

**UNIVERSITY OF NOTRE DAME  
THE ACADEMIC COUNCIL  
MEETING OF SEPTEMBER 17, 2002**

**Members Present:** Rev. Edward Malloy, C.S.C., Nathan Hatch, Rev. Timothy Scully, C.S.C., John Affleck-Graves, Rev. John Jenkins, C.S.C., Carol Ann Mooney, Jeffrey Kantor, Rev. Mark Poorman, C.S.C., Eileen Kolman, Joseph Marino, Patricia O'Hara, Mark Roche, Michael Lykoudis, Jennifer Younger, John Robinson, Jay Brandenberger, Jacqueline Brogan, Thomas Merluzzi Albert Miller, James Ryan, Dennis Jacobs, Patricia Maurice, Thomas Noble, Joan Aldous, Patricia Blanchette, Teresa Ghilarducci, Cornelius Delaney, MaryRose D'Angelo, Umesh Garg, Mitchell Wayne, Steven Buechler, Panos Antsaklis, Mihir Sen, Robert Bretz, Thomas Frecka, Jay Tidmarsh, J. Douglas Archer, Kenneth DeBoer, Ava Preacher, Anthony Hagale, Megan McCabe, Bradley Buser, Stephanie Arnett.

**Members Absent:** Vittorio Hosle, Dino Marcantonio

**Members Excused:** Frank Incropera, Carolyn Woo, Susan Blum (on leave), Joseph Buttigieg, Sean Thornton

**Observers Present:** Mary Hendriksen, Dennis K. Moore, Thomas Laughner

**Observers Absent:** Harold L. Pace, Daniel Saracino

**Observers Excused:** Lt. Col. David Mosinski

Fr. Malloy called the meeting to order at 4:05 p.m. Professor Mooney offered a prayer.

**1. Approval of the Minutes of the Academic Council Meetings of March 27, 2002, and April 30, 2002.** The minutes of the Academic Council meetings of March 27, 2002, and April 30, 2002, were approved without amendment.

**2. Remarks of Fr. Malloy, President.** Fr. Malloy first expressed his thanks to the University's landscaping and groundskeeping staff for the extraordinary work they do in creating and maintaining Notre Dame's campus. He often receives compliments on Notre Dame's physical beauty and would like to commend those responsible for it. Their efforts greatly enhance the quality of the University community's common life.

Fr. Malloy next addressed Notre Dame's position in the latest *U.S. News and World Report* college rankings, in which Notre Dame moved from 19<sup>th</sup> to 18<sup>th</sup> place in

the category of “Best National Universities - Doctoral.” While pleased with the University’s ranking, Fr. Malloy said, he must emphasize that the magazine does not have access to a magic formula. As is true every year, there is much that is debatable about both the criteria and the methodology the magazine’s editors employ. Administrators and faculty everywhere can continue to discuss where their institution should be in this purported evaluation of undergraduate education.

Fr. Malloy said that if one looks at the institutions *U.S. News* ranks ahead of Notre Dame, they are all wonderful – some of the best schools in the world. He prefers, however, to look at the schools ranked *behind* Notre Dame. At 18<sup>th</sup> place, Notre Dame is tied with Emory. Behind them in the top 25 are the University of California at Berkeley, Carnegie Mellon, Vanderbilt, the University of Virginia, Georgetown, the University of California at Los Angeles, the University of Michigan in Ann Arbor, and Wake Forest University (20<sup>th</sup> through 25<sup>th</sup>). These very notable institutions are among the universities with which Notre Dame competes for students and other resources.

Fr. Malloy said that his greatest objection to the *U.S. News and World Report* ranking is that the greatest weight (25%) is given to the “academic reputation” category – and he believes that the way assessments are made in this category is flawed. Assessments are entirely qualitative. An institution’s score is assigned by tabulating the results of a survey sent to college and university presidents, deans, and admission directors, who are asked to rate the academic programs of each institution in their assigned group by placing them in a quintile. Yet, as university administrators rank their peer *undergraduate* institutions in this all-important category, he believes their judgments cannot help but be influenced by the quality of each institutions’s graduate and professional schools.

Fr. Malloy said that his second objection to the rankings pertains to the “financial resources” category. That ranking is heavily influenced by what proportion of an institution’s operating budget comes from research grants from the federal government and other sources. At Notre Dame, grants comprise approximately 7% of the total operating budget; however, at other schools, the amount would be *multiples* of 7%.

