

		<b>September 19, 2012</b>  <b>DB – Don Blaueweiss</b> <b>DO – Dan Okrent</b> <b>DW – Derek Wittner</b> <b>FD – Francois DeMenil</b> <b>JB – Jamshed Bharucha</b> <b>JD – Joseph Dobronyi</b> <b>LC – Lawrence Cacciatore</b> <b>LS – Lee H. Skolnick</b> <b>MB – Michael Borkowski</b> <b>ME – Mark Epstein</b> <b>PC – Peter Cafiero</b> <b>RF – Raymond Falci</b> <b>RL – Richard Lincer</b> <b>S – Student</b> <b>SL – Stanley Lapidus</b> <b>SW – Sheri Wills</b> <b>TD – Thomas Driscoll</b> <b>TW – T.C. Westcott</b> <b>VK – Vikas Kapoor</b>
<b>Time</b>		<b>Content</b>
26:36:00	ME	We should get started we have a lot to go through today and I want to get finished by 1.
27:10:00	SL	We should keep in mind for our discussions today. I thought the materials were very well prepared, very thoughtfully prepared. I took special note at the shutdown scenario. I thought the materials were very well prepared a lot of things have to work out our main operating plan is very highly disputed and can lead to a bad outcome in a couple years...the shutdown really is the reinvention of Cooper Union because we actually start accumulating money so we have an opportunity and the resources...what is our plan for the 21st century? How can we do this with a clean slate? I highly appreciate that.
28:28:00	ME	I think at this point Jamshed isn't really looking at the shut down scenario...I think the idea of putting it in the faculty's hands is the right thing to do. It's to sort of make them come to realize tuition has to be a part of the solution. So the game plan is the have them realize and accept the fact that tuition is part of the solution. I don't see them coming back with any other plans. It is on the table
28:57:00	TD	So is closure on the table?
28:58:00	ME	Closure is on the table.
29:05:00	TD	How much does it get fleshed out and when does it fleshed out?

29:08:00	R L	<p>We're going to have an obligations to the students for transferring The acceptance letters basically obligate us to a four year full tuition scholarship for four years except they don't get financial aid in the form of grants essentially, they might have claim for tuition against us. I don't know if that's factored in to the shut down solution.</p> <p>Acceptance letters have been reviewed by an independent law firm and basically say, you know, welcome, we will extend to you a full tuition scholarship for 4 years. That's something that we will change going forward, not this year obviously, but if we accept the class of 2013 that would be modified to give us flexibility. But the ones that have gone out to date have essentially promised four years it's enough to claim against certainly.</p>
30:29:00	SL	Part of the plans, Richard, the closure plans, was the three-year plan so we're basically fleshing out the two.
30:14:00	RL	Right and back to that question, whether you really end the school in the third year with just the seniors there, and you know, who would hang around, what faculty would hang around. These are the issues we'd have to look at.
30:23:00	SL	Yes, there are issues with the closure plan as well, but it's thoughtful and the only real way we get to reinvent the school because every other plan has this baggage and Jamshed spends all this time with this very limited range of areas that he can move because he's constrained by the things that we all understand he's constrained by
30:55:00	PC	I would support an earlier rather than later fleshing out of the shutdown plan because, you know, CUNY. Even if we don't think that's the optimum plan, that is more of the implied threat that's out there right now. Or else we're gonna end up in a position in December to say well, School X didn't meet its plan. Jamshed said we're going to shut it down. What exactly does that mean we have no idea, we don't know how we're going to run it out so I think we really need in the next four months to be fleshing something out
31:35:00	ME	Jamshed has been talking about this. You can't take 3 <sup>rd</sup> year students and have them transfer somewhere, they can't transfer to graduate from another place...Hi Dan (Dan Okrent on speakerphone)...we've been having a problem here with the phone system...but you know the third year students can't transfer to another school to graduate with one year, the place won't even take them. So he's well aware of that and is working on a plan. We can question him about that later.
32:00:00	MB	<p>The closure option to me still presents an opportunity that I don't think we've really looked at. I've always thought if you close a place down and you start with a clean piece of paper and you say how can we build a school for \$30 million a year in operating costs, with the same free tuition that it's always had. It seems to me that could be a very interesting place with science and art for \$30 million a year instead of \$50. If you do that, you start fresh with a new Cooper Union and you reinvented with the same principles that existed for 100 years. I don't know if that's really ever been looked at, it's all we're modifying this or we're going change this, but if you close it down you really ought not assume that tuition is the only solution to the problem. You could build a school for \$30 million, I think, you ought to be able to. I don't think that's been pursued sufficiently. And the other piece of it, the other thing I don't know if we have we done enough wit, is the idea a partner, either a merger partner for a part or all the school, or someone could buy out the engineering school for example. I mean NYU bought out Polytech, I mean it's been done and if we're going to close down a school I'd rather see it sold to somebody that wants an engineering presence in New York. It keeps the students on track and retains faculty and has some value. Maybe these things are being looked at and I'm just not aware of it, but I just want to explore enough of the full range of the options before us</p>

33:48:00	ME	Look, we spoke about that report and a question I have still: if someone would buy the school would they be obligated to have the same issues that we have that make it difficult to change? Unions, tenures...the problems that Stan was mentioning before. And I don't know who would step into that position
34:03:00	MB	Maybe nobody, but I don't know if we really explored it. Stanford was interested in getting in to New York City and bid on a project. Maybe they could lease some of this building for some period of time, and we retain the option to take it back with 3 or 5 years notice if we at one point develop a new school that we want to get back into. I mean there's a lot of things that I can think of that are a little off the wall, but we're in a pretty desperate situation and I hate to start accepting, well that's it, this the only way we move forward unless somebody really shows me that we've looked at the whole range of options and explored them thoroughly.
35:00:00	TD	My guess is the that the push back might be, well how many balls can you have in the air at the same time? I think he does have limited bandwidth to do all those things at once. I think the focus is, let's go through with the faculty discussion and see if we can get to a point where we can see all three of the schools survive and if he can't I think we will follow the other plans, but I think he's focused on the first part at this point and I'm not saying those aren't the right things to do if we don't succeed in some of the right now.
35:38:00	MB	Well I agree. The engineering school has taken the slightly easy way out so far to reach the financial goal; well we'll just charge tuition. The other two schools, apparently, have gotten more creative and tried to generate more interesting programs, which is very positive and maybe they can come up with something that does work, but it's too easy to say just charge tuition, and we solve all our problems. That's the part I'm afraid of, and that becomes the easy fall back
36:01:00	TD	So you think even if they come up with a solution you don't think we should necessarily take it even if tuition is a part of it?
36:05:00	MB	Well unless it's the only thing we can come up with
36:15:00	TD	I would think if we were to sell the engineering school to Stanford I can't imagine that they would keep it free
36:18:00	MB	Well that's their issue to resolve...not ours. If we could get anything for it...We could lease this building for thirty years and that would generate some pretty good revenue that would help us re-establish and reinvent ourselves. I would not worry if it's not "my school" anymore
36:05:00	TD	If the reason not to do it is because tuition is being charged and yet tuition is being charged through Stanford.. I don't see how that..
36:44:00	MB	Well you'd be keeping faculty and you'd be giving continuity to the student body
36:46:00	SL	Stanford wouldn't keep the faculty. Not this faculty.
36:48:00	MB	Well no it wouldn't change overnight but over time it would change, yeah
37:00:00	SL	This is not a research faculty
37:04:00	MB	Right, but I'm just saying that conceptually there might be some sort of scenario that works and is better...And closing it down is pretty dramatic thing to do, and don't think that wouldn't bring lawsuits and all kinds of grief from all kinds of people. So I think that's a genuine solution if we wind up going that way
37:23:00	SL	So closing it down might mean that we're terminating operations and we're putting the cash in some trusts or something. We're closing it down and we're taking five years to come up with a new Cooper Union one for the 21st century. It would be a very affirmative message, and a message that I think would energize Jamshed. We have no faculty, we have no nothing. We don't have to teach art, architecture and engineering or we do... its uh... I must say that I am so not confident that we can pull off the plan that Jamshed and TC have been working so hard to put together. So

		<p>much stuff has to happen. We have to have a successful capital campaign, we have to have had just a bunch of things that work just right. Any one of those assumptions goes and we fall off the cliff. And it's a huge amount of work, and I don't know who's going to do that work. To launch new programs, to get faculty, to start new programs, etcetera. It's a tremendously ambitious plan and one that I think is simply too hard and too risky. I don't think we shouldn't not do it but we should spend time looking hard at the alternatives.</p>
38:30:00	ME	I know this is hard but look uh, Simon Ben Avi went to Rutgers or something. No, Hofstra, to start a new school. So if Jamshed had the right Deans that had abilities...
38:48:00	LS	Which scenario are you saying it's not so hard to?
38:50:00	ME	To reinvent and start from scratch, you know.
38:57:00	SL	Well that's fine, that you can do, it's dealing with the existing guys that's the problem.
39:00:00	PC	Well I think you have to be careful because I think the current faculty union would have some claim because it sounds like you're just busting the union by shutting it down and starting over...
39:13:00	MB	You certainly make a lot of people angry
39:20:00	SL	Well let's spend some time and talk about the union...we have a non-workable model. It can't be that we have a permanent obligation to continue to lose money, so that these guys have their cushy, you know have jobs that are un-economic
39:33:00	PC	I don't think anyone's saying that I'm just saying that each path has risks and we try to impose something with the union and the committee meeting on finance...I don't know the name of it [voices respond "finance"]...Jamshed was talking about the risks of involving the attorney general, that they could basically make our lives hell by going through every dime spent on everything here. There's risks potentially to the tax advantages we have so there's a lot of risks on all of these paths and the sooner we look at them the better. The other thing coming at us that came out of that meeting is that the school is in the process now of starting to admit the class of 2013, which in an email from Lawrence which the board approved last year that give the same guarantee of a 4 year tuition free scholarship, so we'll need to change that quickly, that's moving forward and they're doing early admissions as early as, you know, December or something.
40:38:00	LS	Well the Dean of Admissions, what's his name? [many respond 'Lipton'] Yeah he came up to me after the academic affairs committee and he said "so can somebody tell me what to start telling people now because I need to start recruiting and getting applications and need to tell people what they need to know"...He was expressing his frustration, and so it seems to me, and it's obviously monumental but I'm hearing three possible scenarios: One is find someone to take over all or part of Cooper Union and then all of the details associated with that whether they keep it free tuition or not. The second is we try and continue to work hacking away with this, let's call it hybrid plan, and see where it gets us and then the third is closing down and saving and working to reopen again. I think that one of the issues with that is it's like the restaurant business closing for renovations to reopen soon. There's obviously a public



