

Board of Trustees Rejects Proposed 1982-83 Budget

At an April 21 meeting, the Board of Trustees voted to reject the budget for the 1982-83 school year. Now President Lacy and the administration must find ways to reduce the \$7.8 million proposed budget to a level that will satisfy the Board. A budget must be agreed upon by July 1, the start of the next fiscal year.

According to President Lacy, the Board has sent an "early warning signal" to the administration. The Cooper Union has been operating "in the black" by an ever decreasing margin, and though a small ("within a hundred thousand dollars") margin of income over expenses was projected for next year, the Board is sure that the following year's budget will be close to or past the breakeven point if the school does not improve its financial situation.

At the moment, Cooper's financial woes are centered on the endowment: "We've got to raise more money, it's very simple," the president explained. Some Board members feel that our endowment, which sits at around \$44 million, should be "twice what it is now." A more reasonable goal is to raise the endowment to \$60 to \$70 million. Two plans are targeted at this problem.

One is increasing fundraising, and the \$3 million in trustee gifts may be used as an initial subtotal in a campaign to raise \$10 million. The campaign will be connected with the upcoming 125th

Anniversary of the founding of the school.

Another plan that the college has had trouble sticking to is the allocation of a percentage of the actual income of the school each year to return into the endowment. President Lacy mentioned an \$800,000 figure as the goal for this plan. This amount would have to exist as a surplus of income over operating expenses. Since income is generated while expenses are planned, it is the expenses that must be reduced for next year.

\$800,000 is also the increase in the budget from last year to this. Like last year, the Finance Committee rejected the budget before it reached the Board. Unlike last year, after the administration cut \$150,000 from the budget and the Finance Committee approved the budget, the Board voted against. Another meeting of the Board is scheduled for June 9, but an earlier meeting may be called if the solution is quickly found.

Such a solution may not be easy to find. "I will *try* to make some minor adjustments," said President Lacy, "I would like to do it without jeopardizing faculty and staff salaries and benefits and without slackening the momentum that has developed in the Art School." The Art School, under the new administration of Dean Miller, has sought the most substantial changes in its budget, and President Lacy said

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that, though he "supported her efforts," he was only "hopeful that not a great deal of her budget will be tampered with." The Art School budget includes the hiring of a new full-time painting professor, a curator for the Houghton Gallery, and \$4,000 worth of new equipment purchases. As to the video proposals reported on in previous issues of *The Pioneer*, President Lacy said, "This is not the year," but implied that improvements might follow the year after next when studies by inside and outside groups are completed.

The Architecture School will not see the benefits of the restricted Chanin gift until the next fiscal year, but in a budget environment where that year looks shaky, the school is doing very well.

The Engineering School is hoping to see an increase in the number of adjuncts next year, and a new position for a civil engineering lab technician established. The Computer Center construction will go through, but requests for new equipment are likely to be rejected.

The new budget also includes "extra-ordinary raises" for teachers in all three schools, as instituted this year by President Lacy. As budget items, these raises are as open to the paring process as the other items listed. Some items, like utilities and maintenance,

cannot be altered at all.

"Next year is going to be modest," concluded President Lacy.

