

THE COOPER UNION ALUMNI & PIONEER

Summary of the Summary

by Barry Drogin, EE '83

What follows is a summary of the summary of the Free Cooper Union: A Community Summit (the full “summary” can be found as a 14-page PDF at <http://www.notnicemusic.com/summit.pdf> or in its original form as a set of HTML pages at <http://cooperunioncommons.org/freecooperunionsummary/> and <http://cooperunioncommons.org/breakout-session/>).

INTRODUCTION

Karina Tipton, CE'99, articulated the goal to mobilize the creative forces of the community towards solving the crisis, build trusted relationships, and ideally work with the Administration toward long term-solutions.

Milton Glaser, A'51 acknowledged “many of us are outraged that our beloved school might become a school that charged tuition, violating our deepest belief in what Cooper Union stands for” and hoped the community will focus on “how each of us can contribute our talent and energy to help this wonderful and unique place.”

AFFIRMATION OF CORE PRINCIPLES

Benjamin Degen, A'98 read Cooper Union’s mission statement: “The College admits undergraduates solely on merit and awards full scholarships to all enrolled students. The institution provides close contact with a distinguished, creative faculty and fosters rigorous, humanistic learning that is enhanced by the process of design and augmented by the urban setting. Founded in 1859 by Peter Cooper, industrialist and philanthropist, The Cooper Union offers public programs for the civic, cultural and practicable enrichment of New York City.”

Degen went on to say, “Free education results in a unique manifestation of the ideals of free thinking. Free thinking is facilitated by a set of circumstances in which the human mind can aspire not only to freedom itself, but also cooperation, openness, and creativity. In comparison to the relative freedoms enjoyed by Ancient Greece, Ptolemaic Alexandria, and the Roman Republic, at Cooper we do not exclude people from the discourse on the basis of gender, nationality, race, religion, or socioeconomic background. Without the requirement of any tuition payment the members of this diverse meritocracy are able to engage each other as equals in a free and open exchange of ideas for the sole purpose of learning from each other and teaching each other.”

Samuel Messer, A'76 invoked the prescience of Cooper’s present mission and vision in relation to the Occupy movement. “I think there’s a lot of talk about the idea of tuition, and if you just say it as a soundbite it does seem fair: that the rich should pay their way.” But Messer gave an account of how the Rhode Island School of Design (RISD) and Yale University approach their admissions process: at RISD, around 46% of acceptances are for those who can afford full tuition and board, “the vast majority of which are from overseas,” while at Yale at least 45% of those accepted are paying full tuition and board. “On the surface,” said Messer, “everyone says that its need based, but in reality, once you start needing that money, you have to start looking for that number of students.”

Adriana Farmiga, A'96 announced two specific community-driven initiatives towards mitigating Cooper’s financial crisis: an historical auction and a Pledge Drive. Farmiga and others are working to secure a venue for

the auction's target date in late Spring. The Pledge Drive, located at <http://freecooperunion.com>, includes "a promise along with a pledge – it's a promise to stand in support of the meritocracy that Cooper Union has come to be identified with, with a pledge to support that promise with a dollar amount... the pledge initiative does two things: consolidate and identify the larger Cooper community that wishes to see Cooper Union remain a meritocracy and, within that collective voice, establish a promise for a perennial kind of giving toward sustaining that ideal."

Che Perez, AR'14 spoke to the extreme privilege and immense responsibility each Cooper student and graduate must accept and embrace. A Cooper education "is an investment in the existence of a future world that is better than the present." In order to ensure the continued yield of that investment, Perez said, "Cooper Union students have embarked on a campaign to establish a 100% donation rate from students at Cooper." Furthermore, he announced, the student donors will sign their name under a pledge that seeks to preserve the mission and vision of the Institution. "The promise is our investment in a better future for us, and for this school. We must begin to fulfill that promise now." The full text of Perez's remarks and the terms of the student pledge are available here: <http://freeasairandwater.net/mission/response/mr5dyqck2j9c>

INSTITUTIONAL GOVERNANCE

Peter Buckley, Associate Professor and Historian affectionately credited Peter Cooper's "genuine and persistent naivete when it came to politics" for the Institution's earliest misadventures in governance. Cooper's first, disappointing foray into public life was as a trustee of The Public School Society, a private body of "apparently wise, disinterested men" that dissolved amid political uproar in 1845. Founded on the ashes of The Public School Society, Cooper proceeded to enact a "very odd" model of Institutional governance. "Cooper couldn't see where the public ended and the private began... this was his glorious ideal and his legal lunacy." Initially, Peter Cooper's son-in-law Abram Hewitt directly ran operations and, troublingly, academics from his seat on the Board of Trustees. As the 20th Century progressed, Cooper Union's governance was "professionalized," effectively causing the Trustees to take a backseat in governance, along with Cooper Union's once-powerful advisory boards.

Cooper currently operates within parameters of a dual-track, shared governance, in which faculty members chart the School's educational course while administrators direct finances and organization. In practice, these domains should be overlapping and interdependent, however shared governance has historically not been easy to maintain or to enact at The Cooper Union. "It's not antagonism that now marks the relations between the Trustees, the Administration, and the Faculty, but increasing distance."