		<p>message for the communications committee to handle about are they really just saying they're closing down and will we ever be able to reopen? I mean I fear, really fear, that we would not find a way to open up again</p>
42:16:00	TD	I think it's fair to ask TC [Westcott] to run the numbers on that scenario
42:25:00	LS	There are three options and I'm not hearing any others, and each one of them comes with so many considerations. How would we get to a point where we get rid of one because it doesn't have any efficacy or pursue all three and get as much information as we can quickly.
42:57:00	RF	I think you might have seen it, Mark...a few people saw the template I circulated to Jamshed and TC, I mean, just to create a framework where we can look at the plusses and minuses of each scenarios. One of my concerns since I've been here is that there are a lot of moving targets. We tend to just dive in and don't sort of methodically go through all the options to get to a well informed decision. We're all thinking of a lot of things in parallel with it. So it's more of just a discussion framework tool that lays out the plusses and minuses. So sometime in the very near future we will have to pick a path. We're getting very close to that decision point.
43:49:00	TD	I think that's in this package. This doesn't look at a partnership with another college but it kind of explores the other two. It explores a hybrid plan in more detail than it explores number 3. But I think we could get some numbers for number 3. But it might be that the cash bill wouldn't be \$30 million a year because we're paying \$10 million a year interest and you got somebody trying to rebank it then you've got some cross cuts...\$15 million a year for five years and put \$75 million in the bank instead of \$150
44:00:00	RF	I felt that case was light on the costs. The shut down case would be a lot more costs. When you need to reinvent it you need to add a lot more costs
44:39:00	VK	Wasn't a merger explored extensively during George's reign? I remember some discussions with NYU. I remember mentions of it, but I wasn't here so I don't know if anything ever came of it
44:52:00	DB	Well there was the Roosevelt Island engineering school thing
44:56:00	MB	Well it was mentioned...there was a discussion that I was aware of with NYU, which I though was going to be the ultimate solution, you know we were just going to work for NYU, but they went ahead and bought Polytech, and that ended that conversation. But I don't think there was really, not that I know of, any real discussion with anybody else.
45:21:00	ME	All right for the sake of time why don't we listen what the plan is from now until November. Let's listen to Jamshed when he comes in and then we can throw ourselves at the table. At least we have a good lag time between now and then.
45:30	SL	Well I think in December, Mark. We really should have, because we're going to be voting in December and we don't want to vote on Hobson's choice. We don't want to have just one choice. That's not a vote and that's really not our jobs here. We should have at least 2 well thought out alternatives, perhaps 3, Mike's alternative,

		and um give us a choice to point the school in a strategic direction. Just approving the hybrid plan—you don't need us for that.
45:56:00	ME	Well yeah I agree with that but I think we should not just sit back and do nothing. What happens in November is going to be crucial. When we hear back from the faculty and who knows maybe they come up something that would be wonderful. I'm more concerned about the easy way out that is charging tuition. It is an easy way out. From the art school I met with Day Gleeson the other day, trying out ways to charge for foreign students that come here for a post-bachelor's degree and other programs, and the engineers just might be saying oh what the hell we'll just charge tuition. That's a concern. So in the interest of time anything else on this, any other topics?
		[short break, chatter, and muffled conversation]
47:18:00	SL	Well the times have changed and higher education is different.. In 2500 there will be no tenured faculty. Anyways.
47:29:00	ME	Times are changing, higher education is changing, the population demographics are changing, students are changing
47:40:00	DB	One of the things that's frustrating is that you know there's 10 years in between each raise in rent at the Chrysler building. It's unfortunate.
47:56:00	ME	Well we spoke a little bit about the potential of talking them down but...
48:05:00	DB	Is that a possible negotiation?
48:06:00	ME	I have a meeting with Rob Speyer [co-CEO Tishman Speyer]
48:21:00	RL	The question we don't know is the possibility of that. They've sold out most of their equity to investors so they have a limiting partnership
48:49:00	ME	Ok...I don't have that much to report before we move on, but we changed the terms of the board commitment. The four year term will be kept but we've limited to two terms for that...so 8 years instead of the 12 that it was. This comes from the Whelan Group's recommendations. The board will now officially put in place a recommended giving schedule, we've had one that's open, whereas a lot of other institutions have that. I've spoken to most of you about this in private calls.. \$25,000 a year for the annual fund. There are some new trustees that we nominated today. Everyone is being made aware we have this kind of minimum, this recommended minimum gift. It's a benchmark for people to anticipate to help build a more effective board and fundraising...I don't really have much else to say, so to save time...Lawrence has an agenda, it's over here if you need it. Now minutes from the last meeting... and committee meetings. Can we have a vote? Are there any corrections?
50:30:00	LC	Well I would like to request a change to the March 14 2012 board minutes to reflect the board's decision to proceed with the current scholarship policy for the entering class of 2013. The minutes reflect that we approved the policy for the class of 2012 but in fact we also approved it for the class of 2013 so we should make sure that's reflected.
51:07:00	SL	There was a point made during executive session that in the letter that we write to students we offer the scholarship. We are undertaking to give them a four-year commitment. There was some discussion about changing the wording in the offer letter for admissions.
51:22:00	RL	TC has looked at that and doing that now without being able to say what's going on will screw up the entire yield because you're basically saying we might give it to you for 4 years or we might not. Without, I mean obviously...

51:36:00	SL	It's not a contract, Richard, it's an aspiration
51:43:00	RL	I understand that, but I think we can't make that decision without input from Mitchell. The problem now is not being able to make a decision until December. We've talked about, could you do it for early decision kids or something...It's difficult to switch right now. I agree with you, it's a conundrum that basically puts us on the hook one more year, essentially. The problem with doing it now is that you will send out the message, and basically if you change it and it says we're closing in essence.
52:24:00	SL	It's a matter of opinion. I don't think that incoming freshman will agree with, frankly, a lawyer's eye. You're next year is free, you're admitted tuition is free. For this year for whatever. I think that we have enough risk going forth that we should at least have a discussion around this point and make the conscious decision to extend it another year or to revise the language.
52:49:00	TD	It was already announced in April that there will be full tuition scholarships for class of 2013
52:59:00	SL	So we should maybe make this the last time we do that
52:00:00	RL	We will have to approve next year's class. I think in Jamshed's timetable it calls for that to be done each year in April, so this will not slip by.
53:17:00	ME	So we keep it this way next year until the first opportunity, then we'll bring that decision. With that, motion to approve the...
53:34:00	LC	Mark I would also like to get a motion to approve the by-laws since you brought up the changes suggested by the Whelan Group.
53:48:00	ME	Ok so do we have motion to approve that? Ok, thank you. Any questions, anything else on that? Ok, let's go to the President's report.
54:06:00	JB	Yes let me just do some brief things, and then Tom Driscoll and I have a new PowerPoint to walk through. First I want to introduce Sheri Wills who is with us for a year from the university of Rhode Island who is here as a visiting professor with the ACE, which is the American Council on Education, selected as a fellow. They have a fellowship program for talented faculty members who are interested in professional development and want to take that next step for leadership opportunities. So we was selected as a fellow, which is quite an honor. So we interviewed her, we're delighted, I think Sheri is not only going to have a quite a roller coaster ride, and get a tremendous amount of experience and exposure from this experience, but she's also rolling up her sleeves and helping with these projects. So we're delighted to have her
56:08:00	TW	



58:18:00	SL	
58:34:00	TW	
58:45:00	SL	
58:53:00	ME	
59:07:00	TW	
59:13:00	JB	
59:23:00	FD	
59:38:00	TW	
1:00:09	DB	
1:00:22	JB	
1:00:22	DB	
1:0028	TW	
1:00:38	RF	
1:01:17	JB	<p>I'm seeking to promote Stephen Baker to Dean of Athletics. He is one of the more extraordinary leaders I have met, of a particular style, which is maybe not everybody's cup of tea, but what I have seen of the mentorship he has provided to so many students, money cannot buy. He is the kind of coach anybody would be fortunate to have. He's not just an athletics coach, but a life coach. I've heard so many stories from students and recent alumni and not so recent alumni about how they wouldn't have gotten through Cooper without him. I'd like to promote him to Dean of Athletics. His role won't change that much. Right now he's Associative Dean of Students and director of athletics and he will remain Associate Dean of Students</p>



		but he will become Dean for athletics. He will be enormously touched, and I know all of the students and alumni who love him will also be greatly appreciative. I'd also like to bring in more of a role in our student morale, connecting with students. He has really teed the students up for some of the most productive, positive, and civil conversations that we've had. I don't think I need board approval for this, but I want a sense.
1:03:21	TD	Can I just say one thing, you know remarkable guy, you can't promote him, he's already god [laughter]...I just think he's a phenomenal guy, I don't know if you've had him, Ray I bet you did
1:03:43	RF	No, very active, in fact I'm going to his event this Saturday night, his second annual event...
1:04:01	JB	We'll try to get the word out before that, so that...It is a fundraiser, by the way, and he's really stepped up in terms of fundraising.
1:04:14	SL	Wonderful guy, his first day was my first day...
1:04:19	ME	What he did this year for the orientation, he closed down the street...and set up basketball nets and volleyball nets, and he had all the incoming freshman playing ball...I happened to drive by and I saw this and I stopped for a bit...It was amazing and everyone had a great time.
1:04:42	DB	Just the fact that a school this small with no gym facilities is a leader in the Hudson valley in terms of tennis, you know, is amazing.
	JB	We've had about six successive championships, and granted they're not on a Wimbledon level, but we have strong players and Jessie and I were off at the Cape, he has this 5 day orientation for student athletes...it was our first interaction with the students a year ago. It's golden. The kids who are really competitive athletes get to develop that side but at the same time he has them teaching [unintelligible] and you never see that at any other institution, and because every student at Cooper is really strong academically. You know, when they're chatting and having pizza and so on they're talking about engineering and ideas and so on. It's the ultimate scholar athlete, and he's so entrepreneurial. He finds a tennis court somewhere, he makes a little deal with somebody.
1:06:07	DB	It's incredible how he reaches out to all levels. Yesterday, on Tuesday morning I was playing tennis and I was wearing my Cooper Union coaching staff shirt and somebody said, what did you do to earn that? I said, well aside from wanting to intimidate you, you know [laughter]... this was a gift. How do I explore who Dean Baker is? It was a gift.
1:06:31	SL	
1:06:44	JB	
1:06:58	TW	



1:08:14	JB	
1:08:24	TW	
1:09	BJ	
1:10:08	TW	One more thing you should know, a heads up. We did have an employee diagnosed with Legionella. I've had an epidemiologist on campus to talk to people. You know there is a great deal of consternation. There is nothing here that indicates the employee contracted it here. We are taking measures and staying in touch with bureau of communicable diseases. Just in case you hear this, I really am tracking this very closely.
1:10:46	JB	TC's title is vice president of finance and administration, but TC does everything. She is our chief medical officer as well. She is a trained nurse as well, so that helps. She responded to this Legionnaire's disease outbreak marvelously. There have been a lot of anxieties as you can imagine. It spreads very quickly...people remember the original Legionnaire's disease, people died from it. She quickly brought together faculty and brought a health official in twice to meet with you constituencies. Thank you TC.
1:11:43	TW	Just be aware. Thank you.
1:11:55	JB	Ok I'll lead off and then Tom's going to jump in. We are really banking on three fronts simultaneously. Financial, academic, and overall and the board has been involved in the discussion with all of those things. The financial side you'll see more of in a minute as well as on the academic side. Never waste a crisis. Turning adversity into opportunity is really an opportunity that very few institutions have. It will be rough going for some years but as we come out the other end I assure you that we will have some outstanding academic programs that are also very exciting and unique. In terms of overall vision, Lee and others have been involved in a vision process that I think progresses simultaneously. Some might say under normal circumstances you do these things in sequence, you do an over-all vision, then a

