

**Final Report of the 2022-2023 Financial Affairs Committee**  
**Professors Sumner Barenberg, Apoo Koticha, Joseph McNabb, Srinivas Sridhar,**  
**Gary Young, Deb Copeland (Chair)**

Charges from the Senate Agenda Committee to the 2022/23 Financial Affairs Committee (FAC) includes:

**Charge 1:** Considering increases in the cost of living, the committee shall:

- a) Examine the total faculty compensation.
- b) Review match-mate institution data and compare salary raises.
- c) Make recommendations for 2023 merit raises for full time faculty.
- d) Identify alternative compensation strategies, to fill the cost-of-living gap, in the absence of direct financial increase (e.g., pay out vacation time or roll over vacation time, exemplary employee compensation (e.g., referral for a job well done)).

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 make recommendations for merit raises while considering the cost of living. The committee reminds faculty that the [compensation module](#), within the faculty handbook, reports 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 2 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. For 2022, the adjustment is 8.7%, as shown in Table 1. In fact, [one report](#) details that this is the highest COLA increase in 40 years.

The second consideration is the comparison of the University to selected match-mate institutions in its rankings from USNWR (US News and World Report. From Table 2, we can see that our educational ranking has held relatively stable and is currently 44. And from Figure/Table 3a, our faculty compensation ranking rose from 117 a year ago to 66. Despite flaws in the methods used to compile the data, the data suggests that Northeastern may not be competitive in compensation (relative to our educational ranking). University Decision Support (UDS) suggested that one way to interpret our move from 117 to 66 may not be related to the merit increase from 2022 but instead could be due to the effects of the large increase in inflation which could have affected colleges in the Boston area more dramatically while colleges in less expensive areas did not see their adjusted salaries impacted to the same degree. Table 3b, obtained from UDS, reveals Northeastern faculty compensation, when contrasted with the University's comparison group, falls in the lower half of the peer group range. Previous FAC reports have shared an argument that AAUP modified their salary reporting requirements to include salaries for full time non-tenure track (FTNTT) teaching faculty. UDS analysis suggested that the inclusion of FTNTT salaries may have caused this decline in our faculty compensation ranking. This interpretation is reasonable due to our large population of FTNTT faculty (53%, based on a [10/19/2022 Senate presentation](#)) who may be compensated at a lower rate. Of note is Boston University, which reports a 52% FTNTT population however, the observed decline in their ranking was less (44 in 2020/21 and 45 2021/22).

The third consideration invites us to look at Table 4a which reports annually reported salary data from AAUP and a selection of Northeastern match-mate institutions both within and outside Massachusetts. Based on that data, our merit raises should be (2% Prof, 7% Assoc. Prof. and 17% Asst Prof) for a 25% cost of living adjustment (relative to the towns where these Universities are based), or (10% Prof, 16% Assoc Prof and 27% Asst Prof) for a 50% cost of living adjustment, simply to match our “mates” last year. Taking a simple average (which should be conservative, since the bigger discrepancies are at lower ranks), we see an average adjustment of 9% with a 25% cost of living adjustment, or 18% with a 50% cost of living adjustment, simply to match their salaries last year. Assuming a 5% merit increase for our match-mate institutions (which seems conservative given the SSA COLA adjustment of 8.7%), that would result in a merit raise of 14% for a 25% cost of living adjustment or 23% for a 50% cost of living adjustment.

Instead of comparing to all the match-mate institutions, we have compared ourselves to our closest (along many dimensions) competitor, Boston University (BU). As you can see from Table 4b, an “average” of a 12% increase would get us to their 2022 levels, and, again, adding a conservative 5% (as BU’s year-over-year increase to next year), a 17% increase would get us to essentially match their compensation for next year.

Despite the reported flaws in methods used to compile the AAUP data and given that fact this data is freely available, it is conceivable that a junior faculty member could use the AAUP data to determine which university in Boston to begin their career. If they completed the data collection and analysis, they could deduce that sizeable (+10%) compensation gap exists between Northeastern and BU and that a better compensation future appears to be likely at BU.

