

**TO THE MEMBERS OF THE ACADEMIC COUNCIL
FORTY-SECOND SENATE**

**SUMMARY OF THE FIRST MEETING
OF THE 42ND SENATE**

October 8, 2009

[Note: From now on, the minutes will only be “published” on line, since the printed version of the Stanford Report is no more. The minutes of the Senate meeting serve as the official record and are approved by the Senate before becoming part of the archives. In deference to the growing demand for brevity in online communications, I will try to compose a second, shorter version of the minutes. It will not be official. If the reader finds an item of interest in the short version, he or she should check the official minutes for completeness.

Comments on this attempt at brevity are welcome.

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I. Call to Order

The Chair, Professor Andrea Goldsmith, called the Senate to order at 3:20 PM. She welcomed the new Senators and the new Dean of the Graduate School of Business, Garth Saloner. . In attendance were 39 members and 10 *ex officio* members.

II. The Minutes were approved.

III. Report on Degree Conferral for Summer Quarter 2008

A. List of Candidates for Advanced and Baccalaureate Degrees conferred on 9/24/09 in online administrative session of the StC. The list was sent to each Senator.

B. Degrees Conferred Summary 7/1/08-6/30/09

The report summarizes degrees awarded in the prior year, by school and by major, and including minors. This was for the Senate's information only; no vote was required.

The Chair thanked Registrar Black and his staff for preparing the data.

IV. Standing Reports

Chair Goldsmith—

--Announced the Senators elected to the Steering Committee: Andrea Goldsmith, Chair; Andrew Fire, Vice Chair; Anat Admati, Business; Lanier Anderson, Philosophy; Steven Boxer, Chemistry; Gordon Chang, History; Jeffrey Koseff, Civil and Environmental Engineering; and Virginia Walbot, Biology. Provost John Etchemendy and Academic Secretary Rex Jamison are *ex officio* members.

--Summarized the composition of the Senate (55 elected members, 16 *ex officio* members and 7 reserved places for standing guests).

--Announced members of the Committee on Committees: David Palumbo-Liu, Chair Stacey Bent, Hank Greely, Elizabeth Hadly, Laura Lazzeroni, Jennifer Summit and Sylvia Yanagisako.

President's Report

President Hennessy announced the names of two new University Fellows: Brad Osgood, Professor of Electrical Engineering, the Paul Davies Family University Fellow in Undergraduate Education; and R. Lanier Anderson, Professor of Philosophy, the Yumi and Yasunori Kaneko Family University Fellow in Undergraduate Education.

He also expressed his appreciation to everyone for their support and energetic response to the financial crisis.

Provost's Report

The Sustainable Endowment Institute released their green report card for 2010. Stanford was among the 26 highest ranked colleges and universities from a sustainability perspective. An external review requested by President Hennessy shows that Stanford is compliant with the law and provides appropriate and very good services to students with disabilities. But there are areas that needed to be addressed.

V. Other Reports

A. ASSU Undergraduate Report

The report was given by the ASSU Senate Chair, Varun Sivaram. Mr. Sivaram's mother, Mrs. Ranjana Sivaram, attended as a guest of the Senate. Mr. Sivaram summarized three academic concerns that the undergraduates rated the most important by a survey of the students.

The Undergraduate Research Budget was cut by \$1.1 million, or 20%. Acknowledging that the funds still are the most provided by any university for undergraduate research, the students hoped the funds would be restored to their previous level as soon as fiscally possible.

The textbook assigned to a course should be posted as early as possible, preferably at the beginning of enrollment. The staggered release of syllabi was another problem. The students support an initiative to post all syllabi at the beginning of enrollment at syllabus.Stanford.edu.

CourseRank is an online mechanism, which enables posting of the grade distribution of a course. Only the School of Engineering allows official grade distribution data to be posted on CourseRank. Students requested that the grade distribution of all courses with more than 10 students enrolled be listed on CourseRank. The reason given was to aid students in setting their expectations for the quarter.

Mr. Sivaram's presentation was complimented—and endorsed--by the Provost, applauded by the Senate and given a thumbs-up by his mother.

B. Provost's Update on the Budget.

Provost John Etchemendy divided his presentation into 5 parts: Endowment Performance, Other Revenue, General Funds Budget, Financial Aid and Lessons Learned.

Endowment Performance

Among the 20 largest university endowments, this past year Stanford's had the third worst performance, Harvard's being the worst (minus 27.3%), then Cornell's, then Stanford's. The institution with the best one-year return was Penn, with minus 15.7%. Does this mean the model of investment adopted by Stanford, Harvard and others should be changed?

