

AGENDA

COMMITTEE ON UNIVERSITY AND FACULTY PERSONNEL

Meeting: **11:45 a.m., Tuesday, May 10, 2011**
 Glenn S. Dumke Auditorium

Glen O. Toney, Vice Chair
Roberta Achtenberg
Debra S. Farar
Kenneth Fong
Margaret Fortune
Peter G. Mehas

Consent Items

Approval of Minutes of Meeting of March 22, 2011

Discussion Items

1. Executive Compensation: President—San José State University, *Action*
2. Executive Compensation: Interim President—California State University, East Bay, *Action*

**MINUTES OF THE MEETING OF
COMMITTEE ON UNIVERSITY AND FACULTY PERSONNEL**

**Trustees of The California State University
Office of the Chancellor
Glenn S. Dumke Conference Center
401 Golden Shore
Long Beach, California**

March 22, 2011

Members Present

George G. Gowgani, Chair
Glen O. Toney, Vice Chair
Roberta Achtenberg
Debra S. Farar
Kenneth Fong
Margaret Fortune
Raymond W. Holdsworth, Jr.
Peter G. Mehas
Charles B. Reed, Chancellor
Herbert L. Carter, Chair of the Board

Chair Gowgani called the meeting to order.

Approval of Minutes

The minutes of January 26, 2011, were approved as submitted.

Mercer 2011 Presidents' and Faculty Total Remuneration Study

Ms. Gail Brooks, vice chancellor of human resources, introduced, for information, the recent presidents' and faculty total compensation study; the study includes cash compensation, benefits and perquisites. She reminded everyone that the board asked for a report on president and faculty total compensation relative to the market at least every five years. The last report was presented in September 2006.

Mr. Stephen Pollack, principal consultant in Mercer's Human Capital business, and Mr. David Harcourt, senior associate in Mercer's Information Product Solutions business, were introduced by Ms. Evelyn Nazario, assistant vice chancellor of human resources management. Ms. Nazario explained that for ease of presentation, results of the 2011 presidents' and faculty study would be presented together; however, each group was measured against their respective peers in the CPEC 20.

Mr. Pollack shared the results of the study in a PowerPoint slide presentation. A copy of the

presentation (CSU Presidents' and Faculty Compensation, Benefits and Perquisites Review) was provided as a handout.

Vice Chair Linscheid asked if there was a comparison between the 2006 and the recent study. Mr. Pollack did not have the 2006 results readily available but indicated that the direction was very similar to what was presented in 2006 and there has not been a significant change in the results. It was noted that the 2006 data would be provided.

Trustee Guzman asked if the actual data would be posted as she was interested in seeing highs and lows of the comparative data. Mr. Pollack responded that his understanding was the custom presidents' survey would be posted and noted that due to confidentiality, the custom survey will only show averages, not the range of presidents' salaries.

Chancellor Reed remarked that it is becoming more difficult to recruit presidents and faculty as the CSU falls further behind its peer institutions and other universities across the country. He reminded the board that a five-year compensation plan had been developed to address salary lags for all employees; however, with the exception of faculty, employees had not received pay increases since 2007. In addition, the data presented did not show the 10% reduction in pay employees took as a result of last year's furloughs. He acknowledged that if the economy and revenue improve, a top priority will have to be compensation and expressed concern about employees being attracted to other institutions who are able to compensate them. Chancellor Reed also noted that other institutions are paying bonuses from \$100,000 to \$400,000 when recruiting individuals at the president and vice president level. He stated that the CSU does not pay bonuses but it is what the competition has started to do.

Trustee Gowgani adjourned the meeting.

COMMITTEE ON UNIVERSITY AND FACULTY PERSONNEL

Executive Compensation: President—San José State University

Presentation By

Charles B. Reed
Chancellor

Summary

The California State University Board of Trustees appointed Dr. Mohammad H. Qayoumi as president of San José State University in closed session on March 21, 2011. This action item presents the proposed compensation package for Dr. Qayoumi as president of San José State University.

Executive Compensation

This item recommends that Dr. Mohammad H. Qayoumi receive an annual salary of \$328,200 effective July 1, 2011, his starting date as president of San José State University. Additionally, Dr. Qayoumi will receive an annual supplement of \$25,000 from San José State University Foundation sources. Dr. Qayoumi shall be required to occupy the official university presidential residence located in San José, California, as a condition of his employment as president.

In accord with existing policy of the California State University, Dr. Qayoumi will receive the following benefits:

- A vehicle allowance of \$1,000 per month in lieu of a university-provided vehicle.
- Standard benefit provisions afforded CSU executive classification employees.
- Relocation of household goods and property at an amount authorized by the chancellor. The university will provide temporary storage for Dr. Qayoumi's household furnishings and goods for 60 days, with the understanding that the chancellor may extend the storage period for an additional 30 days if necessary.
- Reimbursement for brokerage commissions, escrow fees, prepayment penalties, recording fee, grantor's taxes and expenses incurred in the selling of the family residence at an amount authorized by the chancellor.

- CSU Board policy for a transition program for university presidents will apply and as an executive appointed prior to November 15, 2006, Dr. Qayoumi remains subject to the Executive Transition Program passed by the CSU Board of Trustees on November 18, 1992 (RUF 11-92-04).

The following resolution is recommended for adoption:

RESOLVED, by the Board of Trustees of the California State University, that Dr. Mohammad H. Qayoumi shall receive a salary set at the annual rate of \$328,200 effective July 1, 2011, the date of his appointment as president of San José State University. Dr. Qayoumi will also receive an annual supplement of \$25,000 from San José State University Foundation sources; and be it further

RESOLVED, Dr. Qayoumi shall occupy the official presidential residence located in San José, California, as a condition of his employment as president; and be it further

RESOLVED, Dr. Qayoumi shall receive additional benefits as cited in Agenda Item 1 of the Committee on University and Faculty Personnel at the May 9-10, 2011, meeting of the CSU Board of Trustees.

COMMITTEE ON UNIVERSITY AND FACULTY PERSONNEL

Executive Compensation: Interim President—California State University, East Bay

Presentation By

Charles B. Reed
Chancellor

Summary

Dr. Leroy M. Morishita was recently appointed to the position of interim president of the California State University, East Bay Campus. Title 5 Section 42702 provides the chancellor authority to appoint acting presidents. This action item presents the proposed compensation package for the newly appointed interim president.

Executive Compensation

This item recommends that Dr. Leroy M. Morishita receive an annual salary of \$276,055 effective July 1, 2011, the date of his appointment as interim president of the California State University, East Bay. Additionally, CSU East Bay does not have an official university residence; therefore, Dr. Morishita will receive an annual housing allowance of \$60,000 for maintenance of his primary residence to fulfill presidential duties required as a condition of his employment as interim president.

In accord with existing policy of the California State University, Dr. Morishita will receive the following benefits:

- A vehicle allowance of \$1,000 per month in lieu of a university-provided vehicle.
- Standard benefit provisions afforded CSU executive classification employees.
- Dr. Morishita will not be eligible for any executive transition program as a result of serving as interim president.

The following resolution is recommended for adoption:

RESOLVED, by the Board of Trustees of the California State University, that Dr. Leroy M. Morishita shall receive a salary set at the annual rate of \$276,055 effective July 1, 2011, the date of his appointment as interim president of California State University, East Bay. Dr. Morishita will also receive an annual housing allowance of \$60,000; and be it further

RESOLVED, Dr. Morishita shall receive additional benefits as cited in Agenda Item 2 of the Committee on University and Faculty Personnel at the May 9-10, 2011, meeting of the CSU Board of Trustees.