The final consideration is the financial state of the University. In the past, especially during the pandemic, a rationale was offered by the university that lower merit raises were warranted due to the adverse financial effect caused by the pandemic. The 2022 financial statement posted Table 5 reveals that the adverse financial effects have passed. The University had an increase in its Net Operating Surplus of 30% last year and has had a compounded rate of increase of 18% annually for the last 5 years.

Following careful deliberation of the variety of merit pools that could be proposed, the FAC suggests the merit pool align with the 2023 COLA recommendation.

**BE IT RESOLVED that the recommended raise pool for merit for FY 2024 be 8.7%, at a minimum, of continuing salaries starting on July 1, 2023.**

To address the final aspect of charge 1, the FAC created survey questions that, once collated, could serve as suggestions to the senior leadership team on strategies which could be employed to counter the cost-of-living gap, outside of a direct impact on salary through merit increases. Upon review of the 5 listed ideas, the top 3 ideas selected by respondents were: provide T-pass “coupon” (either monthly or per use (e.g., one-way or round-trip)) (18.7% respondents); provide parking pass “coupon” (either annual or per visit) (18.3% respondents); and provide a bonus for exemplary faculty (e.g., for exemplary performance) (13.1% respondents). Respondents were also invited to offer “other” suggestions as alternatives to ideas available for selection. Upon review and collation of those 46 responses, the top 2 listed fell into 2 larger categories: better compensation (e.g., improved merit pool, improved retirement contributions) represented 32.6% and improved housing support (e.g., subsidy, realtor, adjusted housing, rental assistance, mortgage backing) was reported

by 26% of respondents. Prior to review of these results, the FAC had considered suggesting a coupon approach to assist in defraying costs of commuting costs, however, the Senior Vice President of Finance and Treasurer had reported to FAC last year that the language of MasParc contract may preclude the ability for this to be an easy option. Following review of these survey results, it appears that respondents agreed with the committee's internal discussion that the university consider exploring an option to provide 'coupons' for commuting to/from the university.

The FAC learned that Princeton University provided its faculty and staff a [midyear salary increase](#) of 2.5% (above and beyond the previous annual increase) in an effort to address inflation. This provides an additional example of an innovative step that could be taken by Northeastern leadership to address aspects of inflation.

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

	2018	2019	2020	2021	2022
COLA	2.8	1.6	1.3	5.9	8.7

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

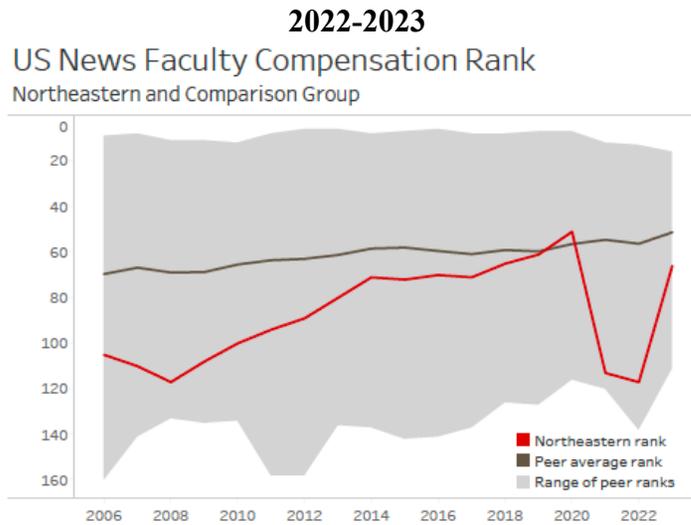
**Table 2**  
**US News and World Report Rankings (USNWR)**