If one looks at the performance of the same institutions over the past 10 years, Yale led with 11.8% annual returns, followed by Duke (10.1%) and Princeton (9.7%); Harvard and Stanford (both 8.9%) were tied for 7th. Penn's ten-year return was 4.2%, a "very, very big difference". So it's not clear that we should change our investment model.

In terms of endowment per student, Princeton (\$1,631,000), Yale (\$1,434,000), and Harvard (\$1,286,000) figures were considerably higher than Stanford (\$832,000) and MIT (\$777,000).

The loss in endowment from \$17.2 billion to \$12.6 billion consisted of \$3.64 billion in investment loss; nearly \$1 billion in payout for operating expenses, including salaries; and \$0.5 billion in Tier 1, which are endowment funds functioning as a buffer to the expendable funds pool. These losses were moderated by gifts to the endowment (\$142 million) and funds invested in the endowment (\$162 million).

Other Revenue

Sponsored Research. Over the past 3 years, the total sponsored research and its three principal sources were as follows:

2007: \$1.049 billion (\$132M in Non-Federal; \$349M, SLAC and \$568M, Federal).

2008: \$1.049 billion (\$150M in Non-Federal; \$354M, SLAC and \$544M, Federal).

2009: \$1.030 billion (\$218M in Non-Federal; \$297M, SLAC and \$515M, Federal).

The Provost was most concerned about the decline of 5.3% in federal sponsored research.

Funds from Development had decreased, not unexpectedly, because of the economy decline.

Clinical Revenue (Stanford Hospital, Lucile Packard Children's Hospital and the medical school) had steadily increased to its present \$429 M. Most of those funds go to the medical school.

General Funds Budget

The Provost showed the following slide that compared the forecast in June 2008 to the revised forecast in December 2008, which showed clearly the dramatic effect of the decline in the economy:

June 2008 General Funds budget forecast:

- 2009/10: \$2.4M (million)
- 2010/11: -\$5.7M
- 2011/12: -\$10.1M

December 2008 revised forecast, i.e., total problem to be solved:

- 2009/10: -\$78.2M
- 2010/11: -\$129M
- 2011/12: -\$153.5M
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The problem was solved by both central (administrative) and unit (school) actions. The central actions to reduce the deficit were:

- Reduced reserves for facilities, housing and operations
- Froze salaries
- Delayed or suspended capital projects
- Initiated a campus health service fee

- Incremental tuition

As the Provost said, “The hardest part, by far, was the [staff] layoffs. By the end of this year, we will have laid off 470 staff members. That was very hard for all of the units--but necessary. We also froze about 50 faculty positions.”

For FY 2010, staff reductions will occur only through attrition. Faculty retirements are predicted to double. There will be some hiring in every school, though at a reduced level.

Financial Aid

Financial aid was in a difficult situation because at the same time the university announced a new financial aid program, the economy collapsed. This was a double hit—it reduced the funds that are the source of financial aid, and it had a negative impact on the income of students’ families, including loss of jobs, causing requests for financial aid to increase. For the time being, the gap is being covered by the President’s Fund and The Stanford Fund.

The Provost described steps to increase the funds for financial aid, through fund-raising efforts. It is hoped that the economy will improve. But it was clear that the problem was not yet solved.

Lessons Learned

“We have got to figure out to be more disciplined in adding staff...Do we need a billeting system for staff like we have for faculty?” (Provost)

Our buffering policy (“smoothing”) worked well for normal investment fluctuations. With extreme investment losses, this policy left the General Funds budget exposed to large and immediate drops. Therefore this policy needed revision. Vice President for Business Affairs Randy Livingston had redesigned the policy. More buffering risk is taken on by sources of one-time funding, funds for capital projects, etc, while providing more protection for the base budget.

Lessons for managing the endowment were deferred to the presentation by John Powers of the Stanford Management Company who will speak at an upcoming Senate meeting.

In answer to questions, the Provost said we are making conservative assumptions about the growth of the endowment. The number of faculty is likely to decrease in the short run, in part because of a new retirement program, but there will be no shifting of billets between schools.

C. Senate ad hoc Committee to Examine Non-academic Council Appointment Procedures (CENCAP)

In 2008, the Senate passed a resolution stating that an ad hoc committee will be convened to examine Non-academic Council appointment processes including the use of

honorific titles at Stanford, and will report results and recommendations to the Faculty Senate. This was in response to the “Rumsfeld” appointment.

Committee members were: Gordon Brown, Chair; David Spiegel, James Sweeney, Milbrey McLaughlin, David Brady, Pamela Karlan, and Londa Schiebinger.

Professor Brown, with the use of slides, began by reminding the Senate that among the appointments CENCAP was instructed not to include in its deliberations Academic Council appointments, Medical Center Line appointments or Senior Fellows at the Hoover institution.

