

University presidents rake in millions

As tuition continues to rise and the U.S. student debt crisis intensifies, some private college presidents are bringing home more money than ever. Sixty-one of them, to be exact, are being paid more than \$1 million.

That figure, from the **Chronicle** of Higher Education's ranking of compensation for the heads of U.S. colleges, is up from the previous year's total of 58 million-dollar winners. Former Baylor University president Kenneth Starr, the independent counsel who pursued President Bill Clinton, led the pack for 2016, the latest year for which data are available-but there should be a big asterisk next to his name.

The former Baylor University president saw his compensation more than triple to \$4.9 million due to his severance agreement with the school, according to the report, published Sunday. Starr left after an investigation found that the university mishandled sexual assault allegations against football players. In 2015, he was 29th on the list.

Bloomberg

The terms of Starr's severance agreement remain confidential, according to Lori Fogleman, a Baylor spokeswoman. She declined to comment further on the report.

"Were Baylor not to have undergone the controversies that arose from the football scandal there, I think there's a good case to be made that Columbia would have been the highest," said **Dan Bauman**, one of the authors of the **Chronicle** report.

Coming in second was Columbia University's Lee Bollinger, who made \$3.9 million-far greater than the approximately \$560,000 average total compensation for school heads serving the full year.

"Columbia's trustees conduct an independent and thorough annual review of President Bollinger's performance," Lisa Carnoy and Jonathan Lavine, co-chairs of the Trustees of Columbia University, said Monday in an emailed statement. "His experienced leadership of Columbia for 16 years has been vital to the university's continuing progress."

The data for the annual survey were drawn from federal tax filings for 500 private, nonprofit schools. Total compensation for university leaders includes base pay, bonus pay, nontaxable benefits (for example, health benefits, life insurance and dependent care) and other pay (such as severance payments, spending accounts and club dues). Such perks as housing and travel may also be included.

Presidents who served both full years in 2015 and 2016 saw a raise of almost 4 percent, according to the report. The continuing upward trend in university executive compensation comes at an awkward time for the higher education industry.

Federal student loans are the only consumer debt segment with continuous cumulative growth since the Great Recession. As the costs of tuition and borrowing continue to rise, the result is a widening default crisis that even Fed Chairman Jerome Powell labeled as a cause for concern.

Student loans have seen almost 157 percent in cumulative growth over the last 11 years. By comparison, auto loan debt has grown 52 percent while mortgage and credit-card debt actually fell by about 1 percent, according to a Bloomberg Global Data analysis of federal and private loans. All told, there's a whopping \$1.5 trillion in student loans out there (through the second quarter of 2018), marking the second-largest consumer debt segment in the country after mortgages, according to the Federal Reserve. And the number keeps growing.

The ranking of highly paid college presidents can be volatile for many reasons. Wake Forest's Nathan Hatch,

who ranked number one in 2015 with \$4 million, benefited from deferred compensation that year. This year, he didn't make the top ten. Kimberly McGrath, a spokeswoman for the school, confirmed that a supplemental executive retirement plan had accrued over 10 years and was paid out in full. Hatch's \$1.1 million reported for 2016 was more in-line with previous years.

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