<b>University</b>	<b>*2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
Boston College	36	36	35	37
Boston University	41	42	42	40
Brandeis	44	42	42	40
Carnegie-Mellon University	22	25	26	25
George Washington University	62	63	66	70
Lehigh University	51	49	49	50
New York University	25	28	30	29
<b>Northeastern University</b>	<b>44</b>	<b>49</b>	<b>49</b>	<b>40</b>
Notre Dame University	18	19	19	15
Rensselaer Polytechnic Institute	51	55	53	50
Rice University	15	17	16	17
Southern Methodist University	72	68	66	64
Syracuse University	62	59	58	54
Tufts	32	28	30	29
Tulane University	44	42	41	40
University of Miami	55	55	49	57
Wake Forest University	29	28	28	27

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

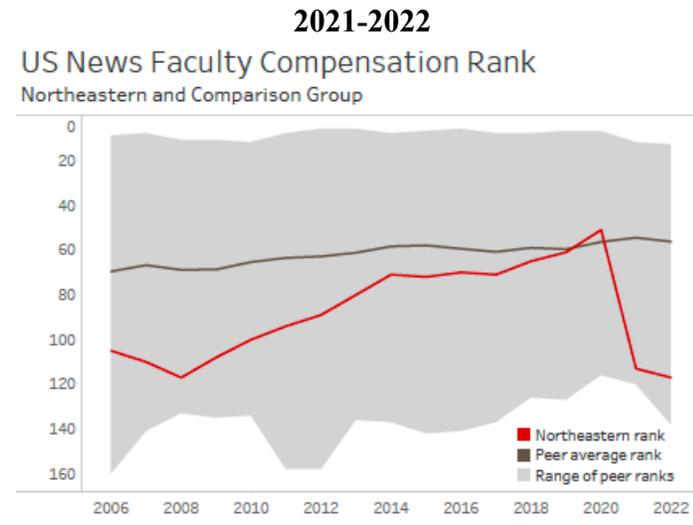
For purposes of comparison, the FAC was provided tables and figures from the University. While not an official match-mate list, the Senate, along with the University, have used the above list of “peer group” institutions for the past several years. **Table 2** lists these Universities and their USNWR rankings. For comparison, rankings from 2020 through 2023 are included.

**Figure/Table 3a**  
**US News and World Report Faculty Compensation Ranking**



	06	07	08	09	10	11	12	13	14	15	16	17	18	19	20	21	22	23
Northeastern University	105	110	117	108	100	94	89	80	71	72	70	71	65	61	51	113	117	66
Boston College	79	77	81	77	83	88	89	87	79	82	86	82	77	65	55	61	62	49
Boston University	146	129	125	121	104	88	72	68	56	50	44	44	48	49	42	44	45	30
Brandeis University	129	124	125	130	134	158	158	136	137	142	141	137	126	127	116	106	117	89
Carnegie Mellon Univer...	19	19	18	21	21	22	25	28	31	34	33	40	57	57	25	25	21	30
George Washington Uni...	160	141	133	135	134	123	120	121	111	114	118	119	111	104	116	81	81	55
Lehigh University	40	36	47	54	53	44	46	43	46	43	44	44	48	52	51	48	45	45
New York University	22	24	27	19	16	18	18	18	18	19	21	22	22	24	25	34	33	16
Rensselaer Polytechnic ...	72	65	69	73	76	76	78	62	41	40	42	51	43	41	31	31	30	34
Rice University	9	8	11	15	12	8	7	8	8	7	6	8	8	7	16	17	17	16
Southern Methodist Uni...	43	36	40	42	36	33	34	38	37	31	24	24	23	31	39	36	42	
Syracuse University	99	106	105	104	104	113	108	105	96	96	99	100	94	102	89	113	110	111
Tufts University	105	100	109	114	111	116	112	110	111	102	111	110	111	114	109	120	138	111
Tulane University	66	65	66	65	55	44	57	62	60	55	63	76	65	65	83	46	43	55
University of Miami	43	43	40	31	31	33	34	38	41	40	37	36	35	41	73	61	66	66
University of Notre Da...	9	10	11	11	12	8	6	6	9	9	8	9	10	11	7	12	13	16
Wake Forest University	72	85	95	87	64	44	42	49	53	63	74	71	65	72	33	34	43	55

