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L to R on stage: Pres Bharucha, Raymond Falci, Michael Borkowsky, Francois De Menil, Ed Mokuvos, Mark Epstein, Tom Driscoll, Don Blauweiss

Trustees, other than Pres Bharucha, have entered and are on the dais, finding their seats. The room is quieting.

Pres Bharucha's father in law passed away and he is still in transit coming in. Dean Baker is ill and will not be attending.

Ed Mokuvos, Alum 78 will moderate for the evening. Elected Alumni Representative to the board. Recognize the Alumni association for putting this together in record time, looking forward to having an open forum like this. Mike Borkowsky will first give a presentation on the current finances. First, Rocco Cetera and Karina Tipton on the question selection.

Over 120 questions. First they were categorized. Using some categories from TC Westcott's FAQ categories, plus Community and some others.

Borkowsky: I'll go over some finance history, I've live thru much of it [laughs]. I didn't get Lincoln's signature, no matter what you've heard. Pres Humphries in 60's: half of years since the beginning were operating deficit. Peter Cooper's original purpose was not purely "free". Free education and the meritocracy came in around 1900. Abram Hewitt instituted the zero-tuition concept at that time. Tax equivalencies are the primary income since the 30's when the Chrysler building. Growing income from that kept us running. Pres White in 70's discussed need for changes, because even Chrysler was not enough income back then. Greencamp sold shortly after. When Greencamp was sold, I should have done more than write a letter, I should have rallied alumni to help save it, fund it. 1980's economy strengthened. 69-79 Chrysler up 1m->2.5m. 79-92 2.6m->13m. Helped fund dorm but deflected underlying issues. In 90's, the real estate market went down. Chrysler building was not maintained well. Not up to 13m again til 2002. About a 5m deficit in 2004, hasn't been fixed since. 45m capital campaign was exceeded but not enough. Already talks about tuition. 2001 new capital campaign for 250m. (Mistake earlier about 2004 for previous campaign.) Still deficit widened, capital campaign short. Too much reliance on capital campaign to both pay for building and re-fund the bank account. Not enough development until recently. Limited capacity of board, we're not as rich as them. Alumni giving has been low, not in total value, but in numbers. PR has been poor. Cost reduction has been insufficient. 10% wasn't enough, and wasn't even met. New building paid for itself, however, it did NOT bring in more money and excitement as it was hoped. It would be much better to focus on philanthropy, restructuring would be great if hard. Tuition is not desirable. [muted applause]

Mokuvos: Why wasn't community made aware of financial situation earlier?

Borkowsky: Most scenarios were not pointing here. Wouldn't have helped earlier.

Mokuvos: Might charge tuition in one school, not another.

De Menil: Board is considering all options. Given egalitarianism, it would be all or none.

Mokuvos: Can we look at smallest faculty/staff possible within means, aim at that?

Driscoll: Class size won't save, close school, more, but not likely.

Mokuvos: What is being voted on in March?

Epstein: Academics and future finances.

Mokuvos: How will tuition change fundraising?

Epstein: Many argue that they won't donate when we pay for rich kids, too. [muttering in crowd]

Mokuvos: Are we approaching large philanthropists?

Epstein: Yes, always. \$1m gift today from alum.

De Menil: Development is a long-term process. We are behind the curve but trying to catch up.

Pres Bharucha arrives [some applause].

Epstein: Faculty of Eng school realize that tuition may be necessary. [total silence]

Mokuvos: How much is being cut.

Driscoll: We cut out \$4m last year, looking for more.

Mokuvos: Cut salary?

Driscoll: Would be hard to get around union.

Mokuvos: What is tax equivalency and PILOT?

Driscoll: Not the same. Former are equiv of taxes paid, PILOT is what we would have paid if not nonprofit.

Mokuvos: How do we match up with other colleges?

Driscoll: We spend more on instruction than others. 60% academic here, 38-54% elsewhere.

Mokuvos: If one school would close, would that bridge gap?

Driscoll: We're looking for revenue, we don't want that. Might work with other revenue.

Mokuvos: Justification on renege on art ED admissions.

Epstein: In Aug Pres Bharucha asked for plans. Art school gave no plan, can't admit students. [very silent audience] What are plans for short term crisis? Pre-2015. Tuition won't fix by then.