Rocco Cetera, CE'99 presented a historical overview of the Cooper Union Alumni Association (CUAA), including a "Memorandum of Agreement" signed in 1974, and amended in 2000. The Memorandum includes provisions for alumni representatives on all Cooper Union committees and for the four Alumni Trustees chosen by the CUAA. The alumni representatives must report regularly back to the Alumni Council. Notably, the Memorandum states the Alumni Association will assume leadership for the Alumni Fund, the operation of the Alumni Office, and take full responsibility for all alumni activities.

Cetera then presented a series of slides demonstrating the erosion of the CUAA's rights and responsibilities as mandated in the Memorandum. First, the Director of Alumni Relations and Development reported directly to the President and controlled all fundraising activities. Then an administrative layer was inserted between the President and Alumni Affairs, and "Capital Campaign" and "Development" were removed from Alumni Affairs' purview. Finally, the the administration removed oversight of the Annual Fund from Alumni Relations' purview — potentially in violation of the Memorandum of Agreement.

Nick Agneta, AR'80 explained exactly what the Annual Fund is, how its funds are used, and how they are raised. The Annual Fund Committee, located in the CUAA, is "essentially a consulting arm for the

Development Office,” developing appeals, chairing the phonathon, and hosting donor appreciation events. All funds by the the Annual Fund are used as unrestricted funds to operate The Cooper Union. Financially speaking, the goals, according to Agneta, are 1. to get the endowment drawdown to net zero, 2. build the endowment to \$400 million, and 3. to stabilize expenses.

Agneta also presented remarks by Marilyn Hoffner, A’48 and former Director of Alumni Relations and Development. “From the mid 70’s, Annual Fund figures reflected only contributions made specifically to the Annual Fund. Large gifts and alumni trustee gifts were not included. In 2000, a different accounting principle was applied and all unrestricted gifts were counted as Annual Fund, artificially inflating the figures. Before 2000, Cooper Union was one of eight schools cited by CASE for its high level of alumni giving – somewhere between 35% to 40%. After 2000, creative fundraising stopped and resorted to simply letters, and the rate of alumni giving went down and stayed flat. Comparing the Annual Fund pre-2000 and after, we’re comparing apples and oranges – and covering up the fact that the Annual Fund has stayed flat for twelve years.”

FINANCES

Richard Stock, Professor of Chemical Engineering and Faculty Union President explained that operating expenses at Cooper Union have more than doubled over a period of fifteen years, rising from about \$28 million in 1995 to approximately \$65 million in 2010. A significant driver of that growth was attributable to growth in non-academic staff and loan interest. Stock was also able to establish that nearly \$9 million dollars of present-day operating expenses are not “dollar bills out the door,” but are in fact accounting conventions attributable to depreciation, as well as a speculative expense called “post retirement medical current.”

Finally, Stock reported that he had been told no one from the faculty union would be allowed to sit on the Expenses Task Force. To that he replied: “the one place that The Cooper Union is absolutely in control over its finances is in what they pay the union.. It is all the other stuff that’s out of control. And frankly, putting all the other stuff... and that personnel in control of looking at the expenses and deciding where we need to cut just doesn’t sound right to me.”

Barry Drogin, EE’83 sought to clarify and fill in the blanks of the financial narrative presented by the Administration to the Cooper community. He discussed changes in values of plant assets, the capital campaign, and operating and capital expenses and revenues.

His presentation was based upon his interpretation of consolidated financial statements from FY 2000 to 2010, which he said he had difficulty analyzing because of inconsistent accounting and presentation of data, arbitrary reclassifications of funds, and gnostic “notes.” He raised many questions about significant rises in non-academic costs, the development strategy that led to the construction of the New Academic Building, investment in hedge funds, and using imputed income to create paper deficits. Finally, he asked for more information from the Cooper finance department, and showed how the Form 990s, consolidated financial statements, and pie charts created by the administration failed to provide the transparency needed by alumni to coherently understand the past and suggest improvements for the future.

REMOVING BARRIERS MOBILIZES RESOURCES

David Gersten, AR’91 said, “It is not that the Cooper Union holds up free education, it is that free education holds up The Cooper Union. The largest single financial asset that The Cooper Union currently holds is its promise of free education to all. The value contained within this promise far exceeds our current endowment, as well the physical properties held by this instituion – including the land under the Chrysler building.”

Gersten framed his observations using Article 26 of the United Nations’ Universal Declaration of Human Rights, which designates education as a human right, and states higher education shall be equally accessible to

all on the basis of merit. “They must have been quoting Peter Cooper,” he said. The full text of Professor Gersten's remarks is available here: <<http://freeasairandwater.net/mission/response/zwlvngw0p5vk>>

COMMUNICATION AND TRANSPARENCY

Kevin Slavin, A’95 began by rejecting Trustee Chairman Mark Epstein’s claim that Cooper alumni are a “failed investment.” He pledged \$10,000 to the <<http://freecooperunion.com>> Pledge Drive, telling the audience that his donation is not a payment for the education he received - "that's called a student loan" - but an investment in the future of Cooper Union. He reframed Cooper’s crisis as a “deficit of trust.” He challenged the administration “to find the real and sustainable resources – transparency, communication, trust, and integrity – resources that can be renewed endlessly. The mistake that’s been made is believing the resource at the bottom of all this, the resource that must be sustained, is money. It’s not money. Money is a derivative. The resource it’s derived from, the resource it maps to, the resource it measures, is trust.”