- Data reported in the 2021+ editions for Northeastern includes full-time non-tenure track faculty; prior years included tenure track faculty only



	06	07	08	09	10	11	12	13	14	15	16	17	18	19	20	21	22
Northeastern University	105	110	117	108	100	94	89	80	71	72	70	71	65	61	51	113	117
Boston College	79	77	81	77	83	88	89	87	79	82	86	82	77	65	55	61	62
Boston University	146	129	125	121	104	88	72	68	56	50	44	44	48	49	42	44	45
Brandeis University	129	124	125	130	134	158	158	136	137	142	141	137	126	127	116	106	117
Carnegie Mellon Univer...	19	19	18	21	21	22	25	28	31	34	33	40	57	57	25	25	21
George Washington Uni...	160	141	133	135	134	123	120	121	111	114	118	119	111	104	116	81	81
Lehigh University	40	36	47	54	53	44	46	43	46	43	44	44	48	52	51	48	45
New York University	22	24	27	19	16	18	18	18	18	19	21	22	22	24	25	34	33
Rensselaer Polytechnic ...	72	65	69	73	76	76	78	62	41	40	42	51	43	41	31	31	30
Rice University	9	8	11	15	12	8	7	8	8	7	6	8	8	7	16	17	17
Southern Methodist Uni...	43	36	40	42	36	33	34	38	37	31	24	24	24	24	23	31	39
Syracuse University	99	106	105	104	104	113	108	105	96	96	99	100	94	102	89	113	110
Tufts University	105	100	109	114	111	116	112	110	111	102	111	110	111	114	109	120	138
Tulane University	66	65	66	65	55	44	57	62	60	55	63	76	65	65	83	46	43
University of Miami	43	43	40	31	31	33	34	38	41	40	37	36	35	41	73	61	66
University of Notre Da...	9	10	11	11	12	8	6	6	9	9	8	9	9	8	9	10	11
Wake Forest University	72	85	95	87	64	44	42	49	53	63	74	71	65	72	33	34	43

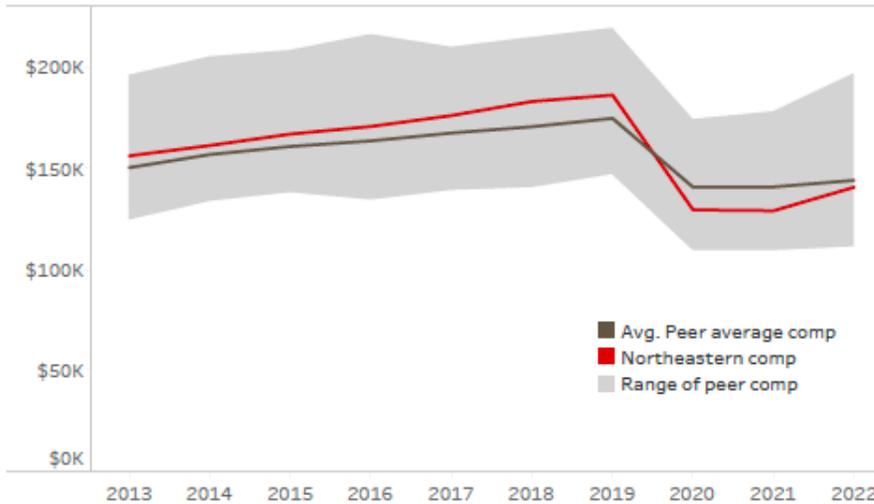
- Data reported in the 2021+ editions for Northeastern includes full-time non-tenure track faculty; prior years included tenure track faculty only

INTERPRETATION: Boston area universities had large improvements in their faculty compensation rank that are not due to the raw numbers. For example, Brandeis went from 117 to 89 but their AAUP compensation only increased from \$130K to \$132K. One way to interpret this is that because of the large increase in inflation, colleges in this area and in other cities saw their adjusted salaries go up more than those in less expensive areas. GWU and NYU had large increases in rank as well. U.S. News has not said that they changed their cost-of-living calculations, so it might just be the way the numbers are turning out this year.

