

# THE COOPER UNION ALUMNI & PIONEER

## Fee vs. Tuition (rev 4)

by Barry Drogin, EE '83

### Abstract

The subtleties of definitions in academia: fees are for academic instruction, tuition is for everything else, so, after students fees started, a “free education” and “full scholarships” have never been awarded to any Cooper students – except for those receiving financial aid. This is followed by consideration of when the President and his staff are speaking for the Board and when they are speaking for themselves, as pertains to the hiring freeze and the Development Office’s suppression of the Free Cooper Union community summit announcement.

At 2:27 to 3:05 of “Cooper Union Board of Trustees Chairman Mark Epstein Addresses the Cooper Community Part 4” posted on YouTube (<<http://www.youtube.com/watch?v=IRgHPVmXiIU>>), when asked about the student fees, Epstein asserts that student fees are not tuition. It is true that in some venues, the words “fee” and “tuition” are used interchangeably, and in some venues they are not. What Epstein does not address is the definition of either.

When the words are used separately, a student fee is specifically a monetary charge for academic instruction. This is in agreement with the wording in the FY 1980 Cooper Union Financial Report:

“The College has pledged to the Dormitory Authority ... the first \$230,000 of fees or other charges payable to the College by full- or part-time students for academic instruction.”

As clarified by the President of the California Faculty Association, in protesting an agenda item for an executive order that the word “fees” be changed to “tuition” at California State University (see <<http://www.calfac.org/news-release/cfa-statement-fees-vs-tuition>>), the word “tuition” allows an administration to use monies collected in an unrestricted fashion, at their discretion, for any cost that relates to the college’s “mission,” not just for academic instruction.

So Epstein is correct: at some colleges, fees are not tuition, and The Cooper Union can claim that it offers its students a “full-tuition scholarship,” but the meaning is the inverse of what the Cooper Union Community thinks it is.

Basically, the way the rest of the world uses it, “tuition” can be used for any purpose. If, then, you take an additional class, you are charged a “fee” for the additional cost of the academic instruction. Other colleges use it another way: you pay tuition, and then you pay a fee per credit hour. For lab courses you might also have to pay an additional lab fee. Of course, you may also incur other fees, like library penalties.

Of course, the Cooper Union Community has always assumed just the opposite – they have assumed they are receiving a free education, and that the student fees are for non-academic matters such as student activities or, given the high cost (presuming they’ve done the math), maintenance of the building and such.

Cooper covered itself because the \$230,000 it collected “for academic instruction” actually went into an escrow account, and never went for academic instruction. Similarly, after 2000, the college, on its books, “collects”

tuition from its students and then gives the money back as a “tuition discount” – the “full-tuition scholarship.” Recent Form 990s are explicit that the student fees don’t go towards academic instruction, although in 1980, when over \$230,000 was collected, where the extra money went was never spelled out (it was about another \$100,000 then, much more than the student Joint Activities Budget, for example, but they were called “student” fees).

Wouldn’t it be ironic if the Board announced that it was still offering a full-tuition scholarship but, blaming alumni, raising the student fees by some 450%, from \$825 per semester to \$3700 per semester? Would this be the kind of solution that the Cooper Union Community would embrace?

So, Mark, we stand corrected. Have it your way: The Cooper Union does not charge tuition. Unfortunately, neither does it currently offer a free education to all students. The carefully worded information on its website, titled, “Facts About CU” (<<http://cooper.edu/admissions/facts>>), tells prospective students that every admitted student will receive that “full-tuition scholarship,” then goes on to provide a little tale about Peter Cooper’s beliefs and the history of providing a “free education to working-class men and women without regard to ... economic status” (We’ll let go for now how that education can specifically be for “working-class” AND without regard to “economic status” – is “working-class” not an “economic status”?). Back in those days, whether you were working-class or not, the education was “completely gratuitous.” (Non-professional “amateurs” were like the auditors of today, or the continuing education students of the 20<sup>th</sup> century, paying to attend but not earning certificates or degrees). Ever since student fees were instituted (not before 1902, but well after, around 1962), if you’re not working-class, you pay the student fee. If you are working-class, you can apply for financial aid (The Cooper Union provides about \$2 million in such aid) – YOU get the free education.

If your head is hurting now, it’s because you’re not as smart as the people on the Finance Committee of the Board of Trustees when it comes to monetary matters and the subtleties of definitions in academia.

This leads to further questions – what does it mean to receive a scholarship, and what does “full-tuition” mean? After all, it would be kind of awkward to receive a full-tuition scholarship, and then be told you can’t actually attend any classes unless you also pay a certain fee per credit hour.

Follow me down the rabbit hole. There is financial aid, and there are merit scholarships. All colleges agree that the conjoined phrase, tuition and fees, does not apply to room and board, to books, and to transportation. That is why The Cooper Union puts the money students pay for student housing into the revenues column. There is full and partial financial aid, and merit scholarships for full-tuition and for some fixed amount.

