

THE COOPER UNION
MEETING OF THE FACULTY-STUDENT SENATE EXECUTIVE COMMITTEE WITH
MEMBERS OF THE BOARD OF TRUSTEES

NOTES

Monday, April 8, 2013
10:30-12:30am
President's Meeting Room – Foundation Building, 8th floor

Present:

Faculty-Student Senate Representatives: Mike Essl (Chair), Thomas Micchelli, and Stan Mintchev (Secretary).

Board Members: Chairman Mark Epstein, and Francois de Menil.

The meeting began at 10:35am.

As per Article IV. 5. of the Rules of Procedure, it was noted that the purpose of the meeting was to provide an opportunity for dialogue between the Executive committee of the Faculty-Student Senate and the leadership of the Board of Trustees.

The conversation then turned to the Senate membership's questions for Board members.

[Please note: For the most part, the responses below are paraphrased as opposed direct quotations; a notable exception to this is emphasized by the presence of quotation marks.]

Q1: What do you perceive to be Cooper Union's strongest assets / greatest strengths?

The strength and caliber of the student body is the greatest asset, followed by the faculty. The quality of the education at Cooper is maintained consistently high as a result of the high level of the students.

Q2: What about its strongest financial asset?

The Chrysler Building is performing very well, even though it cannot keep up with increasing costs of education at Cooper. Development is getting better: last year was the strongest to date, showing evidence that the recent investments in staffing the office are already paying dividends.

Q3: Have the protests from 12/2012 affected the fundraising of the institution? If so, how?

The full-tuition scholarship has not been an attractive selling point to prospective donors; as a result, it is difficult to tell if the protests have had any effect.

Q4: What is the current selling point, if not the full-tuition scholarship?

The current selling point is a great education.

Q4: What plans does the Board have for growing and sustaining the endowment of the institution?

Aside from charging tuition, one has to work on various development/fundraising initiatives and proceed with investment strategies in order to grow the endowment. In recent years, Cooper Union has invested with great caution because it cannot afford to take a large hit; consequently, conservative (low-yielding) strategies have taken precedence over riskier, high-reward ventures. "We (Cooper Union) gamble very conservatively."

Q5: Aside from the restricted endowment, how much money is left? Has the unrestricted portion been fully liquefied?

The unrestricted portion of the endowment has been spent down numerous times over the last 40 years. In the past, Boards have sold off assets in order to re-inject funds into the spendable pool; at present, the institution has almost nothing left to sell. In 2015, unless new revenue streams are identified, the institution will no longer be able to function because it will run out of operating funds. This is referred to as the short-term problem; the longer-term deficit problem has to do with expenses outpacing rent revenues from Chrysler after inflation has been taken into account.

Q6: What is the timeline for the Board's decisions? Is there a possibility for a "summer surprise"?

The Board is engaged in discussions and deliberation, processes that are naturally taking a long time; there is no deliberate postponement of any decisions. There are many different ideas within the Board regarding how to move forward. There are essentially 3 different ways of fixing things: (1) undergraduate tuition (least attractive, last resort), (2) spending cuts / closures, and (3) identifying new revenue streams.

Q7: Is the new Design Institute a serious option? What about various rumors that this option includes the possibility of letting go of tenured faculty?

The Design Institute is an option, but a serious consideration so far as in tandem with (rather than instead of) the other schools. The possibility of letting go of tenured faculty is not realistic. Nevertheless, Cooper as well as many other institutions across the country will have to address the issue of tenure in its current form / consider changes to the tenure system, because it does not work well. For example, this is evidenced by the disproportionately high percentage of tenured faculty over the age of 50 at Harvard.

Q7: What about cross-disciplinary engineering?

The school must consider blurring the lines between various disciplines in order to stay competitive and move forward. It no longer makes sense to restrict students to narrow tracks and disciplines.

Q8: What kinds of undergraduate tuition models are currently being considered?

There are currently two examples being studied:

(1) The first of these is the model comparable to that of Olin College (the institution provided a full-tuition scholarship until recently, then decreased its discount rate uniformly across the board for all students); essentially, this is a flat tuition model.

(2) The second is the “leveraging” model, which uses financial aid as a means of maximizing tuition revenue while maintaining student quality; this model stipulates that students with means pay substantially more than those with more modest finances.

Q9: Should the decision be made to charge tuition, could the institution explore creative options on how to implement such plans? Are there not various ways of “charging tuition”?

Yes, we are looking at many options.

Q10: The Senate Executive committee would like to communicate the overall mood of the institution to the Board. Are you aware that the community is rather divided regarding plans being discussed, in the sense that there are views ranging the spectrum from unconditional commitment to the full-tuition scholarship policy to the position that education should be a paid commodity?

The Board is also divided (“has different factions”) regarding how to move forward. We understand that there is a communications issue at the institution that needs to be addressed.

Q11: It seems that if we charge tuition, we would need a substantial amount of new infrastructure. Is there a document that the community could turn to in order to see the detailed plans?

Not at the moment; everything is in flux.

Q12: We would like to establish a protocol regarding the scheduling of future meetings like this one. Whom should we contact in this regard?

We are happy to meet with anyone that wants to meet with us. We suggest that you get in touch with the Secretary of the Board and the Office of the President in order to schedule.

Q13: Will future meetings of the Board of Trustees be held on campus?

This is TBD.

Q14: When will the new governance of the School of Engineering be ratified?

This matter cannot be decided until the Board has made decisions regarding the future of the institution.

Q15: Do you think that the current Acting Dean of Engineering’s position as head of the Dean’s Search Committee poses a potential conflict of interest?

Yes.

Meeting adjourned at 11:20am