		<p>natural plan, then an academic plan, then the finances necessary to support them. We don't have that luxury I think they all have to be done in parallel, each influencing the other as you go along because each has the potential to create a public explosion, certainly the vision one does. So let's move to the next slide... financial plan.</p>
1:13:43	TD	<p>I'm ready to do the easy part here. As we walk through the plan we talked a little bit while you were out of the room about the hybrid plan, and kind of touch on the close and reinvest portion. We also talked about other alternatives, partnering, closing departments or schools which I don't think we're going to discuss here, but bear with me for a couple of minutes. What Jamshed has done here is these allocated revenue targets for each of the schools for 12 million dollars total, half in five years and the remaining half in another 3 to 5 years. That's what TC ran numbers on. If you could flip to the next slide. It's an annual target. If we meet those, what does it look like? In the best case we've got 4 million in cross cuts. That's in the plan today, those are getting recommended. The plan also assumes endowment giving of \$7.5 - 10 million annually for 2103 to 2020. The capital campaigns there are certain risks associated with that. So we just showed a \$12 million dollar model. What we've done here is a \$10 and \$15 million dollar model. Just proportionally decreased the numbers for each of the years, and just to summarize for \$10 million we start with \$1.5 million in fiscal '15 and it makes up overhead time period to full \$10 million in 2020. We turn cash flow positive in 2019 and 2023-31 we're cash flow positive. Unrestricted funds do go negative and they stay negative and stay negative for 6 or 7 years and there's some issues there. And they don't go cash positive until 2034 and then it turns negative again. So there's another fix down the road. The one issue we need to deal with is the cumulative unrestricted cash that peaks at \$30 million. We also ran a \$15 million dollar model where we're cash flow positive for many many years. Unrestricted cash still goes negative so there's 22 million of cumulative unrestricted cash in the hole. If this were our plan we would need to dip into that permanent endowment. We need some kind of bridge financing. We've talked a little about where we could go for that money. Can I go forward a couple of pages? Do we have this in there? I guess we should talk timing.. Jamshed and TC perhaps came up with some timelines of when we should attempt to do these things. Let me talk through the first part of it, while TC is making those copies. Jamshed is working hard with the faculty to get to those funds. There's a November 15 deadline for Jamshed to sit down with the faculty, and the faculty essentially either buy in or do not, and to buy in you need to have a solution, and a solution could be new revenue or cross cutting. If we had the buy-in, I guess we have the risk of how much flesh is going to be on the bones in that November 15 plan, or are we just going to somehow come in here and say we hit the 3 million and we go ahead and we figure out later exactly how we hit it. I think we talked Monday on the financial committee, that particularly in engineering, tuition is on the table and if there is a revenue target that they don't meet we would have the option to make up for the full revenue target with a tuition figure.</p>
1:19:10	JB	I think the number we have as a back up is a 75% scholarship.
1:19:29	TD	So 75% scholarship is you charge say \$10,000 per student or something?

1:19:32	JB	Well on average but not necessarily for every school. But the back up plan, so the board can have confidence, is for the board to have confidence from a fiduciary standpoint to underpin the risks associated with these new revenue seeking programs is a full application of 75% tuition scholarships.
1:19:50	RL	\$6 million a year is estimated to do so once you phase it in over 4 years
1:19:55	SL	That sounds like too big of a scholarship to me...But you know this we can do down the road
1:20:02	JB	Well if it has to be lower then it has to be lower
1:20:06	RL	Well I think the report indicated that in terms of your deal that if you go immediately to 50% then do you lose an enormous amount of selectivity
1:20:16	JB	Well the price sensitivity trade-offs you all have in the Maguire [Associates] report from the earlier meeting, and they're sobering. The price sensitivity is greatest at the highest scholarship end of the curve. So a drop from 100% to 75% scholarship impacts yields more than the equivalent range from 75 to 50. On the other hand, that is the only end of the curve we can work on. Maguire is confident that with the 75% scholarship we can withstand the risk to our yield by taking other measures in terms of communications, more investment and outreach with the high schools and so on. But if the board decides it has to be 60% or 70% so be it. We're hopeful that the revenue taskforce will provide emerging support for that. Phil Weisberg is the chair of the taskforce, who is also interested in joining the board, has proposed that each year the board looks to see what the shortfall is going to be and adjust the scholarship percentage-wise, accordingly.
1:22:05	MB	Can I just clarify the numbers? If we go for 75% scholarship, the equivalent of \$10 thousand a year that could give us \$6 million a year. So in fact that say 2/3 of our students would pay an average of \$10,000 dollars to achieve \$6 million.
1:23:03	ME	The \$6 million is only the engineering school.
1:23:07	RF	Yeah because that's 600 people
1:23:09	DB	Only the engineering school?
1:23:11	RF	Yeah
1:23:15	TD	Our problem is that there's two 6's here. Six for the engineering school for two periods and six for the other schools for the first 5 years.
1:23:32	JB	I think uh, Mike, an average of 75% tuition scholarships is times a thousand students. But the reason we say \$6 million is because there are investments that are going to be needed to made because we are going to have to give out some scholarships. We're going to have to give out financial aid because there are some highly meritory students who aren't going to be able to pay \$10,000.
1:24:07	SL	So 60% pay \$10k and 40% are full scholarships.
1:24:13	JB	We're not going to head out with a particular function. It could be different. It could be a step function as you suggested, or a more gradual function, but the average discount rate would be 75%. But Tom is asking is that going to be enough? In December the board is going to want to have reassurance that at any given year we can adjust this if we need to charge more.
1:24: 58	TD	I think by the end of they year in year 10 we're talking \$12 million which means \$12,00 a kid.
1:25:04	MB	So the tuition is going to be 10 or will average out to 10...What would be our philosophy, do we charge everyone the same amount who can pay? Or a sliding scale based on financial capability? We haven't figured that out yet.
1:25:25	JB	We've looked at a number of different of functions but we aren't ready to make a recommendation...We will come with a recommendation and we will give the board some time to discuss those options



1:25:44	ME	We have to see if they come up with other sources of revenue. If we want to create 6 million we have to figure out a way to raise 2 million with other programs. Then we have a shortfall of 4 million and we plug it in to see what tuition rate has to be charged.
1:26:01	MB	Well it's not that simple. You don't know how many students at the college can afford tuition. How many have to be given scholarships still. If 90% of students still have financial need you're going to be hard pressed to raise that kind of money. If 10% have financial need then it's easy. Its fairly complex to figure it out, how we do it is very important. The mechanics of it, not just well, we have a target number and that's the number we have to achieve. There are lots of ways to achieve that number.
1:26:35	RL	And the other factor is competing schools. The school's we'd be competing against for applicants. We'd have to see how we would compare with the tuition we would be charging. Would it continue to be lower than other very selective schools?
1:26:51	TD	Let me just back track a little bit if I can because I think that's all true, but what we're going to come back and approve at the November 15 and December board meeting and approve is that we're going to provide a strategy to raise a certain amount of money and that faculty is going to buy into that. We need faculty to buy into our ability to make up the short fall. Exactly how to make up the revenue shortfall, I think it's premature to come up with a formulaic approach for that. We need to know what the short fall is and we need to provide enough flexibility for us to raise that money in a tuition raising way.
1:27:34	SL	I thought when we looked at the numbers at the resort in Tarrytown that the 75% model still left us with unresolved...we were digging deeply into the corpus...And then we had the other perspective, Jamshed, which you had voiced, that going much above the 75% in terms of dollars won't have great impact. I think you wrote that in your letter. I don't see how we're coming to something we can do something that's good for the students and the school. There's a disconnect.
1:28:08	JB	All right let me try addressing that in the way I spoke to the finance committee a few days ago. My sense now, in here a little over a year, is that both the short term problem and the long term problem are so large, so overwhelming and we've allotted limited time, that any attempt to solve the long term problem in one fell swoop, so called ripping the band aid off, has enormous reputational risks in terms of students heading for the door, difficulty recruiting new students. The only way I can see through this is to bring up to break up the problem spatially and temporally. So the spatial parsing of the problem is school by school: Art, Architecture, and Engineering. They're very different cultures and if you try to have one size fits all solution you'll get a mess. That's part of the spatial compartmentalization. Another dimension of the spatial parsing is the undergraduate tuition versus new programs or graduate tuition. Trying to get a little bit from each. That places bite size lumps that the faculty and community are able to chew on. And in the temporal parsing of the problem is the phase one and phase two...the first 5 years and then the next 3-5 years. It's impossible to envision by solving this right away. The good news is that we do have this bump in the rent for 2018-19 so I would like to email spreadsheets that show segregation between the short-term problem and the long-term problem. That's the only way I can think about it. All this planning about new programs and undergraduate tuition is to address the long-term problem, which is, how do we, once we achieve a balance with the uptick of the rent 2018-19, how do we sustain that going forward because of inflation? That's the problem we're solving right now. The short-term problem is how do we get to 2018 without going bankrupt. I'd like to separate those discussions, because there is no way—it's too late—for us to solve that problem without undergraduate tuition—it's too late. Let's look to the long haul with

		<p>the sustainability problem in 10 years and then a whole different set of solutions for the short term which we've spoken to already and TC can elaborate on. I think we're going to have a resolution on that coming up in a bit</p>
1:31:50	TD	<p>Can I just take one more summary shot at kind of what you're talking about. At a 75% discount rate we raise, if everybody pays, about 10 million dollars. If we need \$6, kind of worse case on the revenue stream, around 60% will pay that rate. I'm kind of thinking we go to Maguire and work through that and I bet if you charge \$10 face value you probably don't collect \$6. So I don't if that's too big a number or too small a number. And then in the second leg if you assume 8 years from now, 10 years from now there's no other revenue sources. 75% gives you \$10 million dollars, that's not enough. So we may need completely need more flexibility than the 75%.</p>
1:32:28	JB	<p>Absolutely and I think any communications that come out of the December board meeting. The board has a responsibility to make sure that there's no sugar coating on this. I couldn't agree more. On the other hand, the reputational risk side has to be managed properly. So let's move on, I want to thank Ray Falci for the template for this. So let's move on.</p>
1:33:04	TD	<p>I think step one is going to be stuff on the table today. The hybrid strategy, pursuing and seeing what comes back. Do the three faculties come back with something that looks workable and if it does we need to solve the short-term problem. If it's a workable response with faculty we solve the long-term problem. And then the short-term problem is we go into the corpus. At what point do we approach MetLife, at what point do we approach the attorney general, at what point do we think about selling the dorm. I guess there are plusses and minuses to all of these. I'm not here to talk about a preferred solution but these are things I think TC and Jamshed have had discussions with various parties on each of these and some of the plusses and minuses are laid out, you know, on that. If you can flip forward one, number 5 here is a contingency plan for closing one or more schools. If we think that the viable solutions...or if the solution looks too high risk, what do you do? I guess that's kind of something in my heart that I'd like to avoid but we may be there and I think it needs to be a credible discussion and a credible plan. TC, are there financials we can see in detail?</p>

