# Thirty US college presidents take in over $1 million in 2008

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As colleges throughout the United States slashed admissions, laid off staff, and raised tuition, pay for college presidents continued to soar.

A recordbreaking thirty presidents at private colleges were paid over $1 million each in 2008, according to a report released by the *Chronicle of Higher Education* in November. The figures are based on the 2008 tax records for over four hundred colleges. In 2007, there were 23 presidents that earned $1 million or more. Before 2004, no college president had ever earned over $1 million dollars per year.

Salaries made up less than half of total remuneration received by those on this list, with deferred compensation and other perks, such as complimentary cars and houses, making up the majority.

Topping the list was the late Bernard Lander, former president and founder of Touro College in New York City. He received $4 million in 2008, the year he retired. The vast majority of that sum was in the form of "deferred compensation," which the college gave him because it decided that it had not paid him enough in the past. The payout amounted to $167 per student enrolled at the college.

The *Chronicle* noted that such large payouts from supposedly non-profit institutions can run afoul of the IRS, so the colleges have taken to hiring presidential pay consultants to recommend pay raises before proceeding. Such a procedure was conducted at Touro College, for instance, before awarding Lander his compensation.

Joseph Robert Kerrey, the former governor of Nebraska and US senator, also made the list as the president of the New School in New York City, raking in $1,084,319.

Kerrey's term as president was filled with controversy, including large budget cuts and disputes with faculty. In December of 2008, Kerrey received a vote of no confidence from the Faculty Senate, after members said Kerrey had undermined the quality of the university's education to cut costs.

Walter D. Broadnax of Clark Atlanta University, another top earner, received $1,158,537 in pay in 2008. Broadnax left Clark Atlanta in that same year after pushing through aggressive budget cuts. Before leaving he too received a vote of no confidence from the Faculty Assembly of the university.

Diane Plummer, former head of the Faculty Assembly, said that the president's pay was "disgraceful" given the financial situation of the university and the layoffs that occurred during his time there. "We assessed him up, down, sideways, and backwards," she said. "We couldn't find anything that the man had done right, and yet he was paid all this money."

Also high on the list was John M. Lilley, who served as president of Baylor University in Texas from 2006 to 2008, who received $1,445,373. During his tenure as president, Baylor came under investigation for taking kickbacks from a student loan company, Student Loan Xpress.

The boards that approve presidents' paychecks are largely staffed by businesspeople that transpose the rapacious practices of corporate boardrooms into universities. "Incentive bonuses" and one-time payments, like those popular among Wall Street traders and CEOs, have become increasingly common for college presidents.

Raymond D. Cotton, a lawyer specializing in university president contracts, told the *Chronicle of Higher* education that he expects payouts for college presidents to rise further in coming years, as colleges provide ever-larger retirement bonuses to their

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departing presidents.

The rise in college presidents' pay parallels a change in the role of university officials. Instead of guaranteeing the education of students, the primary function of the college president is to cut costs, slash spending, and raise tuition.

In 2010, 32.6 percent of college faculty had their salaries reduced, with the average pay cut being three percent. In 2008, the tuition of private colleges increased 4.8 percent after accounting for inflation. The average college president on the list cost each student at his college over $100 in tuition.

The astronomical rise in the number multi-millionaire college presidents comes at a time when most students have to work through college, and many take two, or even three jobs to make ends meet.

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