

For Immediate Release
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CFA LAUNCHES TV ADS BLASTING CSU ADMINISTRATION'S WASTE OF TAXPAYER DOLLARS

**--Ads Call on Governor to Sign Education Reform Bill AB 1413; Bill Would Eliminate
the Waste, Fraud and Abuse of Taxpayer Dollars by the CSU Administration --**

Sacramento – Today, the California Faculty Association launched television ads blasting the CSU Administration for wasting taxpayer dollars and calling for the Governor to end the fraud by signing reform bill AB 1413, authored by Assemblyman Anthony Portantino. The ads, which will run this week in Sacramento, tell the story of the CSU Administration handing out six-figure deals for departing executives and “no show” consulting gigs at the same time student fees doubled. To view the 3 different 15-second spots, click www.signab1413.com.

“We launched this ad campaign today because CSU students and faculty are outraged by a CSU Administration that continues to make awarding lavish salaries and executive perks its number one priority,” said Lillian Taiz, President of the California Faculty Association and History Professor at Cal State Los Angeles. “AB 1413 would once and for all stop the waste, fraud, and abuse of taxpayer dollars by the CSU Administration and return the focus back to providing a quality education for students. The Governor prides himself on being a reformer and by signing AB 1413 he will bring much needed reform to the higher education system in California.”

Just last week, the CSU Board of Trustees approved executive pay raises ranging from 9 to 18% for 28 executives while student fees have been hiked another 10%. The Board supports a 40% pay increase over the next four years for CSU executives, a move that has faculty, students, and the Legislature outraged. Last year, media reports revealed the Board was handing out six-figure “consulting” gigs to executives who were doing no work for the University and “transition” pay for executives who were no longer working for the CSU – even to some who had already taken new jobs.

AB 1413 would put in place stricter guidelines to ensure state resources are not wasted on lavish executive salaries and perks. By putting reasonable compensation guidelines into state law, the bill would ensure on-going accountability to the legislature.

Last week’s executive pay raise brings the average campus President salary to \$291,821 and the top CSU executive salaries to \$310,274. Chancellor Reed’s new salary is \$421,500, more than earned by the head of the UC and the state’s governor. The top 28 executives now make a combined \$8,263,268 after the \$840,767 in raises. In addition they all get free houses or \$60,000 a year housing allowances and \$1000 a month for cars.

AB 1413 is a bi-partisan measure to improve the public dialogue, accountability and management of the CSU administration and Board of Trustees. AB 1413 will ensure more responsible and transparent decision-making to curtail the wasteful expenditure of millions of dollars in taxpayer dollars that have been revealed by numerous media investigations – faulty computer systems, executive compensation increases and administrative perks – issues that could have been avoided by improved communication and legislative oversight.

AB 1413 also enacts guidelines to ensure state resources are not wasted on lavish executive salaries and perks. Furthermore, AB 1413 places reasonable compensation guidelines into state law, thus ensuring on-going legislative accountability, as opposed to an adopted policy that can easily be modified or subverted without any legislative action.

For more info, contact Lisa Cohen and 310-395-2544 or see www.SignAB1413.com.

About AB 1413

AB 1413 permits the four elected ex officio members of the Board of Trustees –Governor, Lt. Governor, Speaker of the Assembly, and State Supt. of Public Instruction – to designate a staff person from their office to attend Trustee meetings in his or her absence solely to ask questions and provide input on behalf of the ex officio they represent, but without the authority to vote or attend closed session meetings.

Allowing ex officio members to have their staff represent them when they are unable to attend Trustee meetings will provide the Board of Trustees with increased expertise and help prevent the board from taking actions that are politically embarrassing to state policymakers or would unnecessarily waste taxpayer dollars.

To prevent the Board of Trustees from wasting millions of dollars on administrative perks – many who had “retired” from the CSU and earning six-figure salaries from other employers – AB 1413 establishes the following reasonable guidelines:

- Allow “transition pay” (payments to retiring executives) only for work performed, with the amount of payment not exceeding the salary level at the time of separation.

- Specify that executives provided “trustee professorships” receive compensation only for teaching, with the compensation not allowed to exceed the top pay for a CSU full professor.

- Require the Board of Trustees to approve all executive contracts in public session and to reveal all contract language addressing compensation and benefits, not just salary.

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