1:34:45	TW	Oh yes, of the closures? They're very detailed. In the packet there are the details associated with each scenario. And I actually have much more detail person by person, which I haven't given you but we very carefully went through what would happen.
1:35:04	TD	I guess we didn't review this in the finance committee meeting so I'm not as familiar with all the details in there, but that's something we would need to understand and review as a group.
1:35:15	JB	We have a legal memo as well on the closure option. The combinatorics of that are complicated with our charter, and TC can give you more than that.
1:35:30	TD	Can we flip back a slide? It seems to me that our board decisions here are kind of that November 15 deadline and something's coming out of that, and I don't know if we want to foreshadow
1:35:42	SL	Let's maybe clear as to what the alternatives we will face. What can we think of as two choices at least on the table at that December board meeting. Is it the hybrid plan versus closure? What is it, Jamshed, that...
1:36:50	TD	I think its closure of one or more schools and then what? My guess is that it hasn't been addressed in this timeline. Is it permanent closure, is it...
1:36:17	JB	Temporary closure. Five years.
1:36:21	TC	We've also calculated depending on whether you close down over 1 year or two years or 3 years the growth of the endowment over each of the subsequent years, the savings you derive from closing this that or the other thing you put in the endowment and it appreciates, so we've also calculated that as well so you can have a sense of that
1:37:00	JB	Don't be mistaken in thinking that closure is an option for the short-term problem. It's too late. It's too late. It was too late years ago. I think that because of massive closure costs, we would anticipate the class action lawsuits, etcetera etcetera etcetera and we have to graduate students. Closure part of a long term option
1:37:33	SL	It is, it is. TC took into account 2 million a year in legal costs, took into account the flushing the existing students, and I must say it looks like an attractive option. It seems to me Jamshed, you've never talked about this, wouldn't this be the option that truly gives you a clean piece of paper after dealing with all the incoming flack. That says: I, Jamshed, am now ready to reinvent for the 21st century a technical or arts oriented college or university...Why not?
1:38:14	JB	Well thank you, I have to agree, and Stan and I had this conversation and I've learned a lot from his perspective. A year ago I could not, as an educator, a lifetime teacher, I could not, in my brain, entertain thinking of the notion of closing a school as a Plan A. It just seemed kind of violent. But Stan makes the argument, isn't that the fantasy? Sure, it's a fantasy of every college president, get rid of these characters...[laughter in room] and start and build a fabulous institution. It has played in my mind. Believe me, there are many nights when I'm thinking, boy, that would be so much fun, but then I meet with the students, and I think you know what, I don't think it's a good plan for these students or our prospective students. With closure we are backing away from that responsibility, and tremendous trauma for students and families who have invested so much—if not money—in terms of future. I think that the tremendous disruption would be consequential to reputational costs. So when we do open up in five years I don't think we will have gotten rid of the reputational issues and the bitterness of all the people who would have to be transferred out. Plus the complication of who you see through. The seniors graduate but the juniors really can't transfer? So you have to give that a year. What about the sophomores? It's difficult for them to transfer. So what I've come to in the end is I have wrapped my brain around closure, finally, but as a backup option if we can't get a plan to transition the institution. I'm pushing for a transitional plan rather than close

		and start all over again, while making it clear that if the transitional plan doesn't work I'm prepared to close it down. That's why the engineering faculty is now working hard because they now believe I'm serious that they could be closing down.
1:41:20	VK	Let me share my own experience in this regard, because I've dealt most of my career with troubled entities and figuring out solutions for them. One of the things I've learned from all my experiences is there's a fundamental difference between a product based entity and service based entity. In a product based entity, such as GM, and there are some services that get standardized enough to really look like products such as airlines. In a product based business, closure can be predictable thing in that you know what liabilities to get rid of and what assets to keep and you come out the other end and it's a lot cleaner, people are sometimes embarrassed by it, but it's a fairly predictable thing. I don't know of many success stories of service-based entities coming out the other end, and coming out healthy in the other end. At the very least it's a crapshoot. I, for one, have never invested in a business, nor advocated to any board with which I've been involved in a services-type environment that they seriously contemplate it. It may be the only option for what we're thinking and so on, but I for one, would not be going into it with the view that we can predict what's coming out the other end. As an investor in a commercial enterprise, I may well invest once it's come out the other end [laughter in room]. But, look my last experience at iQor sort of started this way with closure and bankruptcy papers all prepared. It was a melodramatic moment, when I said look, I'm out if this is the direction we're going. We should just bear that in mind that this is a service we provide. It is not a standardized product. There's a lot of touch to it. If we go down the closure path I don't think we can come out the other end.
1:44:04	SL	So it's difficult to do it's true, but I do have a sense that the education model is broken and the reason this is hard for you, Jamshed, because it's a hard problem and working harder at it doesn't mean that we're going to fix it. The happiest I've seen you Jamshed has been in the Minerva discussions, interacting with Ben Nelson. You lit up as you were working with him thinking about how we can be a part of the future of higher education, how we can be a part of his story or a part of our story. This field is undergoing a cataclysmic change, one that hasn't happened, I guess ever, in its multi-hundred year history. It's happening now. I think it's forced upon us because it's going to happen now or it's going to happen later. We're not going to be happy if we don't have a serious closure discussion and what that alternative looks like now when we do have some money in the bank and we do have some options to re-emerge as a different educational model. We'll have that discussion three to four years from now but with fewer options. I'm not arguing that's this is right now what we should do, I think your approach of a plan A is the right approach, but I think that for our board we need to understand what plan B looks like so we're not voting for one plan in December.
1:45: 26	VK	The one concrete suggestion that I'd make is that we think about financial implications of closure option. We ought to run various scenarios on the speed of recovery. I've seen lots of professional services firms go through this – dozens – and the speed of recovery is almost always longer than people think. It will make a big difference to the financial model whether the students, even if we're charging tuition and doing all that stuff, show up in 1 year at sort of the level we expected or it takes them 5 years. I think that might present a more sobering picture of the closure model than might seem if it just looks like we've cleaned out a bunch of...that is, the revenue picture is very hard to predict in the closure model



1:46:29	JB	<p>Stan is correct, I resonate very much to future oriented thinking about higher education. I assure you that I will be guiding the institution to embrace these technologies and we're not going to be trapped in the past. I think if we get over this hump there will be so much opportunity for new programs to configure it differently. I think we can lead. We're not in a position to lead now, even in an online center. We've been rejected by one of the ones we wanted to partner with because we don't have a global brand. We've got to build that global brand in engineering and all of our subjects to be able to be competitive in that sector, leave it at that for now. Before we drop this, it seems to be a subject of interest, closure also brings with it risks to tax equivalency. When I first arrived I was informed by my predecessor that tuition would risk the tax equivalency. We explored that briefly and it turns out there's no basis for that. We have a memo. A legal - not opinion - I'm told it's a memo, is that the right word, TC?</p>
1:48:18	TC	It's a preliminary analysis, it's not in depth.
1:48:22	JB	Ok so it's an opinion that's not an opinion
1:48:37	MB	At the end of the day I tell people a legal opinion doesn't make it right, doesn't make it so. The firm we got the last opinion from no longer exists.
1:48:33	JB	That and four dollars gets you a cup of coffee... and why do we pay the lawyers? [laughter in room]
1:48:40	MB	Some opinions are dangerous. We're known as clearly gutless because we don't render a lot of opinions and they say that's why it's worth the money you pay us for
1:48:55	JB	<p>Ah I see. Well, this non-opinion, opinion states that there is risk to the tax equivalency if we close because the charter is not compatible with being the foundation of some other kind of organization. We are an educational institution and the charter mandates a school of art and it calls for a polytechnic—the engineering school—as resources are sufficient. The reading of the attorney is that we could, if we close the school of art we could conceivably argue that architecture is sort of like art. But that would be a case that would have to be made. If we could close the engineering school we could conceivably argue that architecture is sort of like engineering [laughter in room] but that is also a case that would have to be made. Closing all schools, clearly, there is no question we'd lose tax equivalency and if we reopen we would not have that revenue stream. Needless to say, I spoke to Peter Cafiero on the phone a couple of days ago. TC, I haven't had a chance to brief you on this, or Lawrence, but he said the attorney general is very political and the New York attorney general has historically been a stepping-stone to a governorship or some higher office, and uh, an attorney general looking at the populist angle of giving back taxpayer dollars for the taxpayer could be a populist thing to do and the Cooper Union is getting the benefit of city taxpayers but it's not actually providing education because they've shut down the whole school. That could be, I think, a difficult thing to take on if you have a very ambitious AG looking to make the mark... So we have to very careful about closure from the standpoint of the tax equivalency.</p>
1:52:04	LC	Jamshed is this a good time to highlight how we discuss closure outside of this room?

1:52:06	JB	<p>Yes. It may be necessary to distribute, Lawrence, a highlighted version of my community memo that highlights the language. So internally with the engineering faculty I've had to be blunt because the engineers are very blunt, and not very subtle [laughter in room]. We say reinvention or closure, and reinvention means these practical things: so many millions in so many years, etc., and they get it. Our external language cannot be that blunt about the closure option because it freaks people out. It scares people. The faculty, even the engineering faculty, who needed to hear it bluntly, don't necessarily want their students to hear it bluntly because they're afraid students will go for the doors. Head for the doors. So we talk about sustainability and we'll get you that language. We've talked about sustainability. If we're not sustainable then we can't be sustained. Sustainability requires that we have a plan that conforms to the dollar parameters that we believe necessary to be sustainable. It's almost as enigmatic. The second part is that no program can be successful or sustained without faculty support. If the faculty can't support a sustainable plan then we fail. That's about how close one can come. Now closed doors you know, blah blah blah, at some point if people try to play games with this, we may have to be more blunt, and say a bit directly we'll shut you down. It seems to me that the politics of destruction of the Friends of Cooper core group is such that they're actually seeking to raise the risk of reputational damage, uh, in order to make it more difficult for us to institute tuition anytime, undergraduate or graduate. It has already been effective. It's frightened many of our constituencies. They would love to see a closure discussion because that enables them to raise the stakes even higher. Drogin has been trying to get official confirmation of that. These people are even talking about shutting the place down, even before they've taken other steps, which they believe, would be sufficient to solve the problem. We have to be careful as well.</p>
1:55:37	LC	<p>I wanted to raise it because I know that...there are members of Friends of Cooper Union that are reaching out to trustees rather candidly on this. I just wanted to make sure that we're using the same language. Mark, Francois and Tom will be meeting with small group of reps from that constituency and I expect that it will come up. So it's just good from a communication standpoint that we're all on the same page. I'll get you names, brief bios.</p>
1:56:14	MB	<p>Two points to that. One, as Jamshed says, and particularly coming from this law firm that is rather bullish and I think in terms of closure we shouldn't put it down on their writing, because it's probably discoverable. The risk to tax exemption if we close the schools is very significant, their commentary was very heated on this and if you go that route you have everybody and their brother going to the attorney general. And then anybody could intervene, the attorney general would intervene. Then your \$2 million estimate, TC, would be well out the window for legal aid if that happened. That's the risk in addition to the one Vikas [Kapoor] points, about ever cutting out the back end. The other thing for closure, TC, and I raised this in executive session in terms of cost of closure to the extent we have students transferring with full scholarships. There would be the issue of whether we are on the hook.</p>
1:57:24	TW	<p>We did a little bit of math on that. I mean, depending on how you unwind you could end up with one class that would have to transfer out who would end up with potentially having 2 years to complete.</p>
1:57:50	MB	<p>So these are the factors, some of this stuff looks very good, but, in terms of the comps and jumping to closure and looking at similar service firms, and as Vikas puts it, it's not obvious that you come out the other end.</p>
1:58:07	TC	<p>We did not compute into the analyses if we had to pay tuition for students that went somewhere else.</p>
1:58:15	SL	<p>Because again one of your models was flushing out all the students that we have.</p>

