

For Immediate Release  
September 27, 2007

Contact: Lisa Cohen, 310.395.2544  
Eduardo Martinez, 916-319-2044

## **CFA AND ASSEMBLYMAN PORTANTINO CALL FOR CSU ADMINISTRATION TO RELEASE MERCER REPORT**

### **-- Report Used to Justify 11.8% Raises for Executives Called “Questionable”; Administration’s Secrecy Reinforces the Significance of Reform Bill AB 1413 --**

Sacramento – Assemblyman Anthony Portantino and the California Faculty Association sharply criticized the two studies that the CSU Administration used for the justification of 40% pay raises for executives over the next four years. A report released by the Assemblyman and CFA reveals that the CPEC report data the CSU is using is four years old. As a result, 23% in pay and perks that the executives have received in recent years were not factored into their conclusions. Furthermore, the annual \$60,000 housing allowances and \$1,000 per month car allowances were also not included. In addition, Assemblyman Portantino called for the release of the entire Mercer report – a report for which the CSU Administration paid \$28,000 in taxpayer dollars.

Portantino stated, “I am extremely disappointed that the Board of Trustees approved raises for executives at a time when student fees have doubled. The data that was used to justify the raises cannot be confirmed and it is out of date. It is absolutely absurd that a public institution refuses to provide information to the public they are serving and I am calling on them to, once and for all, release the entire report. The back-room dealing and secrecy has caused the public to lose trust in the CSU Administration. That is why I authored AB 1413 -- it is time to restore that trust.”

On September 19, 2007, CSU Trustees approved 12% raises for campus presidents and other top executives. The cost to taxpayers is \$840,767

The CFA report released today revealed what those funds could have been used for:

- 981 EOP grants<sup>3</sup> for low-income and underrepresented, first-generation college students, or
- 647 grants to cover the cost of textbooks<sup>4</sup> for a year, or
- 303 grants to cover the cost of undergraduate student fees for a year, or
- 207 additional course sections to help about 8,300 get the classes they need to graduate

Lillian Taiz, President of the California Faculty Association added, “Faculty and students are absolutely furious with the misplaced priorities of the CSU Administration. Student services are decreasing, class sizes are exploding, yet precious taxpayer dollars are going towards executive pay raises. This is exactly why we support AB 1413 and SB 190. The

Administration is running the CSU more like Enron executives than leaders of a public institution and these two bills will bring an end to it.”

Over the years, the CSU has spent millions of taxpayer dollars on lavish “executive transition payments” and “special projects” for departing executives, even during periods of budget cuts and skyrocketing student fees. The cost of some the recent special parachute perks exceeds \$3.6 million. If this money had been spent on students instead, it could have paid for:

- Another 4,225 EOP grants for low-income students and underrepresented, first-generation college students, or
- Another 2,785 grants to cover the cost of textbooks for a year, or
- Another 1,306 grants to cover the cost of undergraduate student fees for a year, or
- Another 891 additional course sections to help about 35,000 students get the classes they need to graduate

For more information on AB 1413 go to [www.signab1413.com](http://www.signab1413.com). To view a copy of today’s report, go to [www.calfac.org](http://www.calfac.org).

###