He compiled a list of the Stanford Centers, Institutions, Programs, etc., that are entitled to make Non-academic Council appointments and identified over 110 of these entities at Stanford. Each of these entities was asked to describe its process of non-Academic Council appointments. The Faculty Handbook was used as a source of all the faculty level appointments as well.

Chair Brown showed a table of 14 different Non-Academic Council titles distributed among the 7 schools, SLAC and Hoover. There were over 1,000 appointments, ranging from 383 in the School of Engineering to 4 in SLAC. There was no clear distinction between a faculty level and nonfaculty level Non academic Council appointments. Another issue was the lack of consensus in defining honorific titles.

CENCAP made the following recommendations:

1. The titles to be used for Non-academic Council faculty appointments are limited to the following: Visiting Professor, Acting Professor, Consulting Professor (each of which can be modified with the adjective “Assistant” or “Associate”), Lecturer, Visiting Lecturer, Senior Lecturer, Instructor, Visiting Instructor, Visiting Scholar, or Professor of the Practice (under criteria to be articulated by the Provost).
2. Whenever a department, center, or other entity entitled to make appointments either (a) seeks to create a title containing an honorific adjective, such as “distinguished”, “honorary”, “national”, and “international” or (b) seeks to fill an existing position containing an honorific adjective with a new occupant, it must first obtain the approval of the Provost or the Provost’s designee.
3. For nonfaculty, Non-academic Council appointments, departments, centers, and other entities entitled to make such appointments may use a title containing any appropriate non-honorific noun (e.g., Fellow) but may not use any honorific adjective except in compliance with paragraph (2).
4. Appointments to Non-academic Council positions, other than postdoctoral scholar or postdoctoral fellow, must be approved by at least three faculty members in a relevant Stanford department, school, institute, center, laboratory, or other entity with which the holder will be affiliated and filed with the relevant office.
5. Any person who receives appointment to a Non-academic Council position, faculty or nonfaculty, shall be given written instructions as to how and for what period of time the title may be used.

In the discussion, the Provost announced that he liked recommendations 1, 3,4 and 5, but not No. 2, the requirement that if a title contained an honorific adjective, it must receive, first his approval or that of his designee. He reminded the Senate that the Sense of the Senate vote was a non-binding recommendation, since academic titles were the responsibility the Advisory Board.

The recommendation passed by unanimous voice vote.

D. Update on H1N1 Swine Influenza and regular Influenza preparations at the University

Dr. Ira Friedman, Associate Vice Provost for Student Affairs and Director of VADEN Student Health Center, and Lawrence Gibbs, Associate Vice Provost for Environmental Health and Safety, presented an update on the status of the University's preparations for the H1N1 Swine Influenza and regular Influenza.

In 2003, the year of the Severe Acute Respiratory Syndrome (SARS), a campus-wide group was formed that included the infectious disease faculty of the School of Medicine. In 2006 in response to the flu epidemic, the Campus Pandemic Plan was developed and presented to the Cabinet in 2007.

This year, with the emergence of the Novel N1H1 flu virus, the group began planning, using the 2007 Plan as a guide. The new virus targets the young (24 years and younger). Normal seasonal flu attacks older people. Vice Provost Gibbs noted there had been concern this form of flu would have high mortality and morbidity rates, but it was now clear that the severity is similar to seasonal flu.

Dr. Friedman outlined the 4 basic components of the campus strategy:

1. Medical care for the very ill and high risk individuals who are ill, or may become ill.
2. Self-care for the rest of the students and others who can take care of themselves, and supporting that self-care with forms of external support.
3. Decrease disease spread by hand washing and cough etiquette. Besides these well known practices, another strategy is to isolate suspected sick person in their residence. Dr. Friedman explained, "Because of the [lesser] severity of illness, we felt could isolate students in place. The message is—don't go to class, don't go to gatherings, and don't go to work. Isolate yourself in your residence hall room—even if you have a double room and even if you have roommates—can be done. We will deliver food to students who shouldn't go to the dining halls. We have provided for academic support from resident fellows, deans, grad life deans, and others."
4. Help everyone stay healthy. The message is sleep, nutrition, hand washing, avoiding ill persons and of course vaccination.

As for the vaccines, it is recommended that everyone get the seasonal flu vaccine. When the N1H1 flu vaccine becomes available (late October or November), the emphasis will

be on vaccinating those 24 years of age and under, and those who have a chronic disease or are pregnant.

There will continue to be frequent communications to the students, staff, and faculty.

VI. Unfinished Business

There was no unfinished business.

VII. New Business

There was no new business.

VIII. Adjournment

The Senate was adjourned at 5:08 PM.

Respectfully submitted,

Rex L. Jamison, MD
Academic Secretary to the University