Nevertheless, Fr. Malloy continued, if one looks at some of the other categories that go into a school’s overall ranking, Notre Dame does extremely well. It achieves high rankings in the categories of freshman retention rate, the first-year experience, graduation within the normal years of the degree, and alumni satisfaction giving. All these combine to give Notre Dame a very impressive overall ranking – a ranking that influences many families when they make college decisions, especially as they weigh the advantages and disadvantages of education at a private institution.

In this regard, Fr. Malloy said, he is extremely happy to see that Notre Dame is 14<sup>th</sup> in *U.S. News and World Report's* best values ranking for national research universities ("Great Schools at Great Prices" category). That ranking is not based solely on a school's "sticker price." Rather, it is a combination of academic quality and affordability, with the latter category including the extent of financial aid a school offers. Notre Dame's rank in this category is one sign of the extraordinary progress the University has made in the area of undergraduate financial aid.

Fr. Malloy also pointed out that Notre Dame is ranked 7<sup>th</sup> in the category of service learning, which is both the participation of undergraduate students in various kinds of activities serving the broader community and the way that service learning is incorporated into the curriculum. Of course, Fr. Malloy said, service learning is a hallmark of a Notre Dame education. He would be extremely surprised if the University were not at the top of the charts in this particular category.

Fr. Malloy also noted that Notre Dame's undergraduate business program was ranked 22<sup>nd</sup> in the nation. Some of the programs within the Mendoza College of Business are, in most indicators, higher than that.

Fr. Malloy concluded his discussion on the *U.S. News and World Report* rankings by saying that overall, an outsider who knew nothing about Notre Dame except what is contained in the rankings would be impressed. The University is high in overall rank and affordability, as well as some other indicators of the kind of education available here. He invited any Academic Council members, either individually or by committee, who believe a more in-depth analysis of the rankings is warranted, to undertake that task. Then, if necessary or desirable, the subject can be brought back to the overall Council.

Fr. Malloy next discussed the challenges the University will face this coming year on the financial front. On the one hand, he said, he is very aware of the significant financial pressures administrators face as they build the budget for next year. On the other hand, he feels confident that as the strategic plan for the next ten years is developed, the University will have the capacity to move forward in realizing many dreams – most of which are academic and related to student life.

There are two components to the financial pressure Notre Dame faces. First, while the University experienced tremendous growth in its endowment fund during the 1990's, in the last two years it has lost at least 17% of its worth – about \$500 million – on a starting point of about \$3 billion. Notre Dame's loss is not disproportionate to that which many other universities are experiencing; yet, there are implications flowing from the loss. One is that those units that draw upon endowment income for their operating

expenses will be affected, particularly as the University evaluates from year to year what the pay-out rate on the endowment will be.

The second component of the financial pressure the University faces, Fr. Malloy said, is that there is a greater reluctance by benefactors either to make large pledges or to keep to the payment schedule designed at the time of their original commitment. This is a phenomenon that many universities are experiencing. Last year was the first year in recent memory that, instead of increasing, charitable giving to higher education declined nationally.

Fr. Malloy continued that as a budget is built for a private university, there are only so many component parts available to consider. One is tuition. There have been times during his years as president of Notre Dame, although they are fairly distant now, when tuition increases were quite substantial – even as high as 12% or 17%. Notre Dame's Board of Trustees has instructed the officers, however, that tuition increases must not exceed 5% annually, thus curtailing that means of increasing income. While there may be a time when administrators will want to argue for increases greater than 5%, that is not now their starting point.

Fr. Malloy said that a second source of income for the University is income from the endowment. As he has already pointed out, however, while Notre Dame has benefitted tremendously in recent years from the surge in the overall growth of the endowment, the downturn in the economy forces administrators to be realistic in accounting for a reduction in that source of income in the future.

A third source of income is fundraising. The very successful Generations Campaign ended in 2000. The next full-fledged campaign will depend on the results of the current strategic planning process. There currently are some targeted fundraising goals that arose during the final stages of the last campaign and we are working vigorously to realize those goals as quickly as possible. In any fundraising effort some funds come to the University without a particular designation. Historically, such funds have been earmarked for goals that are less exciting than buildings and programs but absolutely necessary just the same – for example, infrastructure for heat, water, and power or shortfalls in commitments to buildings.