1:58:20	TW	Exactly.
1:58:22	SL	If we talk about orderly closure that would be the base case because it addresses the concerns that Richard [Lincer] raised as kind of the right thing to do
1:58:35	ME	On question I have, to go back a little bit, at the off-site meeting we spoke about getting information from the students about the family's financial info and we held off on that. Now it's pretty apparent, at least in the engineering school, that tuition is going to be a part of this mix. Shouldn't we start asking about their financial status or taking a little out of the guesswork on what that could potentially yield?
1:58:54	TW	Well I think once the engineering faculty decides that's one of the routes they're going to take we'll have to implement FAESA for them.
1:59:00	TD	They can't ask for that anyway with the next incoming class?
1:59:07	JB	Mitchell Lipton was a bit dismayed about that. I have one request. It's taken all summer to get faculty to calm down and roll up their sleeves and start working cooperatively. In spite of all of the incoming malarkey and bombardment that I, between now and November 15 or the board meeting on December 5 I really don't think it's appropriate to have other little explosions. The closure public explosion could happen. It could be a story that then we have to scramble to deal with...all the planning and strategy, but they'll make noise out of this fast I think. You bet they'll make a lot of noise about it. They'll characterize it as predatory and they'll get the students all worked out about the 1% and the 99%. Let's focus on the hard work that's now going on, that's hard enough to manage day by day, before we create another explosion. I'd say let's talk about that in December. Obviously we need that data and we will get the data.
2:00:35	TD	But what if we could do it when we accept the kids, say here's your full tuition scholarship, now fill out a form?
2:00:45	TC	As soon as you ask for that, we're charging tuition. You know Mitchell [Lipton] spent a lot of time and we consulted with Maguire, to see if there is a way to position this that would be positive that would allow us to get this information and you know...
2:01:01	JB	Even Mitchell telling the school of art that we may be thinking about not doing early admission caused this very constructive problem solving to come to a halt. It was Day who torpedoed that. She used that info to get the art faculty all riled up. Saskia's view was that complicates the work they're doing designing MFA programs and so on...Let's just...My view is that we stay on the record with the incoming class of 2013. We stated that in April, it was grandfathered. We grandfathered them. You gotta understand, managing these things on the ground, it's one thing to make a decision and say we should do this and we should do that, but managing A to B on the ground in a complex organization like a university is a very very different matter.
2:02:22	VK	Given the delicacy of these communications. What, if any communications are occurring with any of the constituencies involved here? Any board communications that are not going through you? The question is, basically, these communications at this stage are very delicate communications. I for one would be reluctant to engage with any of them without prior preparation, scripting, and so on, and even then I

		don't know if it would be wise for me to do it. What board communications are occurring with these constituencies without Jamshed or TC or executives in the room?
2:03:11	LC	It's a great question and in fact it was one of the reasons why at the outset of the request of the Friends of Cooper Union to have a meeting with the board that we initially suggested a meeting with representatives of the board and Friends of Cooper, Jamshed, and TC, so that we don't have a massive meeting, so that all the information is consistent and sort of spot on and there's no second-guessing.
2:03:45	VK	So there are some members of board meeting with the Friends of Cooper?
2:03:50	LC	There is except the only difference is that they're meeting now without the president and without TC. And this was at the request of board leadership, which we have no problem with. So I think the point that you raise is a good one - let's be clear about what we're communicating from the board to other constituents without having the administration present.
2:04:15	ME	The real answer to this is there should be no communications between board members and anybody else. When I met with Day Gleeson the other day, I mean I've known Day for 30 some-odd years and we didn't discuss anything that Jamshed hadn't already discussed. The meeting that they were requesting originally with Jamshed and TC...I didn't think it was a good idea to give them another avenue to get Jamshed at a meeting like this. My intention with this meeting with representatives from the board is to hear them out. They wanted to meet with representatives from the board, so you listen to what they say. Say they came in and they have really legitimate claims against it. They have a right to be heard. I don't think that's what they're trying to do, but I have to give them the benefit of the doubt that they wanted the board's attention for some reason. My intention is to listen to them, not to get involved with having debates about what's going on because they have to deal with Jamshed and the administration for that and satisfy their claim and dissuade them from causing more damage to the school.
2:05:13	VK	Mark, is that wise? I appreciate your intention, but having been in many of these communications, as I'm sure you have, you know the one word misplaced in syntax and suddenly you know would it not be better for us as a board to say looks we have appointed executives that are leading us through a complex change and decision making process, please meet with them and we'd be happy to entertain any communications you want to send us through them.
2:05:48	ME	They're asking for the meeting so they don't have to filter what they hear through the administration.
2:05:52	TD	I can't imagine that they're not going to ask us pointed questions and I think you know we should talk about the risk on preventing [multiple voices speak all at once] We need to be really well prepared and on point.
2:06:06	ME	Well no, the thing is not to answer the important questions because that's not the avenue for that.



2:06:12	TD	We'll have to figure out how to deflect questions..
2:06:14	ME	I don't see that as a problem because they have to deal with the administration. It's not the trustees' position to discuss this with outside groups.. they go through the administration.
2:06:24	VK	My view, for what it's worth, I don't know what the board's upside could possibly be from taking that meeting. I don't know what good could come of it. We're not going to say a lot so I can't imagine we can persuade them of anything. The only thing is that if we don't meet with them they'll claim we're hiding something, etcetera etcetera. That's a standard communication problem and I don't think we're the best people to deal with it, and I think Jamshed could, or any executives could professionally say to them: "look, we appreciate your concern, and the board is being approached by a lot of groups and so we simply want to channel your communications so we can manage it well"
2:07:13	TD	Have they announced their goals in having this meeting? Or is it just they want to be heard tell us things directly?
2:07:19	ME	They wanted to come to this meeting with the entire board...
2:07:22	FD	Possibility of indication in their messages that a group of them wanted to help, whatever that means...And they wanted to address this group. I tend to think, like Vikas, that we potentially undermine the president by not having him at the meeting and I don't know what the game is other than to hear. If they do have some plan that they want to bring forward about how they could turn the negativity of Friends of Cooper into positive collaborative effort, then perhaps it's worth listening, but my concern is they will have pointed questions and that we should not be the people responding to them.
2:08:40	ME	Is Day coming? Is Day going to be one of them? One of the things I spoke to Day about is stressing that it has to be communication not confrontation. Is John Leeper coming?
2:08:54	LC	It's interesting, as of yesterday morning he wasn't, but then as of yesterday evening I got an email saying there's a chance he may come so they want to have rather than three, four.
2:09:05	ME	Right. Well that's fine, because John Leeper is a relatively rational guy. He's not going to do Barry Drogin antics.
2:09:23	TW	I would agree, I would just say one thing relative to this, pardon me, sorry. You know, Jamshed and I met with those very people and I walked them through the financial...model. It's not our plan certainly. It ran out of money, it's not our plan, but you know, walk them through, look: "this is what the future looks like". John Leeper said this is very sobering. Rocco and Kerry Carnahan said let's put together a 2-page sheet that talks about the history of Cooper Union and the finances, let's put together a Frequently Asked Questions. We did that and I sent it to them asking for their comments, their feedback, for any input and heard nothing from them. They say they want to communicate effectively but the truth of the matter is they have not shown that to be the case.
2:10:12	JB	I mean when we did post the FAQ three months after giving it to them, and they trashed it online immediately. They've now posted their FU-Q [laughter]

2:10:33	VK	Sorry to interrupt you, but my comment was not specific to this group. I mean I wasn't really aware of this before this conversation. We're in a stage now where every word is subject to manipulation. As I was told before my very first TV appearance, please remember that more artists have been brought down by media then made by it [laughter], so the downside from saying anything is vastly greater than any upside. I would advocate a simple board policy that during this time all communications must be channeled through our president and his representatives. One of the things you could do, Jamshed, is tell the board where you think it's appropriate for a sub-committee of the board, or you know...That would be my vote and I without even knowing the specifics of the situation. You could tell me that this is Mother Theresa's own educational charity and I'd still same the same thing. One word out of context is trouble. That would be my view. It's a very safe thing and I don't think there's any downside to it, and I don't think there's any upside to being open.
2:11:58	ME	I see a downside, just in the bashing, the making claims that we're hiding something. That we're afraid to meet with them. I see that as being more like bolstering their chorus. They want to meet? Ok, let's have a meeting. Let's see what you have to say and we'll take it back.
2:12:16	VK	Mark, people will make that claim regardless. It's standard 101 practices. I want to have a meeting with you and if you don't take it you're hiding something. Look at what's going on in the presidential race, whatever your specific affiliation might be, you know if Romney doesn't release his returns the assumption is that he's hiding something and whether you're a Romney supporter or not it will give you pause. People will say that no matter what we do, and they will say not only are we hiding something now, we've been hiding something all along. We need to, as a board, be prepared for that and I think we ought to ultimately get PR professionals and legal folks to help us with that. In the meantime we ought to let the people that are in the flow handle it.
2:13:05	SW	Mark, if you will, just to be clear for all the members. The current status is: the Friends of Cooper Union asked for a meeting with the board. Lawrence consulted with Mark. Lawrence told Friends of Cooper Union that the full board would not be available but 3-4 reps would be available. Do you have 3 or 4 representatives that you would like to send? So at this point this is the status of the request. At this point they believe that they are getting a meeting with the president and 3 members of the board and that expectation hasn't been officially changed in emails between Lawrence and Kerry Carnahan. So they now think they're getting a meeting, Mark has been thinking the last 48 hours that perhaps the President and TC shouldn't be there, but at this point Friends of Cooper Union has been told that they're getting a meeting the president, TC, and the representatives of the board.
2:14:13	VK	My point is not about this specific meeting. Look perhaps this is water under the bridge and it needs to go ahead because it's too late to change it. My point is a broader point about communication, and as well I would say that the board, with respect to this specific meeting, I would say the board meeting with any group without the president, I think sends the wrong signal. I for one would not be an advocate of doing that.
2:14:30	ME	I see it differently. I see not having the president there and the other board members who are there expressing their 100% support for the president without him being there shows them that we're behind the president. I think if the president's there, then they're going to take it to mean that we're the president's toadies and we're going to say something only because the president's there, so I see it differently.
2:14:51	VK	If I was that group, here's what I would put on my website after the meeting: Look there's obviously division on the board because they were willing to take a meeting without the president, and by the way as I was looking at the meeting—this is the

