

TurnTo23.com

CSU Executives Get Big Raises

POSTED: 9:25 am PDT September 20, 2007

UPDATED: 6:49 pm PDT September 20, 2007

BAKERSFIELD, Calif. -- The CSU board of trustees approved a 12 percent pay raise for the university system's top executives Wednesday.

CSU presidents will also get a \$60,000 a year housing allowance and a \$1,000 per month car allowance.

A CSU-hired consultant found the current pay lags behind 20 other comparable schools by as much as 50 percent.

Bakersfield.com reports that CSU students and faculty have expressed frustration across the state over the raises that boost CSU presidents further into salaries in the hundreds of thousands of dollars.

CSU president Horace Mitchell's pay increased from \$259,000 to \$285,000.

In an interview with Bakersfield.com, Mitchell was asked whether someone could live comfortably in Bakersfield on his salary. "That's not the variable," he said. "The variable is not what could you live on in a certain place. The question is what are the salaries that are being paid to university executives?"

Related To Story



 **Video: CSU Executive Raises Handed Out**

CSU top execs receive pay hike

By SARAH ROHRS/Times-Herald staff writer
Vallejo Times Herald

Article Launched: 09/20/2007 08:43:01 AM PDT

California Maritime Academy President William B. Eisenhardt got a \$30,000 pay boost Wednesday.

Eisenhardt, who heads up Vallejo's California State University campus, got the raise after CSU trustees voted 15-2 to give university executives average salary hikes of 11.8 percent, said Chancellor's Office public information officer Clara Potes-Fellow.

A six-year CMA president, Eisenhardt currently earns \$228,920. With the raise, his salary is now \$258,680, said CMA spokesman Doug Webster.

Twenty-eight top university executives within the CSU's 23-campus system will get the raises, including Chancellor Charles Reed, presidents, and other executives, Potes-Fellow said. The pay hikes are retroactive to July 1.

Webster and others said top executive pay hikes are important to retain quality administrators. However, not everyone agreed.

Lt. Gov. John Garamendi, who is also a Cal State trustee, called the pay hikes "outrageous." He urged the board to hold off on the raises, which range from about \$30,000 to \$45,000 per year. Reed's salary goes to \$421,500.

"I think it is a very serious mistake in public policy," Garamendi said. "I know everybody would like a pay increase, but this is just outrageous."

The pay hikes come on the heels of undergraduate student fee hikes, and a two-year teacher contract dispute that nearly ended in a strike before an accord was reached last spring.

Garamendi added he fears more student fee increases are on the way. Potes-Fellow said the board wouldn't vote on fee increases until after the budget is passed in November.

Webster said Eisenhardt's salary hike is warranted since he is in charge of a \$26 million budget, 200 faculty and staff and 800 students. "He earns about 1 percent of our total budget," he said.

The raises of top university brass are warranted since California is competing nationally for quality people to live and work in an ever-increasingly expensive state, Webster said.

CMA, in particular, must be able to attract faculty and staff with advanced maritime skills who are willing to stay at the school rather than be lured away by well-paying jobs in the private sector, he added.

"The ability to pay competitive salaries is important for us to be able to keep and retain quality people who can serve our students," Webster said.

Media News Group contributed to this report.

Contact Sarah Rohrs at srohrrs@thnewsnet.com or 553-6832.

CSU brass gets raises

LONG BEACH

September 20, 2007 7:04am

- **Average 11.8 percent**
- **Chancellor must eke by on \$421,500**

Top officials of the California State University systems – campus presidents, the system’s chancellor and a handful of others – are getting pay raises averaging 11.8 percent.

The CSU trustees approved the pay raises Wednesday on a vote of 12-2 after Chancellor Charles Reed said low pay was inhibiting him from recruiting the best administrators.

Mr. Reed, who heads the nation’s largest university with 23 campuses and more than 400,000 students, will see his annual pay go from \$377,000 to \$421,500.

The pay raises for the campus presidents will boost annual gross income to a range between \$258,680 and \$328,209.

“Your actions today make it very clear that executive salaries are the only issues this board seems determined to address,” said California Faculty Association President Lillian Taiz. “We wish you would find the same level of determination when dealing with skyrocketing fees and overcrowded classrooms that you do when providing executives raise.”

CSU systemwide annual fees are \$2,772, up from \$1,428 a year as recently as 2001. Each campus adds on its own unique fees.

Copyright Central Valley Business Times © 2007

Central Valley Business Times is an online unit of BizGnus, Inc.

All rights reserved. No content may be reused without written permission.

About those salaries

What's really behind CSU presidents' raises.

Article Launched:09/20/2007 10:59:17 PM PDT

Double-digit raises for presidents of the state university system? Something's wrong here.

But it isn't what it seems. The real problem is that misguided federal government policies are pricing California's public universities out of the market when it comes to salaries for not just the university presidents but deans, faculty members and others as well.

