

WITHIN OUR MISSION, WITHIN OUR MEANS

Since 2011, the severity of Cooper Union's financial crisis has catalyzed an enormous response from its community of faculty, students, alumni and staff. Together we're determined not only to preserve, but to better, Cooper's foundational mission of free education.

We've channeled our collective energies into an open, yearlong brainstorming process focused on preserving a tuition-free Cooper Union. Our results, published in the community-authored report *The Way Forward*, are based on three straightforward principles: 1. Our mission is not fungible; 2. Our best shot—and it's a good one—is to tackle spending and live within our means; and 3. In our fight, as in our school, we are united.

Cooper's current leadership has repeatedly dismissed the recommendations of faculty, alumni, students and staff. Jamshed Bharucha's own repudiation of *The Way Forward* is instructive. He claims that since the Chrysler rent revenue is not tied to inflation, Cooper cannot keep pace with its growth in expenses. This reveals a fundamental difference in approach: the administration single-mindedly insists we must increase our revenue in order to feed our unsustainable spending, while we continue to ask how can Cooper live within its means? The administration also choose to omit this: increasing revenue from Payment In Lieu of Taxes (PILOT) on Astor Place, and continuing growth in Chrysler PILOT, Cooper's primary revenue stream. Initial investigations show that PILOT is outpacing inflation. This year, Chrysler PILOT alone totaled over \$18 million.

We know the revenue from the Chrysler building, and importantly, our PILOT revenue are both going up. Lack of revenue is not what's killing us. It's our unsustainable spending, driven by skyrocketing administrative costs.

The community's recommendations in *The Way Forward* affirm that this crisis presents an opportunity for Cooper, one in which we can assess our true means and return to our core values. To do this, we must tackle costs. We believe we should immediately:

- Identify and suspend all non-essential programs and functions
- Implement further cuts in spending across the board
- Implement longer-term recommendations from the Expense Reduction Task Force, including the replacement of Deans with rotating faculty appointees
- Terminate all consultants who are not highly cash-flow positive

- Reconfigure development strategies:
 - fundraise on the strength of the mission, and with professional expertise in each respective degree's field
 - leverage the creative worth of alumni and students
- Initiate a true hiring freeze
- Use cost cutting measures to recalculate the budget gap going forward and establish a new set-point in expense estimation

The community stands with the faculties, who have spoken out in defense of the mission. We believe that instead of trying to strongarm the faculty into accepting tuition based programs, the administration should:

- Engage the Faculty of the Whole in a review of existing programs and academic strengths. Initiate an open strategic planning process that activates the entire Cooper community
- Collaborate with the faculty to leverage our greatest asset: our mission
- Set up a "bridge" Capital Campaign to cover the gap that is left over from the cost cutting
- Kick off a long-term Capital Campaign centered on our unique mission, and sustaining our reputation as one of the best schools in the country

The community's trust in the administration and Board of Trustees has been broken, and Cooper's reputation as a whole remains badly injured from a lack of transparency. The institution has operated like this for too long. To overcome this crisis, and safeguard against future crises, we believe Cooper's leadership must take several steps to inform, involve, and rely on its existing skilled communities:

- Publish notes from Board meetings and revive the tradition of releasing a detailed annual report
- Rebuild Cooper's community ties to the East Village and the city
- Expand volunteer tutoring/outreach to New York City youth (grow down)
- Engage alumni to donate professional services to Cooper

Over the last year, Cooper's leadership has failed time and again to understand what drives the excellence of our programs. By issuing the schools individual revenue targets, the administration discouraged innovation across programs. By reinforcing existing inequalities in resource allocation, and promoting the development of unproven tuition based campaigns, the administration's lack of creative thinking proves as grave a threat as our budget deficit. **Tell President Bharucha and the Trustees we stand united behind our mission.**