



Oral Statement to Joint Hearing of Assembly Budget Subcommittee No 2 on Education Finance & Assembly Committee on Higher Education

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Two sets of studies

➤ 2010 study – presidents on corporate boards

- 134 public & private universities
- Top tier, most public

➤ Of these, 43 served on 73 board(s)

➤ 2010 study of presidential contracts

- Members of American Assoc of Universities
- Interviewed presidents of 8 universities

Compensation

- Total paid to 43 prez in 1 year: \$11M
- Average directorship: \$148K/year
 - For more than half: \$163K/board
- For the 65 boards with compensation:
 - Low: \$18K/yr High: \$450K/yr
 - Over half paid more than \$100K/yr
 - 22 paid more than \$200K/yr
 - 4 paid more than \$300K/yr

Time

- **# board mtgs/year/corp board: 3-6**
 - 73 corps held 540 full board meetings in 1 year
- **Most prez served on at least 1 committee**
 - Total of 600 committee mtgs in 1 year
- **On average, prez participated in 24 mtgs per year per corporate board**
 - 12 days/year in meetings/board
 - About 1/3 traveled across country to attend (adds up to 2 days/meeting)

Some policy questions

- Prior approval from board or submit to independent ethics commission?
- Do universities have policies to regulate pres'l relationships with corporations?
- Should boundaries be established?
- What are appropriate mechanisms for disclosure and/or transparency with stakeholders?

Advantages/disadvantages for univs

- Are there reasons to appoint prez as trustees of corps?
- Does this benefit universities?
- Are these prez more likely to promote business practices or entrepreneurial activity on campus?
- Do corps influence univ programs or research?