Driscoll: Monetize some things, mortgage.

TC, can I keep going?

Westcott: Yes.

Driscoll: Mortgage the dorm. Monetize the old Eng building PILOT payments.

Epstein: We don't want to just dig deeper

Mokuvos: What would downsizing look like?

Driscoll: Cutting student body won't help [no talk of cutting administration significantly]

Mokuvos: How can Cooper Community learn to love and trust each other again? With trustees. [laughs and applause]

Blauweiss: Better publicize discussions. We meet with students after every board meeting. Some communication with faculty thru that committee in CUAA. Walk through FB 6th fl. More just having coffee and discussing things one on one [one clap].

Mokuvos: Pres Bharucha has arrived, thank you. [silence] Questions?

Paul Garrin A'82: I have a call for action. We need to constructively access the world better. Much better PR, attract money. Institute for Sustainability Eng+Arch, upcoming projects. Green Manhattan Project. Spoke with Cuomo office, concrete opportunity for us.

Approach this without creativity. [applause]

Al Wald Eng'55: Graded tuition scale option?

Epstein: If imposed, only those that afford, yes.

Dan Leonhart Eng'01: Corporate sponsorship model?

Epstein: Hard when we're not a research university. Pushing entrepreneurship, definitely open.

Bharucha: If corporate or federal funding, those \$\$ go to projects, not to bottom line.

Q: Student representation on board?

Epstein: Other schools that do this, students aren't in whole meeting, sensitive topics. We meet with student councils.

Q: I'm one. [laughter]

Maren Stange: And meeting with faculty?

Epstein: A matter of confidentiality. Let's speak about what you want to speak about. Better to have separate meetings than in a board.

Q: The point isn't to take into back, but to build a bridge of trust.

Driscoll: You didn't call me back. [laughter]

Student: I've been busy.

Driscoll: Yes, let's build a real dialogue.

Maren Stange: Union rep. I've never met with the board, never heard of it. Dialogue is off point. Point is to be part of it. Can't this top down approach to governance put us in legal jeopardy? Faculty needs better representation. [applause]

Mokuvos: We definitely need better dialogue. We don't want to evade but can't make the change tonight.

Sonya Sayres: Why move to a model that everywhere else has become unsustainable? [HUGE APPLAUSE] The only model is endowment. Admin and trustees have not sustained endowment. Faculty met yesterday in a wonderful moment of unity against strong-arming art school. After over 150 years, we can tell you how to model the meritocracy. This is the only place where what their parents do has no effect. That's the answer to donors who complain about rich kids. [STANDING O]

Mokuvos: The endowment model is the only one that works? We don't see that, practically. There's not a realistic way to get there right now.

Driscoll: Endowment model is correct, yes. We should try to renew endowment, and live off only that, yes. If we charge, get rid of it one day.

Sayres: You have not sold the idea of the school because you don't believe in the mission. [applause]

Borkowsky: You're correct about the benefit to the students, right about tuitionlessness driving selectivity, but hard to get an outside donor.

Driscoll: We need to raise a lot of money and need everyone's help. [applause]

Epstein: I believe in mission, but I have to make sure it survives too.

Sangu Iyer CE'99: Please talk about cuts on administrative question. 70's more deficit, but also charter changed, trustees not liable.

Driscoll: Everyone knows one professor they might want fired [hisses]. There's a balance that must be struck. TC says she'll check.

Iyer: Trustees no longer liable?

Epstein: All higher ed getting expensive, we're not Carnegie, Rockefeller. We're not rich. Would have no trustees.

Q: Private institutions 2001, 20% of private institutions have student trustees. If we are top 20%, shouldn't we, too?

Q: In fall, faculties were charged with financial plans. Are they now responsible for them separately? How must administration change?

Bharucha: There is language in governance such that faculty can be asked for financial input. Good model: deans see incentive to raise money.

Q: Faculty have satisfied advisory roles.

Bharucha: They've done an excellent job. [applause]

Sarah James Donor (?): 6 years in writing center, first time teaching, please come to my class. I have taught in several places, but... I feel like I've been taught here, by students. [applause] So what thoughts did you have on what should be taught?

