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Presidents' Pay Rises Faster at Public Universities Than Private Ones, Survey Finds

By TAMAR LEWIN

David J. Sargent, the 77-year-old president of Suffolk University in Boston, received a \$2.8 million pay package in 2006-7 — including a \$436,000 longevity bonus and more than \$1 million in deferred compensation — after the board of trustees, eager to delay his retirement, decided he had long been underpaid.

Mr. Sargent was the nation's highest-compensated university president in the annual survey by The Chronicle of Higher Education, being released Monday.

Others also received more than \$2 million. David P. Roselle, who resigned as president of the University of Delaware in June 2007, had a package of \$2.4 million, including deferred compensation.

And E. Gordon Gee, who forfeited more than half of his \$2 million compensation package when he resigned from Vanderbilt University in 2007 to become president of Ohio State University, is the highest-paid public university president, the survey found. Mr. Gee's Ohio State package was raised just this month to more than \$1.3 million.

While seven-figure pay packages had been limited mostly to prominent private research universities, some presidents of public institutions like Ohio State and Delaware, or private universities like Suffolk that offer few doctoral degrees, are also topping \$1 million in pay and benefits.

In fact, compensation for public research university presidents is growing faster than for those who head private institutions, the survey found.

"The public universities are still behind, but only by about \$100,000," said Jeffrey Selingo, the editor of The Chronicle.

Median pay and benefits for presidents of public institutions rose 7.6 percent in 2007-8, to \$427,400, The Chronicle said. Over a five-year period, the public universities' median compensation rose 36 percent, compared with 19 percent at private institutions.

The Chronicle's most recent compensation data on public universities came from 2007-8; for private colleges and universities, the most recent data available, from tax filings, is from 2006-7.

"It's surprising that many public universities are raising their presidents' salaries," said Senator Charles E. Grassley of Iowa, the ranking Republican on the Senate Finance Committee, who has been prodding universities for more accountability in spending and greater commitment to affordability. "In these hard

economic times, apparently belt-tightening is for families and students, not university presidents.”

Among the public university presidents, The Chronicle found, 59 received more than \$500,000 in 2007-8, compared with 43 the previous year. At the private institutions, 89 received at least \$500,000, compared with 81 the previous year.

The highest-earning presidents at private research universities, the survey found, were Henry S. Bienen of Northwestern, \$1,742,560 in total compensation; Lee C. Bollinger of Columbia, \$1,411,894; Shirley Ann Jackson of Rensselaer Polytechnic Institute, \$1,326,774; and John Sexton of New York University, \$1,324,874.

They were followed by Amy Gutmann of the University of Pennsylvania, \$1,088,786; William R. Brody of Johns Hopkins, \$1,060,772; James W. Wagner of Emory, \$1,040,420; and Constantine N. Papadakis of Drexel, \$1,021,537.

Mr. Selingo pointed out that these compensation packages were negotiated long before the current economic downturn. And despite the clamor over rising tuition rates, he said, it would be incorrect to suggest that even the highest presidential pay would have much effect on tuition.

“The more interesting comparison is faculty salaries, because that’s where there’s more tension,” he said.

The gap in faculty salaries between private and public institutions is growing. Median faculty pay at a public doctoral institution is about \$109,000, compared with about \$149,000 at a private research university, he said.

Recently, with the economic downturn, a few university presidents have waived or declined their bonuses or raises. For example, The Chronicle reported, in late September, Michael J. Hogan, president of the University of Connecticut, declined what would most likely have been a \$100,000 performance bonus.

Mr. Sargent, the Suffolk president, has pledged \$700,000 to financial aid there.

The circumstances that led to Mr. Sargent’s compensation package were unusual. He has been at Suffolk for 52 years, and was mulling retirement in 2006. The board hired a compensation expert and determined that their president, who had earned less than \$400,000 a year until 2004, was “woefully underpaid.” The board unanimously approved the \$2.8 million compensation package for 2006-7.

“The package was designed with the understanding that President Sargent’s value to the university has been, and is, extraordinary,” Nicholas A. Macaronis, chairman of the board, said in a written statement. “Under his leadership as professor, dean of the law school and president, Suffolk has grown into a world-class institution, with campuses on three continents.”

Mr. Sargent’s 2007-8 compensation has not been disclosed, and Greg Gatlin, a university spokesman, said Mr. Sargent was not available to comment.

The economic downturn could pose problems for Suffolk, a university with more than 9,200 students, including 1,625 at the law school. Last month, Moody’s Investors Service, citing Suffolk’s aggressive debt

structure, said the university had a negative longterm credit outlook.

While Mr. Sargent is in the spotlight now, the longstanding symbol of high pay in academia has been Mr. Gee, the Ohio State president, who in addition to serving at Vanderbilt has served as president of [Brown University](#), the [University of Colorado](#) and [West Virginia University](#). He also had a stint at Ohio State.

If he had stayed at Vanderbilt, and not had to forfeit his deferred compensation, Mr. Gee would have been the highest-paid president at a private research university, according to the survey. Instead, he cemented his position as the highest-paid public university president last week, when the trustees approved a bonus structure that would bump up his compensation for his first year.

The trustees raised Mr. Gee's base pay by 3.5 percent, to \$802,125. He is also receiving a 40 percent, or \$310,000, performance bonus for his first full year, with further bonuses in future years. His total compensation since being hired in October 2007, including deferred pay and retirement benefits, comes to almost \$1.4 million, and could approach \$2 million this year.

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