		kind of thing I would post on my blog—I noticed that member X was smiling and taking furious notes when I said that “don’t you think that so and so is not handling this well”. This is what I’d do if I wanted to make trouble and I think we need to be very cognizant of that downside.
2:15:34	ME	Stan, you wanted to say something?
2:15:37	VK	Yeah sorry Stan, it looked like I interrupted you, sorry
2:15:40	LS	Well at this point, withdrawing from the meeting will certainly be viewed as...
2:15:49	VK	Yeah and I’m ok with that and that’s water under the bridge...our choice is whether we ask Jamshed to join it or not. They still expect Jamshed to be there.
2:16:05	RF	I think if that is the expectation then we should follow through with it. My view, Vikas, is I don’t want to make it look like Jamshed is hiding. We should be more in a listen mode and clarification mode but not sort of sharing anything beyond that. My discussion with Barry Drogin last week. He just had some completely misguided understandings of our financial situation. He didn’t understand how depreciation is a non-cash item and you get it back through a cash-flow statement, something as mundane as that. I don’t know what their agenda is for this meeting, but if we can just listen to what they’re saying and clear up any misunderstandings. I know we’ve tried already several times...I think we should do that and I don’t think we should look like we’re hiding because that gives them ammunition to say we’re hiding.
2:17:07	ME	I mentioned this to Jamshed. When I was a student here they were going through the Green Camp issue. Jack White was the president and came to a bunch of students and spoke to them and was asked why he wasn’t in the room, negotiating, and the union was going on at that point. He said, if he was in the room he’d have to answer the question right then and there. When he’s not in the room the negotiators for the school can always say, “we have get back to you on that”. So it gives them that cushion. So if they’re going to ask pointed questions when Jamshed is there, how does he not answer it?
2:17:47	SL	I think it’s important for Jamshed to be there. The opportunity to get out of sync on message is great and there needs to be no question of who’s driving the bus. There is no such thing as meeting board members when a chief executive is not there. That’s what you do when you fire a chief executive. I think it’s very important that the three of you represent the board’s perspective and the administration’s perspective. I can’t really recommend against having the board’s perspective without the administration present.
2:18:12	MB	Lawrence, what was the original response when they requested a meeting with the board and the president?
2:18:17	LC	The original request was to show up to this meeting
2:18:20	MB	Right, well obviously we rejected that. But in terms of the delegation?
2:18:27	LC	Right, so I responded to that request by recommending that we have a conversation that we have representatives of the board meet with representatives of their group and we would schedule it at the earliest possible date, and that the president would host the meeting.
2:18:52	MB	Right, having said that I think it would send a very bad message if Jamshed was excused.

2:19:10	ME	I mean I don't know if I agree with that, but if that's the consensus I'll go with that
2:19:16	DB	So you're talking about Leeper and Cetera?
2:19:19	LC	Leeper, Cetera, Kerry Carnahan, and Sangu...I don't remember her last name
2:19:36	SL	You expect it to be a civil meeting?
2:19:45	RF	You see someone taking pictures at the door? [shuffling around, footsteps]
2:19:53	TC	[door opens] Guys...
2:19:57	TD	My feelings with Leeper, he's always been civil. Rocco is, I think, more off the reservation at times in some of his ideas, but he's not uncivil I don't think.
2:20:14	MB	Just the paparazzi...[laughter]
2:20:25	TD	I haven't been chased by paparazzi since Lehman Brothers went bad! [laughter]
2:20:30	JB	That's not true, I saw pictures of you all online in your bathing suits! [laughter]
2:20:44	TC	[door closes, footsteps] It's just some students...I told them not to take pictures but it doesn't mean they're not going to look.
2:21:08	VK	I would advocate a standard board posture going forward. With any such requests of any kind, we simply say the board would like for you to direct all communications to the president's office, and we meet with him frequently, and whatever, you fill in the blanks, that's it. If anyone does call me up or email me I'll say listen, please talk to president Bharucha, end of story. That's that I'd recommend as standard posture. If at some point you think it's appropriate for a subset of the board or the whole board to meet then that's something we should discuss. I suggest we get council in the room...
2:22:04	ME	Well not this particular case, but generally, if there is a particular group that has some sort of legitimate complaint against the administration they should have some way to bring that to the board's attention. To just blanket say that we won't talk to anybody, you have to go through the administration limits that possibility.
2:22:30	TD	Can I ask Lawrence to turn that off, just in case? I see people lurking.
2:22:34	VK	Yes and no, Mark. As the CEO of any company I would be quite troubled if any subset of my board was meeting with an investor group without my concurrence and as a general manager I would be reluctant to be concurrent unless I saw very specific reason to do so. That would be normal protocol for most boards, I mean any on any public board I know of, no board member would think of meeting with a faculty member or an outsider without it being arranged by a CEO
2:23:10	SL	Unless there was malfeasance, criminal, or you know a violation of the company policy, and we actually have a policy for that. The whistleblower stuff.
2:23:21	VK	Exactly. If there's some, if there's a harassment claim or anything like that. There should be a channel for that and that should be a truly private channel that should not be coming to any of us directly.
2:23:34	TD	Yes, I actually agree with you on that Vikas. Peter [Cafiero] is in a credible position as president of the alumni council, so he's going to be meeting with people at those meetings and he may be...
2:23:49	JB	Yes and alumni trustees are also a part of the alumni council. They are expected to engage.
2:24:00	SL	Yes well it shouldn't be black and white, but I think in general...
2:24:07	ME	Ok, ok...You should come [laughter]...I mean I was trying to save you [Bharucha], but you know...Are we done with the financial planning, thoughts?

2:24:35	JB	Mark, you had asked for more texture on the academic plans, but I think given the time constraints I'd be happy to expand on that very quickly. I think Mark is interested in being briefed on what the exciting academic ambitions are going to be. The bullet points are in my slide and the power point is in your packets and I can tell you more about that any time you want. There are lots of exciting things that are going to come out of this.
2:25:05	TW	Could you please, uh, the decision point document that I handed out was kind of an interim, that was an early version, and so if you're going to look at the document it's the one that Lawrence has here. So use that one, it's the final version and it incorporates all the final recommendations from Ray [Falci] and Tom [Driscoll]...Yeah I'd be happy to take the old one back, that's what I do, take things back. Most of you guys don't like carrying around those papers I give you anyway.
2:25:51	TD	Do we have a shredder in the room?
2:25:53	TW	Yeah...[laughter]...Thank you, thank you.
2:26:15	ME	Can we have a quick resolution here please? Resolution authorizing the administration to explore bridge financing options. TC do you want to talk about this for a minute?
2:26:24	TW	Sure. So as Jamshed pointed out, we have two things we have to deal with. We have the short-term issues and long-term issues. Faculty are hard at work, working with Jamshed, on how to generate revenue in long haul. We do have that period of time when we do run out of restricted funds and in consultation with many of you and many experts, we've identified three potential alternatives that we can pursue for bridge financing for when we run out of unrestricted funds. There are three stated here. One is to approach the attorney general and get permission to invade the permanent restricted corpus to a certain amount based on our projected needs. So basically we'd be going for a cy pres, asking them to allow us to invade the corpus. My expectation is that we would then pay that back because we would have these new programs online that would generate that revenue and you know we would. So that's number one. Number two, while an academic institution like the Cooper Union does benefit from having a dorm it is possible that we will need to sell the dormitory in order to generate some additional funds. The broker that I've been working with, recommended by Bill [Santone?], believes that the tower plus the retail has the potential to generate 20-30 million dollars. Now it's not just the tower or the dorm part. That doesn't really generate all that much money. You get the real kick out of the retail on the two lower floors. We don't own that but we can actually sell the lease over to them. So there's a way to do that, it's actually much more valuable. What makes it even more valuable is that the current tenants leases will be up in 2018, 2023, and 2024 so a purchaser of that leasehold would then be in a position to have new tenants that they could charge a much higher price. The third item is to seek to borrow more money, which I think is the last resort of all, another is to talk to MetLife about rescheduling the current payments that we have. I've done work on all three of these. MetLife does not appear to be too inclined to do anything more but that doesn't mean we shouldn't go back to them. Actually, Jamshed and I have met with the attorney general talking about potentially tuition. I do have an attorney and I've already done two cy pres proceedings with – two successful proceedings – so we've started down that path. And now we're finally starting down the dorm path. The thing about the dorm is that there is an alternative that is potentially available for us which allows us the benefit of getting income off of that building. There is a developer who is developing a rather large dormitory – 500 bed – right by Tompkins Square Park. They would make 100 beds available to us on long-term lease. There's little downside to us. We lease them for \$1 a bed and the students pay the resident's fee. We're trying to balance getting money off the dormitory by selling it, but still having a reasonable alternative that would allow us to continue to recruit students from



		outside the area which is important to our diversity.
2:30:13	MB	TC you didn't include anything with Tishman Speyer on Chrysler here?
2:30:17	TW	Well that's an interesting question I have had discussions with Studley [Inc.] about willingness to do that and I shared information with Mark [Epstein] that I had gotten from Studley about approaching Tishman Speyer about smoothing out those payments. Mark, did you talk to Rob Speyer?
2:30:35	ME	I have a meeting set up with him. We want to talk about other things anyhow. I'm going to mention it to him.
2:30:40	MB	I'm just wondering why it isn't on the list as one of the options.
2:30:49	TW	I think that's probably one of—although the attorney general is a little bit dicey but I think Tishman Speyer is even more dicey. I think we should pursue all of these alternatives. You know we may get some from column A, some from column, B, and some from column C, and we should be prepared to do that, but you know we just want to be sure that you're aware that these are all the options that are available and we will pursue.
2:31:13	TD	Is it fair to say that selling the dorms is a low execution risk but perhaps distasteful? The others are a higher execution risk?
2:31:20	TW	Actually I think that is probably correct, lower execution risk and higher distastefulness
2:31:40	ME	With the dorm too, there's no debt on it because we paid it off with the MetLife loan So we'd be selling the dorm, taking the money from that for our expenses but we're still paying for it as part of the MetLife loan
2:31:52	TW	Sure, but we need the liquidity.
2:31:57	DB	Have we looked into trading off 30 Cooper square and if we have these beds elsewhere at a very reasonable price and using the dorm building for our administrative?
2:32:15	TW	I've thought about that, Don but 30 Cooper is the cost is 700 maybe a million bucks so if we move out of there and we move into the dorm we're not generating a large pot of liquid cash. On the face of it reduces expenses but it doesn't really give you...
2;32:36	DB	And we lose another asset
2:32:37	JB	We can stop this asset sale thing, but we might have to lose another one before we become...
2:32:41	TW	I'm looking at every place I can go to get about \$30 million bucks and I think borrowing it should be our last resort because no ones going to like what we're going to get charged for it...just dig the hole a little bit more
2:33:00	DB	And we're digging a deeper and deeper hole
2:33:02	RF	To that point, I just wanted to ask if we should get direction on the MetLife renegotiation and/or the Tishman discussion. Is our goal to fill this \$20-30 million dollar gap that we need to bridge and are we going into it with a preparedness to give some 30 or 40 years out? I'm thinking either one of these other parties—MetLife or Tishman—are economic people. If we ask for help over next five years, they're going to say what's in it for me? If we go into this philosophically saying we're willing to give on economics some distant period down the road, is that the thought process?
2:33:52	TD	I think it's going to be a negative trade for us no matter what
2:33:58	TW	Yeah I mean there's no other way

