Minutes of a meeting of the Council of the Princeton University Community held November 12, 2012 in 101 Friend Center. Present were Council members Ms. Alivisatos, Prof. Bhatt, Ms. Bui, Mr. Burd, Ms. Cherrey, Ms. Clifton, Mr. Cook, Prof. Davis, Mr. DeLeon, Mr. Diskin, Ms. Doyle, Ms. Durden, Mr. Durkee, Mr. Easop, Provost Eisgruber, Prof. Hare, Prof. Harman, Dr. Hourihane, Ms. Kim, Mr. Kugelmass, Mr. Maisel, Dr. Matthies, Mr. McDonough, Prof. Meyers, Dr. Neglia, Mr. Okuda-Lim, Prof. Rivett, Mr. Riley, Mr. Robertson, Ms. Scott, Mr. Stolzenberg, President Tilghman (chair), Ms. Wright, Dr. Yao; Ms. Halliday was secretary.

The President called the meeting to order at 4:30 p.m., and the roll was called. She asked for and received approval of the minutes of the October meeting.

Report from the Priorities Committee

There were no questions, and the President moved to the first agenda topic, the annual update from the Priorities Committee, chaired by Provost Eisgruber. The Provost reminded the Council that the Priorities Committee is a standing committee of the CPUC and is charged with making recommendations to the Board of Trustees concerning the operating budget. He remarked on its distinctive and inclusive make-up, with membership drawn from the student body, faculty, and staff, and he asked members in attendance to identify themselves. The committee is focused on developing operating budget recommendations for FY14. The committee takes into consideration the FY12 budget actuals and information from the current year’s budget in formulating recommendations about next year’s tuition and fee package, salary pools, funding levels, and, as has been the case since the recession began, cost-saving measures.

He described the current financial climate informing the committee’s work. For the first time in about 4 years, projections into the future show surpluses and not shortfalls, suggesting that the University’s finances and the economy in general have turned a corner and are headed into positive territory. At Princeton, positive variances this year include strong Annual Giving returns; a decrease in natural gas costs; and a modest lowering in the growth of health care costs. The committee pays attention to the spend rate, the percentage of endowment income which contributes to the operating budget, working within a band of 4% to 4.75% in order to ensure that spending in the future can be sustained. While the volatility of the financial markets seems to be quieting, a “new normal” has been established in terms of expectations on returns on investments. The University is no longer faced with the likelihood of deficits, but it is highly unlikely that the operating budget will able to benefit from the significant “market bursts” of growth of the past few decades. The University is also now in the process of rebuilding reserves that became depleted during the recession.

The committee expects to have $1 million to distribute across $1.6 million in requests it has received. The Provost reminded the Council that departmental reports requesting funding are available online after the Priorities Committee has met (the website is: http://www.princeton.edu/provost/priorities-committee/pricomm-2012-2013/).
During the discussion that followed, the Provost talked about the likely impact of the federal government’s attempts to reduce the budget on University finances especially on research dollars. The impact could be significant, although it would not be felt immediately since current projects are funded by grants approved in the past. In response to a question about the financial impact of admitting a larger class of undergraduate students, the Provost pointed out that while the increase in students results in higher expenses – for instructors or for facility costs – students also bring in revenue. He noted that the University has been able to absorb the extra costs associated with the larger than expected acceptance rate of the Class of 2016.

He told the Council that members of the committee would remain after the formal CPUC meeting ended to take additional questions and comments.

Discussion with the Presidential Search Committee

The President then turned the meeting over to Kathryn Hall ’80, Chair of the University’s Board of Trustees and of the Presidential Search Committee. She noted that Ms. Hall is the founder, CEO and Chief Investment Officer of Hall Capital Partners in San Francisco. A long-time member of Princeton’s Board of Trustees, she has also chaired the Princeton University Investment Company’s board of directors. The President then left the meeting.

Ms. Hall introduced members of the committee who were present at the meeting including Ms. Catherine Ettman ’13, Trustees Laura Forese ‘83, Trustee Brent Henry ’69, Mr. Chad Maisel GS, Dean Clayton Marsh ’85, Mr. Jeffrey Morell ’13, Professor Gideon Rosen *92, Trustee James Yeh ’87 and named the other members of the committee: Professor Miguel Centeno, Trustee John Diekman ’65, Trustee Josh Grehan ’10, Trustee Randal Kennedy ‘77, Trustee Robert Murley ‘72, Professor Lyman Page, Trustee Nancy Peretsman ’76, Professor Howard Stone. This is the first of several conversations her committee is having with the University community to learn what the community views as the challenges and opportunities for Princeton in the next 5 to 10 to 20 years; about the characteristics or attributes the committee should look for in a candidate; and about potential candidates. During the discussion questions arose about the search process. The chair and members of the committee explained that the committee has no set criteria for the position at present; they are in the initial stages of gathering input about criteria. The search is a multi-phase many-layered process. In an iterative process, the committee will review candidates brought to its attention, and “whittle down” the list, finally bringing one candidate to the board for approval. The committee is not using an external firm for conducting sourcing interviews, and she noted in this respect the depth and breadth of the experiences and interests that members of the search committee bring. The sourcing process is extensive; it is national and international and includes alumni and leaders in education, business, non-profit organizations, and government. The Board does not have a specific plan or initiative it is trying to accomplish in the near future, like the recommendations from the Wythes Committee on the size of the undergraduate student body. Forums like this one and the search process itself are helping the Board think strategically about the future.

Comments made during the discussion were wide-ranging and represented the views of alumni, students, faculty and staff. The following are among the themes that emerged:

- Diversity:
Importance of building on current diversity efforts and efforts to make campus welcoming to a diverse community
Importance of developing a diverse pool of candidates

- Maintaining support for the arts; balancing the recent attention and resources given to the natural sciences and engineering with additional attention to the social sciences and humanities
- Central importance of safeguarding the health and wellbeing of students; need to pay attention to the mental health of students
- Education is undergoing swift changes; importance of Princeton playing a leadership role for example in online course offerings and in globalization of higher education
- Importance of continuing and enhancing international initiatives
- The size of the University has drawbacks; the committee should think about how or whether the University can continue to cover important fields of interest and emerging fields of study with its small size
- Caution to resist the current push for efficiencies in higher education and the often inappropriate and inadequate attempts to measure the success of the academic undertaking. It is difficult to quantify the success of many disciplines by using metrics common in the corporate world
- The importance of leadership ability in a candidate and the ability to nurture leadership in others
- Ability to “inspire” others; willingness to take risks and ability to push others beyond their own “comfort zone,” inspiring them to succeed.
- Candidates should exhibit an interdisciplinary approach in their work; ability to appreciate fields different from his/her own; ability to push for cross-fertilization on campus, from encouraging personal interactions among different social groups to facilitating interdisciplinary study
- Importance of appointing a researcher/teacher
- Importance of looking outside of academia for candidates
- Openness; ability to relate to all
- Importance of appreciating and maintaining Princeton traditions

Ms. Hall thanked the Council and encouraged all to send additional comments to the committee via the website:  http://www.princeton.edu/presidentialsearch/index.xml.  

The meeting was adjourned at 6:00 p.m.

Respectfully submitted,

Ann Halliday
Secretary