Table 3b

## US News Faculty Compensation

### Northeastern and Comparison Group



	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Northeastern University	\$156.3	\$161.4	\$167.1	\$170.9	\$176.3	\$183.2	\$186.4	\$129.6	\$129.2	\$140.8
Boston College	\$154.0	\$157.1	\$161.1	\$165.4	\$175.1	\$179.3	\$183.6	\$145.5	\$145.7	\$148.8
Boston University	\$162.9	\$171.3	\$173.9	\$179.2	\$181.4	\$186.7	\$192.6	\$155.5	\$155.4	\$162.0
Brandeis University	\$138.3	\$139.5	\$143.3	\$150.9	\$154.2	\$158.4	\$161.5	\$131.3	\$130.3	\$132.8
Carnegie Mellon University	\$154.9	\$158.5	\$165.5	\$155.1	\$161.5	\$165.4	\$169.1	\$139.0	\$144.1	\$141.7
George Washington University	\$145.9	\$147.9	\$151.9	\$157.2	\$161.5	\$165.5	\$171.0	\$141.6	\$141.5	\$146.6
Lehigh University	\$147.6	\$149.6	\$154.5	\$157.8	\$160.2	\$163.7	\$166.3	\$131.9	\$132.9	\$135.3
New York University	\$196.1	\$205.2	\$208.4	\$216.3	\$210.0	\$214.8	\$219.4	\$174.3	\$178.1	\$196.9
Rensselaer Polytechnic Institu..	\$149.1	\$154.6	\$154.4	\$159.1	\$168.4	\$172.8	\$179.5	\$143.0	\$141.9	\$145.8
Rice University	\$171.2	\$179.4	\$185.6	\$194.8	\$198.7	\$201.6	\$205.7	\$169.7	\$168.7	\$170.8
Southern Methodist University	\$141.7	\$150.3	\$156.4	\$162.6	\$167.9	\$171.9	\$176.8	\$140.3	\$141.6	\$146.2
Syracuse University	\$132.3		\$138.2	\$140.8	\$145.6	\$144.5	\$147.2	\$109.6	\$109.5	\$111.3
Tufts University	\$145.7	\$150.3	\$152.5	\$156.6	\$160.4	\$160.2	\$162.9	\$126.5	\$126.0	\$128.2
Tulane University	\$124.6	\$133.8		\$134.5	\$139.3	\$140.7	\$148.8	\$126.9	\$126.9	\$126.8
University of Miami	\$145.1	\$149.9	\$154.5	\$161.5	\$164.4	\$165.8	\$167.3	\$139.8	\$139.4	\$140.5
University of Notre Dame	\$160.1	\$167.6	\$173.1	\$180.6	\$184.5	\$187.9	\$193.6	\$153.2	\$153.0	\$156.4
Wake Forest University	\$138.2	\$139.5	\$140.9	\$147.0	\$148.9	\$152.4	\$153.1	\$124.6	\$119.7	\$117.1

- As of 2020, compensation includes salary only and Northeastern value includes tenure track AND full-time non-tenure track faculty
- Prior to 2020, compensation includes salary and benefits and Northeastern value includes only tenure track faculty
- Amounts are a weighted average of Professor, Associate, and Assistant ranks in unadjusted dollars
- Before ranking, US News applies a cost of living adjustment and averages the last two years (e.g., the 2019 edition ranking averages compensation from 2017 and 2018)

