

THE COOPER UNION ALUMNI PIONEER

Endow a President

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Abstract

The author talks real numbers needed to permanently balance the budget – and provides figures for endowing administrative positions, given that 385 funds are already devoted to faculty chairs and student aid.

In “Envisioning Austerity” <<http://www.notnicemusic.com/austerity.pdf>>, the argument was made that, rather than reinvention, The Cooper Union must **reinforce** its mission and return to its reliance on philanthropy and austerity. People who should know better accept administration numbers – in FY 2008, Cooper had a balanced budget, but, due to depreciation, their financial statements made it look like they had an \$8 million deficit. Whichever numbers you use – with or without the depreciation – the administration increased its expenditures in FY 2009, 2010, and 2011 by 10% per year, resulting in a **real** \$16 million dollar deficit. Despite claims that budgets were “cut to the bone,” the administration now claims it cut almost \$2 million in FY 2012 and will cut another \$4 million in FY 2013 – which means that, if expenses hadn’t been allowed to zoom through the roof in FY 2009, 2010, and 2011, the \$10 million debt service would be equal to a \$10 million surplus of revenues over expenditures, and in FY 2013 we would again have a balanced budget.

The austerity we called for is merely to return to FY 2008 levels. But the Revenue Task Force was told to raise \$28 million a year. And others quote the administration’s \$500 million increase to the endowment figure. These numbers are ridiculous. The administration needs to cut \$10 million dollars more from its budget. Alternatively, if the college raised under \$200 million, they could retire the loan and return to a balanced budget.

The college raised \$200 million in the first capital campaign – but \$40 million of that is in bequests that Cooper won’t collect until the benefactors die, some of that money was used to pay for the New Academic Building (see the names sprinkled all over the NAB) and for the costs of the various financial and real estate transactions, and some is tied up in “restricted funds” – endowed chairs and student scholarships. The difference between restricted funds and unrestricted funds is substantial. We live in a name-obsessed culture.

So, slightly tongue-in-cheek, let’s talk about philanthropy.

For a gift of \$8 million, some lucky person could enable The Cooper Union to hire as expensive a chief administrator as they like and endow, say, the Stanley Lapidus President of The Cooper Union, Jamshed Bharucha.

For less than \$6 million, endow the John Michaelson Vice President of Finance, TC Westcott. For \$5 million, endow the Daniel Okrent Vice President of Development, Derek Wittner. Or perhaps you’d like to stay anonymous and name that position in honor of someone else, say, the Diana Pearson Vice President of Development, Derek Wittner.

If endowing a president or vice president is too rich for your blood – academic deans will also cost you as much – then you could easily endow a non-academic Director for half the price – a one-time payment of \$3 million –

and attach your name to Operations, Public Affairs, Financial Aid, Institutional Grants, Human Resources, Student Housing, an Archive, or Intercollegiate Athletics.

Okay, it's not as prestigious, but for \$2 million you could endow an Assistant Director. I know, I know, \$2 million doesn't buy as much as it used to. Back in 1982, for an equal amount, Irwin Chanin got an entire school of architecture named after him. That's thirty years for you. One wonders how much Sandra Priest Rose had to give to get an auditorium named after her late husband and get her son hired to manage the building of it.

And, of course, for \$1 million each, you could endow any of the hundred staffers working under all of those vice presidents, directors, and assistant directors. Of course we know that, for the same amount, you'd rather endow a faculty chair or a student scholarship, but with 385 of those restricted funds already in place, those slots are pretty much all taken.

So – it's time to endow the administration. Keep The Cooper Union tuition-free for all of its students. Give today.

The current version of this document can be found at <<http://www.notnicemusic.com/philanthropy.pdf>>. Corrections to this document are appreciated and, if based on substantiated facts from legitimate sources, will be implemented by the author. The original version was completed on August 29, 2012.

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