But here is where The Cooper Union and all other institutions of higher education part ways. See, at other institutions, if you’re going to get a full-tuition scholarship, then you have to maintain a full course load, and the scholarship covers all non-academic costs, as well as the costs of the credit hours for that full load. At The Cooper Union you get a full-tuition scholarship, and then have to pay a student fee per semester, which acts like it goes towards the cost of the credit hours you are taking. And when the students and the alumni tell others that they received a free education, the administration looks the other way. Or maybe sometimes they forget, or there are many who are not in on this secret and speak and write freely about the free education that Cooper students receive. Now that the cat is out of the bag, this reporter’s story about the students paying student fees for academic instruction, published in *The Cooper Pioneer* back in 1980, is surfacing. As long as the student fees were low enough, a “Don’t Ask, Don’t Tell” policy could be maintained by all involved.

This is, literally, how the Board sees it:

**THE COOPER UNION FOR THE ADVANCEMENT  
OF SCIENCE AND ART**

Consolidated Statements of Changes in Unrestricted Net Assets

Years ended June 30, 2010 and 2009

	<u>2010</u>
Operations:	
Revenues and other support:	
Student tuition and fees	36,152,577
Tuition discount	<u>(33,172,546)</u>
Net student tuition and fees	2,980,031

Their financial statements never mention the word “student fees.” The Cooper Union charges “student tuition and fees,” and then they provide a tuition discount that does not leave the fees, it leaves net student tuition and fees. The Board knows full well they can raise the fees up to the level of academic instruction and still get away with claiming they provide a full-tuition scholarship. Looking through my archives, I found an old guide for student applicants that went into excruciating detail about how much you’d pay for one semester, for two, for a half-load, and how much would be refunded if you withdrew. This kind of language is straight out of the “fee per course” playbook. After 30 years of telling people that The Cooper Union is charging them for their education and being considered some kind of nut, I feel vindicated. I received this feedback from a classmate:

I remember you raised the issue of where the student fees were going back in the early 80s. I didn't care much back then because I thought \$300 was a heck of a bargain for a "free" education, and CU would always be "free." Now that CU is considering charging tuition, how they are handling student fees and the endowment is, of course, very important. Thanks for holding the administration accountable and looking out for future CU students.

It should be clear by now that the Board speaks to the public through the President, and it can be difficult to maintain a balance between when the President is speaking for the college and for the Board, and when he might think he is just speaking for himself (as when, for example, he makes a proposal to the Board). Do you think the Board pays him to spend four months investigating the financial mistakes of the Board? He’s been prepping for this media onslaught. For now he holds the cards, including the ones he hasn’t played yet. Certainly, they were smart enough to anticipate some blowback, so they played the first card by announcing an immediate freeze on hiring – as if, in October after the school year has already started, there is that much hiring going on. Then they hired some people, so they removed the language from the letter posted on the Cooper website announcing the hiring freeze. They told the Cooper community that the letter only announced a hiring freeze for people not “essential to the reinvention strategy” – although such a reinvention strategy had not been defined, agreed upon, or otherwise approved by the Board yet – or had it?

Then they took a second step. The Alumni Association VP for External Affairs arranged for someone to book the Great Hall and have a summit to form working groups to save The Cooper Union and put charging tuition off the table. He sends his event announcements to the Office of Alumni Relations, who now reports to the VP of Development instead of External Affairs. Someone along that chain of command made the decision to send out the mass mailing *without* the summit meeting listed. The Alumni Association has 12,000 members, they elect the Alumni Council, and the administration has just intervened in allowing an elected member of the Alumni Council to do his job and communicate with the Alumni Association. The e-mail went out as signed by the Alumni Association. The Office of Alumni Relations is being turned into the Office of Alumni Affairs.

This ended up as being one of the first of many strange interventions and communications from the Office of Alumni Affairs. It took several months before the Alumni Council managed to wrest some control of communications to alumni back.

*The current version of this document can be found at <[http://www.notnicemusic.com/Fee\\_v\\_Tuition.pdf](http://www.notnicemusic.com/Fee_v_Tuition.pdf)>. Corrections to this document are appreciated and, if based on substantiated facts from legitimate sources, will be implemented by the author. The first two versions were completed on November 12, 2011, with a minor correction to the FY reference made on November 18, 2011, and additional material added on November 24, 2011. A revision to passages concerning the early history of the college, the president's salary, the escrow fund, the Form 990's, and the hiring freeze were made on May 7, 2013.*

*The Alumni Pioneer, <<http://www.notnicemusic.com/Cassandra/cooper.html>>, is a virtual newspaper with breaking news stories and links to analyses, sources and the media. It is written and formatted in an inverted-pyramid newspaper style to facilitate quick access to what is deemed the most important information. The abstract was added on January 28, 2012.*