A fourth source of income, Fr. Malloy said, is provided by the research dollars that come into the University. Again, compared to many of its peers, the 7% of Notre Dame's overall budget, which represents external funding for research, is fairly low. The University is making great progress on this front, however, and the Graduate School has many hopes and aspirations for increasing the flow of research dollars into the University.

Fr. Malloy said that he was not before the Academic Council to “cry wolf.” He was simply desiring to pass on, as he has passed on much positive information through the years, the sense that there is now a more challenging environment in which to build a budget. The University will give top priority to the two areas that are its most essential components: academics and student life. Of course, each of these areas has many sub-components and everything else, in a sense, is intended to serve them.

Fr. Malloy reiterated that Notre Dame is not alone in the financial challenges it faces. A number of schools considered to be fairly affluent in their overall resource base – for example, Stanford, Boston University, Dartmouth, and Harvard – have made decisions to cut budgets and to impose other stringencies. None of us controls the world economy. None of us knows or can decide whether there will be a war or further terrorist activity. There are many theoreticians able to provide an analysis of why the economy is in its present state, but the hope is that there is a cyclical nature to the economy. Thus, as it did in the last campaign, Notre Dame hopes to benefit from circumstances that prevail at the time its next campaign opens – for that will be the means of implementing the goals articulated in the current strategic planning process.

Fr. Malloy concluded the budget discussion by saying that the academic year is off to a good start. The University finished last fiscal year in the positive model, which is testimony to Fr. Scully and all who work with him. While he hopes that this year will end in the positive column as well, Fr. Malloy’s essential message was that University decision makers must be prudent in their judgments about how quickly we can move forward on certain goals.

**3. Remarks of Prof. Nathan Hatch, Provost.** Prof. Hatch began by distributing a list of new department chairs and other academic administrators for the 2002-03 academic year. He particularly noted that in the College of Science, the University welcomes a new dean, Joseph Marino. Prof. Hatch said that while there is always some turnover at the University, there was an unusually high number of new academic leadership appointments – 29 – made for the current academic year.

Prof. Hatch next addressed the University’s current strategic planning process. He said that it comes at an odd time, given the current financial realities and the overall mood of the country. Just two years ago, the country was still in a “boom” mode. And while change is usually fairly evolutionary, the reality of terrorism and a rapid economic decline have made our world a dramatically different place in a matter of months.

While the University faces a difficult budget year, Prof. Hatch said, he still believes that the University community must be aspirational in its planning. The strategic plan, *Notre Dame 2010 – A Quest for Leadership*, on the web at <http://www.nd.edu> www.nd.edu/~stratgic, calls for high aspirations in three main areas.

First, the plan calls for Notre Dame to achieve and sustain academic excellence as a world-class research and teaching university. By the year 2010, the Coordinating Committee envisions that at least a quarter of Notre Dame's graduate programs will rank in the top quartile of their disciplines and that Notre Dame's professional schools will rank in the top 20 of their respective fields. The plan calls for an increase in the number of Notre Dame faculty elected to national academies and for the University to position itself as a plausible candidate for membership in the Association of American Universities, an elite organization of research universities to which institutions must be invited.

Second, Prof. Hatch said, the strategic plan calls for Notre Dame to be a leader in undergraduate education. This means that the University must be the best at what it does and that it must be innovative in its teaching. Prof. Hatch said that the quality of students Notre Dame attracts demands that the University examine its current pedagogical methods and work to provide students with the best kind of creative education.

Third, Prof. Hatch continued, the strategic plan calls for Notre Dame to be the world's leading Catholic university. In essence, that means that Notre Dame must play a critical role in forming Catholic leaders, exalting the values of human dignity, and bolstering the moral foundations of life.

Prof. Hatch said that he is deeply grateful to see how seriously members of the University community are treating the strategic planning process. For the first time, the plan is being constructed from "the bottom up," that is, by department, or by center and institute, and then coming up through the colleges and the Provost's Office. This method is providing the committee with a wealth of ideas.

Prof. Hatch explained that the process of strategic planning will continue in earnest this fall. Early in October, the Coordinating Committee designated by Fr. Malloy will begin to hear preliminary plans from deans. The deans, in turn, will receive feedback from the Committee. By late fall, the Provost's Office, working with the Coordinating Committee, will begin to consider the plan as a whole. The goal is to have the plan wrapped up by the May 2003 meeting of the Board of Trustees.