**Table 4a**  
**AAUP Faculty Compensation Survey Summary**

Institution	State	US News Rank (2022)	COLI	Adj COLI (Boston = 1.00)	2019/20 Salary+			2020/21 Salary			2021/22 Salary			2021/22 salary adjusted; by 25% of COLI			2021/22 salary adjusted; by 50% of COLI		
					Prof	Assoc	Asst	Prof	Assoc	Asst	Prof	Assoc	Asst	Prof	Assoc	Asst	Prof	Assoc	Asst
Boston C	MA	36	153.4	1.00	190.9	122.9	114.6	191.7	121.3	115.6	192.0	123.2	120.1	192.0	123.2	120.1	192.0	123.2	120.1
Boston U	MA	41	153.4	1.00	197.7	135.1	110.7	197.9	136.2	109.7	204.1	141.2	115.8	204.1	141.2	115.8	204.1	141.2	115.8
Brandeis	MA	44	153.4	1.00	161.8	114.8	95.3	158.4	113.2	97.2	164.9	116.0	100.9	164.9	116.0	100.9	164.9	116.0	100.9
GWU	DC	62	150.6	0.98	187.6	119.0	102.6	186.0	118.1	101.4	189.7	122.6	104.7	190.6	123.2	105.2	191.5	123.7	105.7
Lehigh	PA	51	95.8	0.62	164.4	112.5	102.8	166.0	114.6	103.6	167.3	114.6	107.2	192.4	131.8	123.3	217.6	149.1	139.4
Notre Dame	IN	18	75	0.49	190.7	125.4	113.1	190.0	122.2	114.0	193.4	124.7	119.5	243.9	157.3	150.7	294.5	189.9	182.0
NYU	NY	25	168.6	1.10	221.1	131.3	114.0	214.3	125.2	104.4	242.5	142.8	127.7	237.0	139.6	124.8	231.6	136.4	121.9
Rice	TX	15	95.5	0.62	203.1	129.2	116.8	201.6	127.4	117.8	206.6	129.2	122.9	237.9	148.8	141.5	269.2	168.4	160.2
RPI	NY	51	93.7	0.61	164.2	115.3	108.9	160.0	114.7	108.4	166.8	114.1	111.7	193.4	132.3	129.5	219.9	150.4	147.3
SMU	TX	72	101	0.66	173.9	114.7	113.7	175.2	117.2	116.4	176.4	119.2	119.4	199.3	134.7	134.9	222.2	150.1	150.4
Syracuse	NY	62	84.1	0.55	137.8	102.1	82.6	137.9	101.0	83.1	141.5	101.8	86.5	170.6	122.8	104.3	199.8	143.7	122.1
Tufts	MA	32	153.4	1.00	162.2	114.0	97.5	159.0	112.8	95.4	162.3	116.1	99.9	162.3	116.1	99.9	162.3	116.1	99.9
Tulane	LA	44	101.6	0.66	158.0	98.8	117.3	157.9	99.6	118.8	156.7	101.8	118.4	176.7	114.8	133.5	196.6	127.8	148.6
U of Miami	FL	55	122.4	0.80	171.8	118.2	101.0	167.1	118.3	98.8	174.7	122.0	99.7	185.8	129.7	106.0	196.8	137.4	112.3
Wake Forest	NC	29	81.3	0.53	158.3	106.0	85.8	149.2	100.7	80.9	152.3	106.4	81.9	186.1	130.0	100.1	219.8	153.6	118.2
<b>Average</b>					<b>176.2</b>	<b>117.3</b>	<b>105.1</b>	<b>174.1</b>	<b>116.2</b>	<b>104.4</b>	<b>179.4</b>	<b>119.7</b>	<b>109.1</b>	<b>195.8</b>	<b>130.8</b>	<b>119.4</b>	<b>212.2</b>	<b>141.8</b>	<b>129.7</b>
Northeastern	MA	44	153.4	1.00	178.2	111.6	97.0	174.1	112.3	97.5	192.8	122.1	102.0	192.8	122.1	102.0	192.8	122.1	102.0
NU-Ave. gap					2.0	(5.7)	(8.1)	(0.0)	(3.9)	(6.9)	13.4	2.4	(7.1)	(3.0)	(8.7)	(17.4)	(19.4)	(19.7)	(27.7)
Diff / NU (%)					1%	(5%)	(8%)	(0%)	(3%)	(7%)	7%	2%	(7%)	(2%)	(7%)	(17%)	(10%)	(16%)	(27%)

**Table 4a** 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 2%, 7%, and 17%, 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 10%, 16%, and 27%, respectively, below the average of our peer institutions. (Note that CMU didn’t report salary data for 2021/2022.)

