

**Report of the 2024-2025 Financial Affairs Committee**  
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**Charges from the Senate Agenda Committee to the 2024-2025 Financial Affairs Committee**  
**(FAC)**

**Charge 1: The committee shall propose a merit pool increase for faculty by:**

- **Examining available data to report on the total faculty compensation.**
- **Review match-mate institution data provided by NEU.**
- **Compare salary raises and make recommendations for 2025 merit raises for full-time faculty.**

The committee's recommendation for this year's merit pool is based on four considerations.

First, within charge 1 is a request for the committee to examine total faculty compensation and make recommendations for merit raises "in light of increases in the cost of living." The committee reminds faculty that the [compensation module](#), within the faculty handbook, reports that salary increases are made on the basis of merit (directly related to employee performance in areas of teaching, scholarship, and service) and/or through equity adjustments. This faculty handbook module does not report that merit is intended to account for cost-of-living increases. However, living expenses have increased dramatically over the last 3 years, and our charge above requires us to consider these increases. The most reputable number we have found to use is the cost-of-living adjustments (COLA) determined by the Federal Government and the Social Security Administration (SSA) to adjust the payments made to retirees in the SSA system. We show the data in Table 1. For 2021, the COLA adjustment is 5.9%, for 2022, it is 8.7%, for 2023, the adjustment is 3.2%, and for 2024, the adjustment is 2.5%. This amounts to an 21.8% increase over 4 years. Given the merit raises at the university in 2021, 2022, and 2023, which were significantly below the COLA amounts for those years, there would need to be a merit increase of more than 10% (approximately) this year to compensate for the losses to real salaries and purchasing power to university faculty members.<sup>1</sup>

As a part of this charge, the FAC has reviewed comparable institutions.<sup>2</sup> Table 2 provides the USNWR (US News and World Report) rankings of these institutions, while their salary information is presented in Tables 3a, with subsets presented in Tables 3b, and 3c.

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<sup>1</sup> We cannot be more precise than 10% in the absence of historical data on actual merit increases from the university administration.

<sup>2</sup> For the purposes of this exercise, the FAC used a list of "match-mate" institutions provided by the university as our peer group of comparable institutions.

Part b) of Charge 1 above invites us to look at Table 3a, which reports annually reported salary data about Northeastern and comparable universities from AAUP. Note that most of these institutions are in areas where the cost of living is significantly below the cost of living in Boston. Accordingly, if we make only a 25% adjustment for the higher cost of living in Boston, then, compared to the averages at these comparable universities, faculty at Northeastern were underpaid last year by 16%, 11% and 13% at the ranks of Full, Associate, and Assistant Professor respectively. And, if we make a 50% adjustment for the cost of living, these numbers go to 26%, 21% and 22% deficits for the Full, Associate, and Assistant ranks. This means that, if we were to adjust 25% for the cost of living, we would need an increase of 13.4% (on average) to match last year's salaries at our match-mate institutions, and if we were to adjust 50% for the cost of living, we would need an increase of 23% (on average) to match last year's salaries. Further, if we were to assume a 5% increase at these universities for this year, then we would need an average increase of 18.4%, at the 25% cost-of-living adjustment level, or an average increase of 28% at a 50% cost-of-living adjustment.

Next, in addition to a comparison to our match-mates at a national level, we also look at Boston University (BU), as well as a combination of Boston University (BU) and Boston College (BC), as our direct local match-mates. Table 3b compares compensation at Northeastern to that at BU. It shows that the salary deficit for faculty at Northeastern, compared to BU, is 18%, 19%, and 10% for the Full, Associate, and Assistant ranks. This means that, for Northeastern faculty to match BU's last year's salary levels, there would need to be a merit raise of 15.8%, and, assuming a 5% increase this year at BU, Northeastern faculty would need a merit raise of 20.8% to come abreast for 2024/2025.

Table 3c shows the same comparison for Northeastern salaries versus the average of salaries at BU and BC. These numbers are similar and would imply an increase of 13.5% for Northeastern faculty to come to 2023/2024 levels of BU+BC, or, assuming a 5% increase, Northeastern faculty would need an increase of 18.5% to match BU+BC next year.

The final issue is whether any large increase would put a significant burden on the university, especially given the pandemic and any lingering issues. The following quote from Thomas Nedell, the University's Senior Vice President for Finance and Treasurer, in his presentation of the audited financial statements, should remove any doubts that such a burden on the University would not be significant. "The University demonstrated strong financial performance during this period, and remains in a solid financial position at year-end. The University's assets increased \$412 million, or 7%, over fiscal year 2023 to a total of \$6.4 billion, largely due to growth in investments, new and renewed leases, and property, plant and equipment additions. The University continues to report healthy cash flows from operations, with a strong current operating liquid cash position of \$375 million as of June 30, 2024."