Prof. Hatch continued by stating that a major theme of the plan concerns what he calls "right sizing." In a number of areas it is important to ask: "What is the right size for Notre Dame departments and colleges?" The answers to that question will determine where faculty and students are placed. Ten years ago, in 1990, it was clear that Notre Dame was dramatically undersized in its total number of faculty. Then, when the University was compared against institutions in the nation's top 25 universities, their average faculty size was 670 while Notre Dame's was 581. In the year 2000, the

average number of faculty at the top 25 research universities was 699, yet Notre Dame's faculty had grown to 717. Notre Dame's faculty has grown substantially even in the last two years. With a growth rate even more rapid than its peers, Prof. Hatch said, the University must now ask: Given the tuition base and other kinds of resources, what is the *right* size for the faculty? Looking forward, it is not self-evident that the central motif of the University must be growth. Rather, the goal must be an increase in quality. While there are places in the University where growth is necessary, the issue for the next ten years will be one of right sizing.

Another interesting benchmark provided by the increase in faculty, noted Prof. Hatch, is the University's faculty/student ratio. Since 1990, the ratio has gone from 16.9 to 14.9. That is a greater shift than has occurred at any other top 25 university. It gives Notre Dame the same faculty/student ratio as Yale.

Prof. Hatch said that an example of the kind of right sizing discussion that must take place involves the issue of "gates." While Notre Dame has not had a policy of "gates" – meaning that students can enter the University and study whatever field they choose, at some point, the absence of gates drives the way the University does its academic planning and where it places its faculty. For instance, over the past ten years, the number of students majoring in business at Notre Dame has gone from roughly 1/4 of all students to almost 1/3. Given the nature of the times, that may change again. The University must ask whether the current distribution of majors provides the proportions of students we desire. Again, an example is provided by the Mendoza College of Business. Administrators and faculty in the college have raised the issue of whether the college can fulfill its mandate with its current high number of undergraduates. With those numbers, can its faculty also do the kind of research they need to do? Can the college continue its M.B.A. program?

Prof. Hatch noted that another school to which the issue of right sizing applies is the School of Architecture. Its enrollment tends to fluctuate substantially, which leads to budgetary challenges and space problems especially, but not exclusively, in connection with its year-long Rome program for third-year students.

Prof. Hatch continued that another issue that is likely to figure prominently in the strategic plan is the physical plant infrastructure of the colleges. Not even one college dean now feels that his or her college has enough space. While one might wish that the University were in a situation in which all the buildings were built and it could invest in people, the near future calls for a substantial investment in building infrastructure if certain aspirations are to be achieved.

There are other major issues related to infrastructure as well, said Prof. Hatch, most notably, information technology. As Gordon Wishon, the University's chief

information officer, pointed out last year to the Academic Council, over the next four years the University must rebuild *all* of its core information systems. That is a momentous job. The student information system, the financial system, the human resources system, the development system – all must be rebuilt and integrated. This is essential for the proper functioning of the University, but it will be expensive and it will change the way business is conducted. The rebuilding of the University's administrative computing programs, called Project Renovare, is well underway, but it will consume time and considerable financial resources over the next four years.

Prof. Hatch added that the same is true with the library and faculty salary issues. Both are infrastructure issues to which the University must continue to give very high priority.

A third issue that is an important backdrop to strategic planning is how Notre Dame can strengthen its academic departments. Core academic departments are the lifeblood of Notre Dame. Thus, the University must be creative in finding the kind of resources that allow departments to function. Prof. Hatch explained that by articulating this goal he does not mean that institutes and centers will be de-emphasized at the University. In a sense, however, institutes and centers have an easier time because they are special purpose. They do not have the full range of responsibilities that departments have. How to build great departments must be a key component of the strategic plan.

Finally, the strategic plan will focus very much on innovation in undergraduate education. Overall, Notre Dame has a very traditional curriculum. Although the University has tinkered with the curriculum on the margins, it cannot be said that Notre Dame is an innovator with respect to undergraduate education. Prof. Hatch said that he would like the University to become an innovator in every way possible. A large concern of his is how to better engage first-year students and connect them to Notre Dame's best faculty. There are many ways to explore that issue. A possible barrier to innovation is that Notre Dame has many more general education requirements than most universities. While having that kind of a backbone of core curriculum can be helpful, he would like to explore how the University can move away from so many large, introductory courses that are much like students' high school courses and move toward an expansion of the first-year seminars that now exist in the humanities and social sciences. If Notre Dame had the resources to allow students to take two, if not three, seminars in a variety of fields in their first year, that would change the curriculum dramatically. One can imagine first-year students taking a seminar in, say, science or engineering, working with professors, and delving into the heart of what professors do in a research program early on – not waiting for that experience until the junior or senior year.