**Table 4b**  
**AAUP Faculty Compensation Survey – Only Boston University**

Institution	State	US News Rank (2022)	COLI	Adj COLI (Boston = 1.00)	2019/20 Salary+			2020/21 Salary			2021/22 Salary		
					Prof	Assoc	Asst	Prof	Assoc	Asst	Prof	Assoc	Asst
Boston U	MA	41	153.4	1.00	197.7	135.1	110.7	197.9	136.2	109.7	204.1	141.2	115.8
Northeastern	MA	44	153.4	1.00	178.2	111.6	97.0	174.1	112.3	97.5	192.8	122.1	102.0
NU-BU gap					(19.5)	(23.5)	(13.7)	(23.8)	(23.9)	(12.2)	(11.3)	(19.1)	(13.8)
Diff / NU (%)					(11%)	(21%)	(14%)	(14%)	(21%)	(13%)	(6%)	(16%)	(14%)

**Table 4b** 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 6%, 16% and 14% below the professors at the same rank at Boston University.

**Table 5**  
**Net Operating Surplus (Increase in net assets from operating activities)**

	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Net Operating Surplus	\$66,315,000	\$107,580,000	\$135,715,000	\$184,572,000	\$116,850,000	\$151,714,000
Annual Increase		62%	26%	36%	-37%	30%
5y Compounded Increase						18%

Source: Northeastern University Financial Statement

<https://finance.northeastern.edu/wp-content/uploads/Northeastern-FY22-Financial-Statements-Final-Revised.pdf>

**Table 5:** From the university’s annual financial statement lists the *net operating surplus* over the last 5 years. The raise pool for 2020/21 was frozen for logical reasons (i.e., spring 2020 reimbursements, cost incurred for on-campus COVID-19 testing, technological classroom enhancements and concerns for possible decreased tuition revenues). However, the University entered the COVID-19 pandemic in a strong financial position, indicated in Table 1 on “net operating surplus”. Despite all the challenges that the COVID-19 pandemic placed on the University, it is clear that the University is in a very strong financial position. The Net Operating Surplus has had compounded growth of 18% per year over the last 5 years

**Table 6—Fall 2022 Faculty Senate—Faculty Survey (n=493 respondents (26% total faculty); 94% of respondents agreed that NU should offer alternative compensation strategies to bridge the compensation gap)**

In the absence of a direct financial increase, what alternative compensation strategies would fill the cost-of-living gap? (select all that apply)

<b>Answer</b>	<b>%</b>	<b>Count</b>
<b>Provide T-pass “coupon” (either monthly or per use (e.g., one-way or round-trip))</b>	<b>18.66%</b>	<b>229</b>
<b>Provide parking pass “coupon” (either annual or per visit)</b>	<b>18.26%</b>	<b>224</b>
<b>Provide a bonus for exemplary faculty (e.g., for exemplary performance)</b>	<b>13.12%</b>	<b>161</b>
<b>Provide a “coupon” for on- or off-campus childcare services</b>	<b>12.63%</b>	<b>155</b>
<b>Pay out unused vacation time each year</b>	<b>12.39%</b>	<b>152</b>
<b>Roll over vacation time, beyond 1 year</b>	<b>9.21%</b>	<b>113</b>
<b>Other</b>	<b>8.64%</b>	<b>106</b>
<b>Provide a “coupon” for on- or off-campus adult care services</b>	<b>7.09%</b>	<b>87</b>
<b>Total</b>	<b>100%</b>	<b>1227</b>

**Charge 2:** According to the One Faculty model, the Faculty Handbook, and AY2020-21 Resolution #30, NTT faculty should be provided salary information for equity requests. Given the complexity of this process, and despite the good faith effort and improvements to this process on the part of university administration, the Committee, in collaboration with the FTNTTF committee and University Decision Support, shall:

- a. Survey faculty to collect data related to faculty satisfaction with current equity process.
- b. Examine NTT faculty titles and provide recommendations for broad based categories to provide salary data in aggregate form to maximize the number of faculty that may benefit from the current equity process.
- c. Identify how other universities provide salary data to their faculty for the purposes of equity review.

