfs/Institutional_Base_Salary_Policy.pdf Review of Previous issues)**

Charge #1: The FAC, in collaboration with the FTNTTFC, shall explore sources of more granular match-mate data for FTNTT faculty than is currently available to Northeastern's faculty cohort.

This is a very challenging problem. Northeastern has seven categories of NTT faculty including COOP faculty. Other possible match-mates have different categories which do not align with ours. We share the Provost's goal of being able to "map" our titles onto those of other Universities enabling a NTT match-mate study

The FAC worked with the NU Faculty Senate Full-Time Non-Tenure Track Committee (FTNTT) to evaluate the feasibility of sources such as AAUP to generate match-mate data.

The FAC found that these data sources, in their current form, would not serve as appropriate match-mates at a higher level of granularity than they have been used due to inconsistencies in either the higher education institutions that submit data and/or the type(s) of data that they submit.

Some modest progress has been made. Data has been collected from five other members of the Colonial Group. The data aggregated to the extent it can is sparse and more limited for comparison purposes than we would like. The Institutional Research and Decision Support unit of the Provost's office is hopeful that it might be of some use.

Matchmate Institutions:

The FAC met with Rana Glasgal from the Provost's Office to update compensation data and update the status of match-mate information. The situation with match-mates continues to remain muddled. In the past we have relied on CUPA (College and University Professional Association for HR). AAUP data covers doesn't provide data on individual institutions.

Two years ago, the sixty-two member AAU (Association of American Universities), a group that includes many of our aspirant Universities, decided to carry out their own compensation survey, and not provide data to CUPA, reducing Northeastern's access to this information.

The University is working with the Colonial Group (their data doesn't include benefits); we hope to have more progress next year.

Benefits: Transportation:

Northeastern's web site on sustainability makes this statement:

“Across all dimensions of its mission, Northeastern embraces environmental sustainability as a core value. This is driven by the fact that Northeastern is a university in tune with the world—including the world's greatest global challenges. Northeastern's commitment to leadership in sustainability is manifest in all areas of operations...”:

Yet, this commitment doesn't extend to efforts to reduce our transportation related carbon footprint. .

A recent Spotlight report in the Boston Globe highlighted these points:

- Transportation emissions are the biggest contributor to greenhouse gas
- We're hooked on cars, despite the gridlock. Only powerful incentives will change that, but major employers make it too easy to drive
- The problem is getting worse with Boston adding jobs and cars
- **Employers have a lot of power to shape the transportation landscape with benefit packages that influence how their workers get to the office. (November 20, 2019)**

Actually, the University compounds the problem by subsidizing parking and, as we understand it, agreed with MasParc not to take actions that might reduce the demand for parking at the University

Many local Universities provide a subsidy for a T Pass. For example, BU provides a 50% subsidy for the Commuter Rail. MIT offers a 60% commuter rail subsidy and a 50% subsidy for parking at MBTA stations, up to \$100 per month. Northeastern takes none of these steps. Northeastern's lone effort involves a partnership with Wageworks that allows employees to take advantage of a “pre-tax” option in paying for a T Pass.

As a major employer in Boston, proud of its efforts at sustainability, Northeastern needs to be far more proactive in this area. At a minimum, Northeastern needs to take the modest steps that our sister institutions have taken.

Benefits: Housing:

Last year's report focused on the problems of the high cost of housing in the Greater Boston area and its impact on attracting and retaining faculty. No specific resolution was put forward, but the administration was urged to explore this issue and identify feasible steps to deal with the problem. In discussions with the Provost and Senior Vice President Nedell, we feel that the Administration shares our concern and is open to exploring viable options. While we cannot report any specific progress, we encourage the FAC to continue to work with the Administration to explore ways to mitigate the problem.

Other benefit related issues the FAC was asked to explore:

Russell J. Call Children's Center: a question was raised about the possibility of both enlarging the Center and opening the Center to children younger than the 2 year 9 month restriction. With significant administrative resistance, there appears to be little likelihood of change to the current program.

Health Care Options: Currently employees have the option of choosing a "single" plan or a "family" plan. A number of faculty would choose an option of "two member family" over a family plan; it would be less expensive if it were available. Insofar as a lower premium for a two member family would likely be offset with higher premiums for a family plan, we found little encouragement for such a change from either Interim VP HRM Uhl-Miller or SVP Finance Nedell.

Recreation Center Fee: The University receives about \$40,000 in fees from faculty and staff recreation center fee (\$270). While the fee is reasonable compared to a health or exercise club, this barrier may be counterproductive in terms of the overall health of faculty and staff. One serious preventable illness could completely wipe out all the revenue the University receives from these fees. HRM has numerous programs to improve the health of its employees and, it hopes, to keep medical expenses down. We urge the University to explore a trial of reducing or eliminating the fee while monitoring increased faculty/staff usage of the facilities and the possible improved health of employees and associated reduced medical expenses. There was concern about how increased faculty/staff usage of the facilities might reduce student access; this should be monitored as well. SVP Finance Nedell seemed to indicate willingness to explore this idea. It should be noted that while the \$270 fee might be offset by the BCBS \$150 health club reimbursement, many employees cannot take advantage of this insofar as they belong to a health/exercise club near their home.

Retirement Plan: The University currently has an "opt in" retirement plan. The participation is high (93%) but it could and probably should be higher. We suggested moving to an "opt out" plan. The administration seems open to the idea.

The plan is available to employees after completing two years of "benefits eligible service." This doesn't affect those moving from academia to Northeastern. But it has significant impact on those moving from outside of academia. The University is exploring a change to this policy.

Divestment of University endowment holdings in fossil fuel industries: In 2016 SVP Finance Nedell is quoted on NU's website commenting on investing \$25million of the endowment:

"Northeastern is already a sustainability leader when it comes to how we operate our campuses, educate our students, and focus our research," said Thomas Nedell, Northeastern's senior vice president for finance and treasurer. "Today we are furthering this leadership by proactively setting aside a portion of our endowment for investments in sustainable ventures. We have deliberately chosen to invest, not divest. This approach is

consistent with Northeastern's character as an institution that actively engages with the world, not one that retreats from global challenges."

Northeastern's endowment is much larger today than it was in 2016. SVP for Finance Nedell in 2016 stated his aversion to divestment; he has more recently reiterated similar sentiments. While there is significant resistance to the notion of "divestment", increasing this investment in sustainable ventures would seem appropriate and consistent with the University's stated commitment to sustainability.