He followed with a demand for immediate transparency, recounting how a Board of Trustees alumni representative declined to speak at the summit. "because he’s privy to sensitive and confidential information. If the delegate to the trustees cannot speak to the group that has delegated him, what is he there for? Transparency is not a promise. It's not an idea. It's action." Slavin’s speech was met by a thundering standing ovation. The full text is available at <http://bit.ly/ks_cooper_summit>.

GET CONNECTED, GET INVOLVED

Sean Cusack, BSE’98, Jason Paul Guzman, A’00, and Henry Chapman, A’11 briefly reviewed the following websites:

<<http://www.cooperunioncommons.org>>: a meeting place for the community.

<<http://www.freecooperunion.com>>: a pledge fund dedicated to keeping Cooper Union free.

<<http://www.cooperuniontaskforce.com>>: a forum for community powered solutions.

<<http://www.signon.org/sign/save-cooper-union-without>>: The petition to keep Cooper Union free.

<<http://www.freeasairandwater.net>>: a community forum.

Peter Cafiero CE’83 closed by calling upon all to begin to move forward towards immediate solutions, and calling upon “alumni to take a major role in all this,” implying the more alumni donate to the school, the more “clout” they have. He said he was inspired by Che Perez’s announcement of the student initiative to achieve a 100% donation rate, and urged the alumni to follow the students’ example.

BREAKOUTS

COMMUNICATIONS

Ideas for reaching Lost Alumni:

- Use alumni from each year to call their classmates.
- Have a Campaign along the lines of “Find Alumni Week.”
- Students should be encouraged to use the same website as alumni while in school.

Ideas for Promoting Alumni accomplishments:

- Set up an alumni portfolio site.

Ideas for empowering Class Reps and improving Class Rep effectiveness

- Workshop just for class reps that give them ideas that make them more effective.
- Coaching on how to make shared responsibilities work.

REMOVING BARRIERS MOBILIZES RESOURCES

- cooper board of truth and reconciliation committee

- barrier: student connection to alumni
- student involvement in day-to-day operations
- keep community space open for people
- mentoring opportunities
- engage staff – work with them on efficiency
- engage non-nyc alumni

FUNDRAISING

- rent-able collection of student and alumni work
- students submit work to ad agencies, small businesses
- projects.cooper.edu – entrepreneurship etc
- enterprise forum – tech version of urban visionaries
- improvement projects in the city – referral system – pool of alumni
- cooper version of kickstarter
- retail

CULTURE OF FREE EDUCATION AND PHILANTHROPY

How to convey importance of free education to philanthropists. How to raise \$ in this economy.

How to get cooper union involved with the community and the community involved in the school.

- Students should be involved in contacting ALL alumni to tell them about their current experience and that we are in a financial crisis.

Charging Tuition Changes Culture of School.

- The demographic of Cooper will change with tuition model.
- There needs to be a dramatic change in the way current students perceive their free education - not to pay off for the tuition that could have been charged, but the need to continue a tradition, to pass the baton. To help provide for my successor the same quality of education I am receiving now that is so intrinsically tied to the full tuition scholarship.

Trust

- The administration versus the faculty, students and alumni. How do they work together?
- Philanthropy- make something you think will improve society. That's the way the school started..
- more insurance for future donations
- more for transparency throughout the school.
- The Board of Trustees should meet in its entirety w/the alumni in a council. Not to argue, but simply to apologize and remove the barriers of miscommunication and lost Trust.

FINANCIALS

- renegotiate maintenance and security contracts
- determine marginal cost per student
- adding paid tracks
- what would it take to go back to 2002 in employees and benefits
- benefits from (1) employment, (2) raised prices, (3) any other factors?
- who has been hired since then?
- risk models for donations
- low risk vs “please play with this money”
- get rid of deans – use professors as acting dean

OVERSIGHT

Main Points

- Provide alumni a better understanding of Cooper Union governance system and chain of power.

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- Support for a developed institution for Cooper innovation

Alumni Priorities

- Create satellite programs that are innovative, experimental, academic in nature.
- Cooper Alumni online events bring back into the fold alumni outside of New York City..

Ideas for Enhancing and Investing in CU

- bring awareness to alumni talents
- CU social networks are an asset

How to Improve CU right away with little cost

- TITHING – give what you can within your resources
- To ensure CU be tuition free we must change the board of trustees
- Increase public exposure to new building, monetize it, step up program
- New building is an asset – tours – virtual tours – increase CU's exposure

The current version of this document can be found at <http://www.notnicemusic.com/summit_sum.pdf>. The original version was completed on December 28, 2011.

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.