Members of the FAC convened with the FTNTT Committee in the fall 2022 to determine suitable survey questions (n=16) to address the components of this charge. Summaries from the almost 230 respondents have been created by the FTNTT committee and will be contained in the FTNTT final report.

**Charge 3:** EXAMINE the fiduciary obligations and fund selection process of the employee retirement plan and provide feedback to address issues that may be evident from the examination.

The Senate survey included a question on the retirement plan:  
 Q2.3 - As it relates to your retirement portfolio...please record your level of satisfaction with the following statements.

The results of the survey are summarized in the table below.

#	Question	Extremely dissatisfied		Somewhat dissatisfied		Somewhat satisfied		Extremely satisfied		Total
		%	Count	%	Count	%	Count	%	Count	
1	Information provided by company	4.36%	18	9.69%	40	58.35%	241	27.60%	114	413
2	Advice received from the company	8.16%	27	18.43%	61	54.38%	180	19.03%	63	331
3	Options for fund selection	5.43%	22	13.83%	56	54.81%	222	25.93%	105	405
4	Investment choices offered to you in the retirement plans	5.20%	21	13.86%	56	56.44%	228	24.50%	99	404

In addition, 119 responders made specific comments providing feedback on the retirement plan.

Nicole Boyson, Professor of Finance and Chair DMSB Finance Group, in conjunction with the FAC, has conducted a detailed analysis of the Northeastern University 403(b) retirement plan. The retirement plan currently has assets exceeding \$2B and nearly 9,000 participants, with two recordkeepers, viz. Fidelity and TIAA-CREF. FAC identified several potential areas of improvement related to the plan’s fund menu, fees, and quality of reporting to plan participants.

This analysis and subsequent recommendations were shared with Tom Nedell and Michele Grazulis as well as David Madigan and Deb Franko prior to the completion of this report. This analysis leads the FAC to recommend a number of targeted actions, some of which FAC has learned are in progress, while the others will require further consideration. The FAC is confident that implementation of the recommendations will have a positive impact on the retirement plan and its participants.

**WHEREAS** the FAC conducted a thorough review of the Northeastern University retirement plan, **WHEREAS** the NEU retirement plan currently has assets exceeding \$2B and nearly 9,000 participants, with two recordkeepers, *viz.* Fidelity and TIAA-CREF, and

**WHEREAS** FAC identified several potential areas of improvement related to the plan's fund menu, fees, and quality of reporting to plan participants,

**BE IT RESOLVED** that the Provost bring to attention of the appropriate office for evaluation several cost-saving actions including (1) negotiating a uniform dollar-per-participant record-keeping fee, (2) using lowest cost mutual fund share classes preferably those without embedded revenue sharing, (3) moving to a single record-keeper, and (4) prohibiting plan recordkeepers from soliciting or suggesting investment products outside the plan, and

**BE IT FURTHER RESOLVED** that the Provost bring to the attention of the appropriate office for evaluation the following actions, namely (5) the investment committee membership should be broadened to include participants with retirement plan expertise, and (6) that all members of the investment committee are ensured to have training in their fiduciary responsibilities, and

**BE IT FURTHER RESOLVED** that the Provost bring to the attention of the appropriate office for evaluation the following action, namely (7) a plan participant committee should be established to review the plan annually and suggest improvements to the retirement plan, and

**BE IT FURTHER RESOLVED** that (8) participant education should be provided independent of recordkeeper-provided advice, and (9) communication and website design should be improved to better convey information to plan participants.

The FAC requests that SAC request the appropriate office(s) to report back to the SAC and FAC, by December 2023, actions taken on the resolutions provided in this report.