2:34:16	ME	Let's take a vote on that. Motion to explore bridge financing options. No opposed, ok good.
2:34:24	JB	Lee, would you care to comment on the vision and such?
2:34:31	LS	<p>Sure, I didn't prepare anything. At the offsite we brought the idea as Jamshed mentioned earlier the difficulty of making financial decisions and bringing options on the table without a broader concept of where the school might be going. In other words what is the vision component of sustainability? So that we base our decision making on some concept. A few people volunteered to engage in that discussion: Stan [Lapidus] and Richard [Lincer] and of course Jamshed also Audrey Flack and Lawrence [Cacciatore] has been helping facilitate that discussion. We had a phone conference and if you recall at the offsite we threw a couple of questions up on the projector after one of our recesses. A couple of them were: what is truly unique about Cooper Union? What would we never want to lose about it? So really our phone conference was revisiting those two questions as the beginning step to moving progressively. What happened in the ensuing time, and I've had some discussion with Jamshed about this is that we all agreed that this couldn't be a top down discussion. There is a Cooper community and there will be no possibility of a buy in to a vision that doesn't include faculty, the deans, certainly, and even going further perhaps students and alumni and so I think it's accurate to say that we've agreed that this is a long-term process that hopefully the vision discussion will enter into these discussions and decisions that we're making about the future. We probably can't come up with something by December where we can point to it up on the screen and say well if all these things then here's how we make decisions, and here's what the strategies need to be. It's frustrating because, personally, I still believe that without a clear vision of what Cooper needs to be in the future to be sustainable, relevant, and attractive to the best and the brightest. It's difficult to plot our course as an institution. My proposal is that we continue those discussions in some concerted way with milestones in mind. My fear, and maybe this is an optimistic fear, is that unless we come up with a strategy—long and short term strategies—but that we don't really know what we're talking about in terms of what the Cooper Union should strive to be and how to keep it relevant and vital and ultimately sustainable beyond financial considerations. So that's not much of a report, but that's my take on where we are at the moment. Are there any questions?</p>
2:38:30	LC	<p>Lee I would also just add insofar as how vision connects to mission and thinking about our time frame here. In the beginning of the spring semester once we have our sort of plan in place it's likely that we will have to alter our mission statement, which currently articulates full scholarships for all. We're sort of keeping an eye on how those two are connected. I suspect that we'll be accelerating the conversation in January.</p>
2:39:10	LS	<p>I know you all want to get on to other things, but I've tried to offer something like this in the past. My own personal opinion is that Cooper Union has the components, at least conceptually the components—art, engineering, and art—that are the components that have been identified as the basis of design education, which is a way to look at the problems of the future in an integrated, interdisciplinary way. I see a great potential in trying to mould a vision that taps into that. There are other, bigger institutions that have already taken hold of this and are already doing what I've sort of suggested. What is the Cooper version of that? What does Cooper have to offer to that could be unique to that discussion and the direction that higher education is taking, and secondary education as well? What is Cooper's role? That could be successful, meaningful, and sustainable? Functionally and practically, we don't have a truly interdisciplinary program but we have the components of one and we have the perceived tradition of Cooper Union being an innovative place. So how do we take</p>

		those and start to mould them so that we could say...To me, tuition is still debatably in the mission statement, but that's a secondary question based on the bigger question of what kind of school it hopes to be. In relation to that, we can say, well then based on that we could do such and such, well we can charge tuition whether it's graduate, undergraduate, hybrid. But like I said before, what I got out of my education at Cooper Union is that you first have to have a concept of direction and then you strategize based on that and make decisions and I'll continue to argue for it until everyone tells me to go to hell.
2:41:54	ME	Any questions for Lee? On a positive note, a little bit of an aside, I want to make it official before it goes public that Jamshed and Jessie are now officially engaged to be married [applause]. That doesn't need a motion, but I second it [laughter]
2:42:22	SL	You think someone should be in the meeting with him, with Jesse? [laughter]
2:42:31	ME	There's a consideration of options. I think we discussed that or is there anything else that falls into that type?
2:42:39	SL	Just to beat a dead horse here. So what are the considerations of options that we can expect to look at in December? To vote in December?
2:24:45	ME	Well the plan that comes back from the faculty. How to raise money? Whether tuition and how much tuition will be a part of that?
2:42:56	JB	Here's what the faculty plans might like, partitioning the problem school by school in terms of two time phases looks like the following. The school of architecture will be starting to charge for their M Arch II program, a program that has already been in existence for 5 years or so which recruits superb students from around the world and has a brand name quality already that can be enhanced with some more marketing. We are fully anticipating that folks like the ones who are outside the door and online are going to seek to block that. They've already raised the stakes so high that it will be very difficult to actually make that successful, but we've decided we're going to charge for that program. So architecture will be first out of the box in terms of starting to actually bring some revenues in. With all but a couple of exceptions, the architecture faculty is very ambitious to take the school to a very very new level. Being solvent is good news for those people because you can't carry out an ambition without pure money. So they're highly motivated and they're looking to shrink the size of their class and looking to launch new programs like the M Arch I program, so that will be part of that story, that architecture will seek to raise revenues and shrink the undergraduate class. The undergrad tuition option will be their backstop. For art it's the same thing except it's much more, um, ideologically categorical. The faculty is working extremely hard to build programs like an MFA, like summer programs. For engineering you're likely to see a mix of revenues graduate and other programs as well as undergraduate tuition at some level.
2:45:47	SL	Do you think you get the revenue targets for art and architecture?
2:45:53	JB	In the first phase, yes. In the first five years.
2:45:54	SL	You answer that very confidently...
2:45:58	JB	We've already built a 50% risk factor into our calculations. I am confident. Am I certain? No. If it weren't for all this noise I would be much more...I'd be certain. There are risks and like anybody who starts a business or a restaurant you've got to deal with them as you go on. I think the noise is the biggest risk now, frankly, is the opposition effect, who I think has decided to make it very difficult for these things to succeed, but we will overcome that with our communications and information and by being united. So that's what you're likely to see in December—a mix of the graduate and summer programs as well as a reduction of full scholarship policy either as part of the mix as in engineering or as a backstop as in the case of art and architecture.

2:47:09	RF	November 15 is the due date for each of the deans. How much time will you have to build a sense of comfort that these are attainable and subsequently when they give them to us in December...I guess my question is...If we collectively say that we don't think these plans feel achievable then what's our next step there? How does that sequence of events play out?
2:47:40	JB	Well first of all we're going to manage expectations by communications by stating that nothing is going to be communicated on December 6. Nothing will be communicated until at least the new year and possibly beyond, because recognizing that with a 3 hour board meeting there will be a lot of follow up questions. I will keep the executive committee informed throughout the process. It's not as if I don't know what's happening and then suddenly it's the 15th, I'm working actively with the faculty and I'll keep you alerted. The truth of the matter is that there is no college or university that does this kind of transformation on this kind of timeline. You might see that in business, but it's absolutely unheard of in education. New presidencies will typically see 18 to 24 months strategic planning process to do some move to keep the institution going to the next capital campaign. We're doing an enormous thing so we will not have all the details worked out by Dec 15, I don't want to manage your expectations there. This is going to be a sketch with all the due diligence that we've been able to do, fully recognizing that first directions will be necessary on an ongoing basis and that a lot of i's will have to be dotted and t's will have to be crossed on an ongoing basis. What I see coming out of December is the board feeling first of all excited about the positive things in the ambitious academic programs as well as being reassured that the long-term sustainability problem is on course. We might be taking some risks with these new programs, but the board has agreed that we can always institute a reduction of the tuition scholarship at any time and we have separated out the short-term problem, which we will have to address.
2:50:07	TD	Will you need faculty to sign off on that potential reduction of that full tuition scholarship on November 15? Who will you get it from?
2:50:16	JB	We'll get it from engineering but we may not get it from the other two schools and I think that my view is if they have a solid plan for phase 1, let's go with that. That's constructive enough, five years is a long time. The engineering faculty are already there in terms of recognizing that they might be no other option but tuition.
2:50:43	LS	So there's a discussion at the very onset today of other options: closure, piece meal, or completely. And Mike's [Borkowsky] idea that came up at the offsite in which he brought up possible buy-out, partnerships, etc. Am I correct that we're concentrating on November 15 and beyond the 1 <sup>st</sup> then later looking at these other options?
2:51:27	JB	No we're looking at them in parallel. In terms of partnership, I've informed Mark that Leon Botstein had reached out to me, he's the president of Bard. He's in China now but when he gets back we're going to talk, as you may know, if you followed his career, he has taken over lots of failing institutions [laughter] and it's certainly a conversation worth having. Obviously I'm not going to commit anything on behalf of the institution, but I told him we're going into this very, very, very abstractly about looking at other models. But frankly it's worth a conversation because what they have done is quite extraordinary at Bard. They have a MFA program in Manhattan. A very successful one. Our faculty are trying to design a very similar one. Should we compete? Should we partner with them? If they have money to bring that to the table that ought to get our attention. If they don't it would be a harder thing to justify.
2:52:53	LS	In terms of a time frame for considering the three options. One that's in process and these other two...When does that happen? You said, the research entities is ongoing. Are we characterizing the other two as longer term...partnerships?