Following careful deliberation of the variety of merit pools that could be proposed, the FAC recommends a merit pool of 8.4%, which would partially decrease some of the differences in salaries between Northeastern and comparable universities as well as partially offset the increases in cost of living from inflation.

WHEREAS the annual raises awarded to faculty for the last several years have been well below the cost of living increases due to inflation, and

WHEREAS the faculty salaries at all levels are up to 20% below Boston area match mates based on AAUP salary data,

**BE IT RESOLVED** that the recommended raise pool for merit for FY 2025 be 8.4%, at a minimum, of continuing salaries starting on July 1, 2025,

**AND BE IT FURTHER RESOLVED** that the Provost develop a plan to align faculty salaries with Boston area match mates.

**Table 1**  
**Social Security Administration COLA (Cost of Living Adjustments, in %)**

	2021	2022	2023	2024
COLA	5.9	8.7	3.2	2.5

Source: <https://www.ssa.gov/oact/cola/colaseries.html>

**Table 2**  
**US News and World Report Rankings (USNWR)**

University	2025	2024	2023	2022
Boston College	37	39	36	36
Boston University	41	43	41	42
Brandeis	63	60	44	42
George Washington University	63	67	62	63
Lehigh University	46	47	51	49
New York University	30	35	25	28
<b>Northeastern University</b>	<b>54</b>	<b>53</b>	<b>44</b>	<b>49</b>
Notre Dame University	18	20	18	19
Rice University	18	17	15	17
Southern Methodist University	91	89	72	68
Syracuse University	73	67	62	59
Tufts	37	40	32	28
Tulane University	63	73	44	42
University of Miami	63	67	55	55
Wake Forest University	46	47	29	28

(\*Source: <https://www.usnews.com/best-colleges/rankings/national-universities>)

For the purpose of comparison, the FAC was provided with the above “match-mate” list from the University. While not an official match-mate list, the Senate, along with the University, have used the above list of “peer group” institutions for the past several years. **Table 2** lists these Universities and their USNWR rankings. For comparison, rankings from 2021 through 2024 are included.

**Table 3a**  
**AAUP Faculty Compensation Survey Summary**

					2021/22 Salary			2022/23 Salary			2023/24 Salary			2023/24 salary adjusted; by 25% of COLI			2023/24 salary adjusted; by 50% of COLI		
Institution	State	US News Rank (2025)	COLI	Adj COLI (Boston = 1.00)	Prof	Assoc	Asst	Prof	Assoc	Asst	Prof	Assoc	Asst	Prof	Assoc	Asst	Prof	Assoc	Asst
Boston C	MA	37	100	1.00	192.0	123.2	120.1	200.0	126.1	123.2	208.2	133.1	128.3	208.2	133.1	128.3	208.2	133.1	128.3
Boston U	MA	41	100	1.00	204.1	141.2	115.8	203.3	147.5	120.2	212.7	151.3	124.7	212.7	151.3	124.7	212.7	151.3	124.7
Brandeis	MA	63	100	1.00	164.9	116.0	100.9	171.3	119.6	102.2	171.8	120.7	107.2	171.8	120.7	107.2	171.8	120.7	107.2
GWU	DC	63	98.18	0.98	189.7	122.6	104.7	192.3	126.7	107.0	195.0	129.3	109.1	195.9	129.9	109.6	196.8	130.5	110.1
Lehigh	PA	46	65.45	0.65	167.3	114.6	107.2	168.6	115.4	103.9	172.4	121.0	105.1	195.2	137.0	119.0	217.9	152.9	132.8
Notre Dame	IN	18	43.09	0.43	193.4	124.7	119.5	206.3	133.6	128.1	213.9	139.8	131.5	284.5	186.0	174.9	355.2	232.1	218.3
NYU	NY	30	109.9	1.10	242.5	142.8	127.7	257.6	149.9	132.3	269.9	158.0	135.6	263.8	154.4	132.5	257.7	150.9	129.5
Rice	TX	18	62.26	0.62	206.6	129.2	122.9	217.5	136.9	124.7	227.3	140.5	130.0	261.8	161.8	149.7	296.2	183.1	169.4
SMU	TX	91	65.84	0.66	176.4	119.2	119.4	180.8	122.9	127.8	187.2	129.5	138.0	211.5	146.3	155.9	235.8	163.1	173.8
Syracuse	NY	73	54.82	0.55	141.5	101.8	86.5	145.7	104.6	89.6	148.8	107.7	91.0	179.5	129.9	109.7	210.1	152.1	128.5
Tufts	MA	37	100	1.00	162.3	116.1	99.9	168.8	123.0	104.6	174.5	129.2	108.3	174.5	129.2	108.3	174.5	129.2	108.3
Tulane	LA	63	66.23	0.66	156.7	101.8	118.4	161.0	107.6	121.6	167.5	114.7	123.4	188.8	129.3	139.1	210.2	143.9	154.9
U of Miami	FL	63	79.79	0.80	174.7	122.0	99.7	183.8	126.6	107.3	187.3	129.3	111.2	199.2	137.5	118.2	211.0	145.7	125.3
Wake Forest	NC	46	53	0.53	152.3	106.4	81.9	153.7	109.8	84.1	154.8	111.0	84.4	189.1	135.6	103.1	223.4	160.2	121.8
<b>Average</b>				<b>0.785</b>	<b>180.3</b>	<b>120.1</b>	<b>108.9</b>	<b>186.5</b>	<b>125.0</b>	<b>112.6</b>	<b>192.2</b>	<b>129.7</b>	<b>116.3</b>	<b>209.7</b>	<b>141.6</b>	<b>127.2</b>	<b>227.3</b>	<b>153.5</b>	<b>138.1</b>
Northeastern	MA	54	100	1.00	176.8	116.7	101.5	179.3	120.4	106.2	180.3	127.1	113.0	180.3	127.1	113.0	180.3	127.1	113.0
NU-Ave. gap					(3.5)	(3.4)	(7.4)	(7.2)	(4.6)	(6.4)	(11.9)	(2.6)	(3.3)	(29.4)	(14.5)	(14.2)	(47.0)	(26.4)	(25.1)
Diff / NU (%)					(2%)	(3%)	(7%)	(4%)	(4%)	(6%)	(7%)	(2%)	(3%)	(16%)	(11%)	(13%)	(26%)	(21%)	(22%)

