

Deferred compensation used to keep private college presidents from stepping down contributed to pay increases averaging almost 9 percent for leaders in office two or more years, a new analysis finds.

The **Chronicle** of Higher Education on Sunday night released its latest annual look at what hundreds of private college and university leaders across the nation are paid.

It found that 39 presidents earned more than \$1 million - including one who topped \$5.4 million - compared with 32 who earned \$1 million or more the previous year.

The data covered 2014, the most current year available for national comparisons.

Many top earners received payouts in that year from deferred compensation agreements with their schools. Those leaders would have forfeited the money set aside in previous years had they left while the agreements were still in force, said **Dan Bauman**, a data reporter at the **Chronicle** involved in collecting and analyzing the pay information.

He noted a long-standing criticism heard on campuses about the practice: that hefty payouts sometimes totaling \$1 million or more are not in keeping with the not-for-profit nature of those institutions.

For their part, members of some campus boards cited such rationales as they "were just starting a strategic plan and we didn't want to sidestep it to find a new president," Mr. Bauman said. Others said they "were in the midst of large enrollment increases and wanted to stick with a particular president."

Overall, the highest-paid in this year's survey was Jack Varsalona of Wilmington University in Delaware, whose total compensation of \$5,449,405 included \$427,345 in base pay and \$4,631,035 in deferred compensation.

Mr. Varsalona, president since 2005, is stepping down next year. Officials there say the school of nearly 22,000 students gained university status during his tenure and that the **Chronicle** found Wilmington's growth rate from 2004 to 2014 second-highest nationally among nonprofit universities.

Second-highest-paid in the survey was chancellor Mark Wrighton at Washington University in St. Louis with total compensation of \$4,185,866, including \$943,583 in base pay and \$3,190,471 in other compensation; and third was R. Gerald Turner, Southern Methodist University, whose total compensation of \$3,354,128 included \$664,342 in base pay and \$2,246,474 in other compensation.

Top Pennsylvania earner was Amy Gutmann, president of the University of Pennsylvania. Her total compensation of \$2,962,708 included a bonus of \$1,450,000 that exceeded her base salary of \$1,216,096.

Among Western Pennsylvania schools, highest in the survey was Carnegie Mellon University president Subra Suresh, with total compensation of \$897,840, including \$738,063 in base pay.

In all, the **Chronicle** examined IRS form 990s to find the pay and benefits of 516 leaders who served all or part of 2014 at one of the 499 campuses surveyed.

To compare earnings between 2014 and the previous year, the **Chronicle** said it focused on 377 campus heads who were in office for all of 2014 and 2013.

Those presidents saw their average pay rise by 8.6 percent to \$531,817. The growth exceeded inflation but was not the highest in the survey's history, Mr. Bauman said.

He said average compensation grew between 2010 and 2011 by 9.2 percent.

The **Chronicle** conducts a separate survey of public college and university presidents in late spring or early

summer each year.

Rounding out the top five nationally were Ms. Gutmann from Penn and Lee Bollinger of Columbia University, with \$2,447,032 in total compensation that included \$1,298,577 in base pay and \$695,000 in bonus pay.

In Pennsylvania, after Ms. Gutmann, second-highest-paid was Drexel University's John Fry at \$1,284,630, including \$802,218 in base pay and \$465,000 in bonus and other compensation, followed by Mr. Suresh from Carnegie Mellon.

Five Pennsylvania presidents, among them Norman Hipps of Saint Vincent College, received no compensation and leaders of some other religious institutions received nominal amounts.

Among the Pittsburgh campuses, pay included: Charles Dougherty, who retired as president of Duquesne University in June and received \$623,393 in total compensation in 2014, including \$595,599 in base pay; and Esther Barazzone of Chatham University, who left office this past summer and made \$581,713, including \$515,837 in base pay.

Tori Haring-Smith, of Washington & Jefferson College, earned \$512,355, including \$308,781 in base pay and \$122,961 in bonus pay.

Copyright (c) 2016 Pittsburgh Post-Gazette