Prof. Hatch summed up by saying that the themes he named are critical to the formation and success of the strategic plan. He is enthused about what he has seen so far. Unfortunately, the problem will be choosing the aspirations and programs to which the planners must say “no.” The University cannot grow in every area. There is an implicit assumption that to make something *a priority* means that it will experience extensive growth; however, extensive growth will not be possible across the entire University.

Prof. Hatch brought one other matter to the attention of the Academic Council. At the meeting of April 30, 2002, the Council passed a motion concerning the change of Monday/Wednesday classes to Wednesday/Friday classes. It was intended that the University implement the change beginning in January 2003. Given the kind and intensity of the feedback received from various sectors of campus, the Provost’s Office has decided to delay implementation and to ask the Undergraduate Studies Committee to revisit the issue. His suggestion to the Committee was to explore the implications of implementing the change and that discussion should occur particularly with the College of Arts and Letters, the Mendoza College of Business, and the Registrar. Apparently, the majority of Academic Council members believed that the change would affect only 75-minute Monday and Wednesday classes. In fact, the motion affects *all* classes held on those days, including those with lectures on Monday and Wednesday and a Friday tutorial. Faculty who teach this type of class expressed the strongest opposition to the change because they believe that the motion passed at the April 30th meeting changed that schedule to Wednesday/Friday lectures with discussion sections on Monday.

**4. Committee Meetings.** Prof. Mooney explained that the major business item for this meeting is the gathering together of the Council’s three committees to: (1) elect a chair, which by relatively long-standing practice must be a member of the Executive Committee; and (2) make at least an initial cut at deciding the major agenda items the committee will pursue this year. New items can be added as the year progresses, but the purpose is to begin organizing the committee. Prof. Mooney said that many committees decide to divide into subcommittees to accomplish their work.

After breaking into groups and holding their discussions, each chair reported back to the Council as a whole:

**(a) Faculty Affairs Committee.** Prof. Ghilarducci, chair of the Faculty Affairs Committee, announced that members had identified three main agenda items. First, together with the Faculty Senate, the Committee will address the issue of faculty grievance procedures. A second agenda item will concern University policies on faculty salaries – for example, whether salaries should be made public and whether the University should implement procedures for the periodic review of salaries for gender and other types of inequity. A third agenda item will be examination of the costs and

benefits of adjusting the academic calendar to include such national holidays as July Fourth and Labor Day as academic holidays.

**(b) Graduate Studies Committee.** The chair of the Graduate Studies Committee, Prof. Antsaklis, reported that the committee will continue its work on health insurance benefits for graduate students; explore the University's overall competitiveness in recruiting graduate students – particularly in regard to stipends, health insurance, benefits in general, and access to such University resources as information technology; and discuss topics under the broad heading of graduate student “family issues” – for example, how the birth and care of children should affect a graduate student's teaching responsibilities. In this regard, Prof. Antsaklis said, there are policies in place now for faculty members that perhaps the University should extend to graduate students. A fourth topic committee members will take up is the status of graduate students in general. Some committee members believe that undergraduate students are accorded higher status at the University than are graduate students.

**(c) Undergraduate Studies Committee.** Prof. Kolman, chair of the Undergraduate Studies Committee, announced that the committee's first order of business will be to revisit the course scheduling proposal passed at the Academic Council meeting of April 30, 2002. It replaced Monday/Wednesday schedules at the University with Wednesday/Friday schedules and mandated that all classes taught on Friday only, or as a Friday tutorial, be changed to Monday. Also in the first semester, the committee should receive the report of Fr. Jenkins' curriculum committee. Members will review the report and offer their recommendations in preparation for presentation to the full Council. In the second semester, Prof. Kolman said, members plan to discuss four additional issues: honors tracks for undergraduate programs; whether the University should impose gates to regulate the number of students entering its various colleges; distance learning – both in general and whether the University should accept credits for distance learning programs awarded by other institutions; and the University's program in international studies – specifically, its interactions with the colleges.

There being no further business, Fr. Malloy adjourned the meeting at 7:30 p.m.

Respectfully submitted,

Carol Ann Mooney  
Secretary