**Table 3a** summarizes AAUP faculty compensation survey results by rank of all faculty (tenure/tenure track and FTNTT) along with adjustments for 25% and 50% cost of living factors. The chart shows that at the “25% adjusted” compensation rate, Full, Associate, and Assistant Professors are paid 16%, 11%, and 13%, respectively, below the average of our peer institutions. If we consider the impact of 50% adjustment of the cost, Full, Associate, and Assistant salaries fall 26%, 21%, and 22%, respectively, below the average of our peer institutions.

**Table 3b**  
**AAUP Faculty Compensation Survey – Only Boston University**

					2021/22 Salary			2022/23 Salary			2023/24 Salary		
Institution	State	US News Rank (2022)	COLI	Adj COLI (Boston = 1.00)	Prof	Assoc	Asst	Prof	Assoc	Asst	Prof	Assoc	Asst
Boston U	MA	41	100	1.00	204.1	141.2	115.8	203.3	147.5	120.2	212.7	151.3	124.7
Northeastern	MA	54	100	1.00	176.8	116.7	101.5	179.3	120.4	106.2	180.3	127.1	113.0
NU-BU gap					(27.3)	(24.5)	(14.3)	(24.0)	(27.1)	(14.0)	(32.4)	(24.2)	(11.7)
Diff / NU (%)					(15%)	(21%)	(14%)	(13%)	(23%)	(13%)	(18%)	(19%)	(10%)

**Table 3b** compares Boston University and Northeastern faculty compensation by rank of all faculty (tenure/tenure track and FTNTT) from the AAUP survey. The chart shows that, at Northeastern, Full, Associate, and Assistant Professors have salaries that are 18%, 19% and 10% below the professors at the same rank at Boston University.

**Table 3c**  
**AAUP Faculty Compensation Survey – Boston College and Boston University**

					2021/22 Salary			2022/23 Salary			2023/24 Salary		
Institution	State	US News Rank (2022)	COLI	Adj COLI (Boston = 1.00)	Prof	Assoc	Asst	Prof	Assoc	Asst	Prof	Assoc	Asst
Boston C	MA	37	100	1.00	192.0	123.2	120.1	200.0	126.1	123.2	208.2	133.1	128.3
Boston U	MA	41	100	1.00	204.1	141.2	115.8	203.3	147.5	120.2	212.7	151.3	124.7
<b>Average</b>				<b>1.000</b>	<b>198.1</b>	<b>132.2</b>	<b>118.0</b>	<b>201.7</b>	<b>136.8</b>	<b>121.7</b>	<b>210.5</b>	<b>142.2</b>	<b>126.5</b>
Northeastern	MA	54	100	1.00	176.8	116.7	101.5	179.3	120.4	106.2	180.3	127.1	113.0
NU-Ave. gap					(21.3)	(15.5)	(16.5)	(22.4)	(16.4)	(15.5)	(30.2)	(15.1)	(13.5)
Diff / NU (%)					(12%)	(13%)	(16%)	(12%)	(14%)	(15%)	(17%)	(12%)	(12%)

**Table 3c** compares Boston College, Boston University, and Northeastern faculty compensation by rank of all faculty (tenure/tenure track and FTNTT) from the AAUP survey. The chart shows that, at Northeastern, Full, Associate, and Assistant Professors have salaries that are 17%, 12% and 12% below the average salaries of professors at the same rank at Boston College and Boston University. The average of all 3 ranks is a 13.5% deficit.