Epstein: Not curriculum. Best asset here is the students. [applause]

Atina Grossman: There are supposed to be meetings between faculty in the senate, they keep cancelling.

Epstein: We want them, definitely.

Bharucha: We want to have more faculty talking about their work on academic affairs committee. Will be easier after this "mode" of urgency.

Grossman: Word restructuring used, what do you mean? Also, I've never since 70's been confronted with such a male podium. [laughter and applause] This leads into the makeup of the board, how can YOU diversify?

Epstein: We're aware we are all male and white. 2 females left, 2 are coming. We're looking for people of all colors and types. Also, Rachel Warren (female trustee) here in front row. Restructuring is a generic term, staying current, looking into options, not something specific. TC? [applause]

Westcott: FY2012 Proj budget 47.9% academic, 48.1% admin. FY2013 49.4% academic, 46% admin.

Epstein: A huge debt of gratitude for all of TC's work. [applause]

Q: Avoiding tuition would be good, we agree. How about a tithing solution?

[applause] Driscoll: It's a reasonable possibility. Yes, won't solve short term, but it seems reasonable to look into it.

Bharucha: It's a great idea. It would have to be voluntary. If we could make it effective, but individual contracts and collecting on it...

Westcott: RTF has looked at it. We don't want to end up suing alums.

Bharucha: It would be better to try it voluntarily.

Epstein: I asked a student to donate a percentage, was told that makes it a student loan.

Kevin Slavin: That was me.

Epstein: No it was another.

Driscoll: If the student gift is a percentage pledge, it would be warmly received.

Q: How about the nature of the Art ED?

Epstein: It was not punitive.

Victoria Bertotti A'82: The only 4th gen Cooper Grad. [APPLAUSE] We are not in online ed [muttering] hold on! May be new funding mixed model...this is my PhD study, my feet are wet. I think we can translate Art school online [rabble] and discuss this. I volunteer to help it. Let me into the arena, give me an audience, I will help. [applause]

Epstein: We haven't found a fit yet.

Bertotti: Let me into conversation. [appl]

Sebastian K.: Art 2015. hopefully. [laughter] Lots of "I don't know", give us a date when you will know.

Epstein: March 6th, soon after.

Sim Blaustein ME'99: We need a long-term vision, otherwise who will donate? What is the impact to selectivity if we're not free?

Driscoll: We have looked through it, yes. How to mitigate, too. I think we'll still be top 10 even if we charge.

Blaustein: I don't. [applause]

Q: Why would parents send kids here if it's not free & we don't have what other schools do?

[Rod Knox: because it's Manhattan, NYC!] [laughs]

Epstein: I am a parent, I'd send my kids here because we're excellent.

Sayres: The brilliance here can't be duplicated without it. [applause]

Epstein: That's what we're faced with. If we had the endowment to do it, we would.

Arch Student: It was said that Art ED issue was not punitive? If accountability split, agency for it is still on the board. Unsustainable!

Q: We can't find a solution without attribution. Those with responsibility need power to change the school. Why all behind closed doors?

[applause] Driscoll: I'm confused that this wasn't transparent. [hisses] Task forces all went into this.

Q: I want individual responsibility.

Driscoll: I'll tell you how I vote.

Q: I want to know for those not here. [applause]

Q: If you held things back, MB, are you holding back now?

Mokuvos: The difference is that we're here today.

Q: When you deferred Art students, you damaged our school. [some applause]

Q: Will you put names, going forward, to all your decisions? Not unprecedented, but let's set the precedents. [HUGE APPLAUSE]

Q: When you plan to ruin our school with tuition, how will you individually deal with that moral crime?

Mokuvos: Sorry to end on that note. [BOO]

Kevin Slavin: I'm sorry, 2 Q's. Audience, do you feel the transparency? [very few hands] Where is the disconnect?

Driscoll: The community has thought that the school is rich, the communication has been bad for a long time. We need to be sustainable. Have failed in other ways? Yes, we have. [booing, want more Q's]

Mokuvos: We have to end it at some point, we have to go. [some applause] This is not the last time we'll meet.

Epstein: Please email me, call me, we just have other commitments tonight. [Boos, "Mission means union"]

End of event