Almost nobody notices what's going on until California State University trustees try to put the system on a more competitive level. That's what happened this week, when the board gave, for example, Cal State Long Beach President F. King Alexander a 10 percent increase to \$320,329. Other presidents got similar increases, and the chancellor, Charles B. Reed, got a raise of 11.8 percent to \$421,500.

We don't subscribe to the notion that just because other public entities have raised salaries the local ones have to keep up. But something different is happening in this case.

You might say that some universities have figured out how to game the system. For example, when a state government cuts its support, the state university just jacks up tuition, then looks to the federal government to match the increase with grants and guaranteed student loans. When that works, then comes even higher tuition that pays for higher and higher salaries for faculty, deans and presidents.

The costs simply get passed along to students, often in the form of financially crippling loans, which doesn't seem to bother the university leaders. Universities that struggle to keep tuition low soon find they can't compete for many of the best qualified candidates for jobs on the faculty or in management, including presidents.

California's state universities, and to a lesser extent the UC system, are among those trying to keep tuition low. At Cal State Long Beach, the tuition is \$2,864, which is less than half the national average. Of the costs of educating a student, only 20 percent comes from tuition and fees, compared to the national average of 35 percent.

When that formula isn't rich enough, the high-tuition campuses pull in out-of-state students, who pay even more. The national average for that part of the game is 16 percent, whereas Cal State Long Beach has only 1 percent from out of state.

Also, at a university with very high tuition, such as Harvard, grants and loans are based on a "sticker price" of \$44,000, when the average is only \$28,000. A parent paying \$44,000 must feel like it's the sucker price, and so should the feds.

Campuses with the high sticker prices win two ways. Not only does the revenue pour in, but some parents (speaking of suckers) believe the high prices must mean high quality, and they line up to pay more.

Some of that growing gusher goes to recruit faculty, deans and presidents with salaries that go as high as a million dollars a year. Even a lesser known institution like Western Kentucky pays something like \$500,000, and the University of Louisville pays \$700,000. California can't play in that league.

This system needs fixing. As it happens, Cal State Long Beach's president has become a leader in a national effort to bring more fairness to the system.

If he can help pull that off, he will be worth far more to California than those recent pay increases.

Opinion

Posted on Fri, Sep. 21, 2007

[email](#) [print](#) [reprint or license](#)

[AIM](#) [del.icio.us](#) [Digg it](#)

Opinion of The Tribune

Bouquets and Brickbats: Pay raise for Poly exec badly timed

In a time of budget cuts and high student fees, a smaller salary boost would've been smarter

We lob a badly timed brickbat at California State University's Board of Trustees for approving raises averaging nearly 12 percent for the 23 CSU presidents and five top administrators.

Cal Poly President Warren Baker gets a 10 percent raise, which boosts his salary to \$328,209 and keeps him the top paid CSU president.

It's not that Baker doesn't deserve a bouquet in the form of a 10 percent raise, especially when you consider what chief executive officers of comparable organizations earn in private industry. And there's no denying that he has done an outstanding job in his long tenure at Cal Poly, which is consistently ranked one of the top colleges in the country. But we can't overlook the fact that this is a bad time for our state economy. We just went through a painful budget process that saw the governor cutting funds for the homeless, the elderly, the mentally ill.

On top of that, the raises don't play well with faculty, who settled for a 4.7 percent raise this year, or students, who saw their fees go up 10 percent. Pay increases for the CSU presidents in the range of, say, 4 percent to 6 percent would have been the more educated move.

Templeton runner's classy move

We don't often comment on the world of sports here, but we make an exception for Templeton High runner Garrett Cowan. He won a cross-country race Wednesday after one of his top rivals, Travis Hallanan of Paso Robles, took a wrong turn at a confusing section of the course. Cowan tried to warn Hallanan at the time, but Hallanan didn't hear him. Afterward, Cowan commented that he'd like a redo, to give his rival another shot. "If I could," he said, "I'd give the first place to Travis."

With all the scandals and the winning-is-everything attitude we often see in professional and college sports, it's nice to know that our high school athletes have such class. We offer blue-ribbon bouquets to both runners for their sportsmanlike conduct.

Local golfers score with fundraiser

Tiger Woods won an astronomical sum of money on Sunday—\$10 million for winning the FedEx Cup for his golfing exploits. But we're more impressed by the \$26,000 that local golfers and other generous donors helped raise for the San Luis Obispo County Child Development Center during last Sunday's fourth annual Hit & Giggle tournament. The

Child Development Center provides early intervention services for the prevention of abuse and neglect of children and families. We offer a hole-in-one bouquet to all the participants and donors for their generous efforts, and a birdie bouquet to the Women for Community do-gooders who organized the event. Great shot, ladies!