2:53:32	JB	The closure is fire under their behinds, particularly with engineering faculty. It's a tactic, it has to be prevalent.
2:53:35	LS	But it's not just a threat. It's a real option.
2:53:36	JB	It's a real option and I will only recommend it if we do not have a constructive, positive way for that particular school, in which case I will say I don't see a light at the end of this tunnel, let's begin to close it down. So we're doing all the preparatory work on how we would wind down if we would on a school-by-school basis. I don't foresee coming in to that recommendation, but the board has to consider that as a credible alternative, of course. Getting the board familiar in terms of December with the fact that we partition the problem is important. It is not likely to be one solution for all three schools, which is a new development. It is difficult for people in the Cooper community to swallow that but the faculty have already bought into that, but I think alumni will have a harder time.
2:54:52	ME	Let's take lunch.
2:55:08	TW	I think most you that have been out know that there are quite a number of students out there. So.
2:55:12	MB	Are they armed? [laughter]
2:55:14	ME	They have fishing rods [laughter]
2:55:19	TC	So I just want to give you a heads up. It's an academic institution...students
2:55:23	DB	Does anybody understand what they're trying to say with the fishing rods and the money? Fishing for money? What is it?
2:55:40	JB	It's performance art
2:55:45	TW	You know we spend a lot of time talking about how to manage student demonstrations and things that can happen and trying to maintain control of them. I just want you to be aware as you go out there...there's a bunch of them and I think they're getting more and more. It's an academic institution and students protest. That's what...It's a hallmark of the academy
2:56:15	SL	Do they know what they're protesting?
2:56:16	TW	I'm sure they know, yes.
2:56:19	ME	Welcome to 1968...[laughter] Haven't been tear-gassed in decades...We're going to take a quick break, get lunch, and we can eat as we continue.
2:56:42		[shuffling and conversation]
2:57:24	RF	To come up with a plan that would total 12 million but only 50% at...I hope that nobody says...
2:57:58	JB	I wouldn't use the word raise. We're not asking the faculty to raise. What we're saying is we're not asking them to raise money...What we're saying is failure to agree on a set of academic programs that are based on a financial model that will produce revenue. There's a subtle difference but it's important. We're asking them to agree to programs and teach them, we're not asking them to raise money but they have to agree on the fact that the programs charge.



3:08:58	JB	[Door closes, footsteps]...[loud sigh]...Oh dear.
		[shuffling and unintelligible conversations during lunch]
3:24:29	ME	Ok, let's start up again, can we finish eating while we go on? We have a new alumni trustee, Edgar Mokuvos. We also have nominations for two new trustees on the board. One is Jeremy Wertheimer who's an engineering grad. He sort of lost touch with us and we sort of lost touch with him but we rediscovered him again. He's a successful guy. He had a software company that he started when he got out of school. He's now the vice president of travel at Google. He's excited about coming back. He's already made a substantial gift to the school and he's interested in getting our students involved in Google. I think it would be a great opportunity, we will vote on him in December. The other one is Rachel Warren. Rachel is the daughter of Bill Warren, a very active alumni for many years. Rachel is also a link to Kanbar, Maurice Kanbar. She's an attorney, she's on the board of Cardozo school, she has a lot of other experience with other boards. She's not an alum but her dad is. I spoke with her yesterday and she's interested and will serve if elected. So there's three nominations there. Alumni trustee and two trustees. Motion for that?
3:26:52	SL	Who has met with these individuals at this point?
3:26:54	ME	For Jeremy Wertheimer, Jamshed met with him...Francois and I have met with him. Rachel hasn't been that thoroughly vetted yet...She's a strong person and she's a woman. We could use more females on this board. [laughter]. Can I have a motion for that?
3:27:51	LC	Just one thing on Edward Mokuvos will replace Audrey Flack as an alumni trustee and it's worth mentioning that we will be using the annual meeting in December, the dinner associated with the annual meeting to recognize the trustees that have left the board for whatever reason, over the past year in particular. There are really a handful of them. Mark and Jamshed want make sure that we acknowledge their efforts on Cooper's behalf.
3:28:35	PC	Just to add to Ed [Mokuvos], he was an alumni trustee, for those of you who might not know, he's nominated by our nominating committee and elected by the alumni council. He had four total, staggered four-year terms. He was head of our [unintelligible] committee for several years. He stepped out of involvement over a year ago because he'd been elected to serve the school board in New Jersey, which had a lot of time commitments. I know Jamshed has talked to him. He will be a good addition to the board. We have our first alumni council tomorrow. Derek [Wittner] will be one of the people speaking to the group, one of the main goals this year is to try to get the alumni council back on track with crisis going on. We want to try to build the community and that will be a long term benefit to the school. We're working with Cat Tramel and the alumni relations staff. She has some new additions to her staff, replacements for people who left over the summer. They're positive replacements and we're going to get a lot more support in terms of communication from alumni. We need to start somewhere. I continue to talk briefly with Jamshed and try to figure out how I can be, while still remaining independent, my goal is to be as supportive as I can of the tough decisions that need to be made and decisions that need to happen and try to steer that discussion in a positive way and it's going to be a challenge.
3:31:06	ME	Any questions for Peter? A report from the development committee now?
3:31:16	DW	[from Derek Wittner, Vice President of Alumni Affairs and Development] If I could have a couple minutes I'll be brief. Just to recap last year, 2012. I think there were some positives. We've heard and seen some of the numbers. Annual giving turned a

positive result last year – \$3,100,000 on a goal of \$2.5 million. We fought aggressively about 3 million and we can do a little better than that. We're conservative the way we budget, but it was a good year for that. Participation was up to about 24%, a little lower than that. Participation is tough to move but it did move last year by about 3 percentage points, and that's positive. Parent giving did move dramatically to \$360,000 from about \$250,000, that's a big move for parents and an important place for us to think about the future. I think all of that's good and I don't want to underestimate it. I also want to tell you where the caution is going forward. Last year produced overall cash of almost \$10 million bucks, 9.7 million, it's comprised not only of annual giving but of cash from all sources whether it's government or foundation support, etc. etc. It also includes installment payments from pledges that were made during the campaign. The campaign's over. Last year we realized about \$2.2 million in installment payments from that campaign. This year that number projected, if everything came in at \$667,000. That's a big drop and we've got to make that somewhere and we don't have a campaign. So that's one note of caution. The other is this, we got an anonymous gift last year, over the transom, by someone who is connected to Cooper of over a million dollars. And it was cash. Cash for the best thing we can use it for which is financial aid. That's not going to be duplicated by that person this year. That's another note, in talking about cash register of about \$10 million dollars. We've now seen two things that threaten the results for this year in terms of cash, and I think only about cash these days. So those are cautionary notes about how we're going to address this year and going forward. What are we recently trying to do in order to address some of these concerns? If annual giving were to replace all of that cash that would be terrific. I don't think it will. Do I think aggressively, yes? Do I think if we reached a natural number of \$3.1 million last year we ought to be at \$5 or \$6 to \$7 million this year because we don't have people paying off pledges anymore. We ought to be replacing those payments with cash payments along the way, but it doesn't happen that way without a focus or a focal point. We're also not ready for a campaign, we can't move, and every school does this. They end one campaign they're already in the next one. We're not there yet...it's gotta wait...some of the planning that Jamshed has to do, some of the outcome of these discussions, etc. What do we do in the meantime to replace the cash? What we're trying to do is come up with something that for the purpose of this discussion I will call a mini-campaign, for the next year or two with an uncertain goal but focused on several projects. One of course is scholarship support. Other projects are short term but very important effect for Jamshed. For example, someone who might in addition to an annual gift want to give to a venture fund so Jamshed has at his disposal some money to sprinkle around to faculty for projects that he thinks are tremendously important and can make a big difference in the short term. So we're focused on that. We think we're about to enter discussion with Jamshed and we've had those. We're about to unveil that in terms of publicity and a kind of campaign literature which we're in the process of completing. I'll say this about it, it is short term. Everything about this is cash. We're not talking about endowment. The number that TC has used in her figures going forward of \$100 million in the capital campaign, another 30 million dollars from annual giving...the comprehensive 130 million dollars...Only \$30 million of that is cash. And that's cash through the 10-year period. The rest of that is endowed. The endowment pays 5%. It doesn't do what we need to do today which is why we're all focused on cash. We're trying to raise sights...someone gives an annual gift of 5, 6, 7 thousand. We're trying to raise that. how do you do that? If you're offering recognition to people to do special gifts above a certain amount...we're starting at \$10,000, payable in a year, and we're going to 25 to 50 to 100 thousand dollars, and we do have some 100 thousand dollars annual donors. If we can offer recognition of people and honor them in a certain way which

		<p>we're working on. We're hoping to raise sights so that \$7,000 donation becomes \$10,000 donor this year, etc. It's all we can do as a placeholder for a real campaign. Professorships or faculty support, ordinarily you pay out of endowment for those. A 3 million dollar endowment will pay out enough to pay somebody to occupy a professorship. We're not thinking that way. We're thinking about pay-in, pay-out. If you're good enough to give us a pledge of 300-400 thousand, 500 thousand dollars or more, over a period of 3-5 years we will put someone in your name in a professorship at Cooper for that time. It doesn't mean we will do it in perpetuity as most professorships do. This is short term. We rotate it. After that 3-5 year period if that faculty member is of great repute and does well here then we'll think of the next stage to keep that faculty member. All of our thinking has to be that way right now. The staff knows it, we're all dedicated to doing that, but there are disadvantages to that. Most people who give large gifts want to be recognized forever. That is simply the way it goes, whether it's ego or whatever. Family name? We can't offer that, we're not offering that right now. It is also not in the current interest of Cooper to not offer that. Ultimately we have to. The long-term health of an institution depends of current giving and endowment giving. The endowment giving is the piece that we're challenged by right now. The staff is focused, it's though to keep morale up but I think they're true professionals. I think we've been extremely lucky. We've hired some very good people who are dedicated to making this work in the midst of all this turmoil. And there's plenty that comes our way every day. We want to hold our own in the next year or two till we get to the bridge to the future. That's what this is about and that's what fundraising is about. The other initiative that I think is critical and I ask all of you to think about. It is so essential to the health of this place, is this very board. We have to keep building a board and we're dedicated to doing that. We need to find and attract the most solid people we can to this board from a diverse background, without a doubt, but people who are also committed financially to supporting Cooper. The next campaign will start in a silent phase, with the board. It always does. The people who are closest to you are the people who are supposed to support you the most. Most campaigns end up with the board contributing 20-30% of campaign total. This board contributed something like 12% last time around. That can't happen. So we are dedicated over the next two years to building a board. There's some good signs out there. Jamshed and I are having meetings with people who we think can lead to others and engage people in board leadership at Cooper. If any of you can help us along that road, please do, don't hesitate for a moment, give me a call and say Derek I know so and so. We'll need the introduction if we don't know that person. We'll need a strategic plan to get to that person. We need as many people thinking about this as possible. That's all I can say at this point. I'll take any questions if anyone has any.</p>
3:41:03	ME	Please come up with some names for Derek to work on...
3:41:21	DW	<p>The best spokesperson for development over the least two years was [Sydney?]. She is not here, as you all know. Jeff [Gural] is a co-chair of the development committee. If anybody wants to think about leadership of that, please talk to Mark, Francois, or to Jamshed or me. Please, we need as much leadership and advocacy among this group and beyond this group as we can get.</p>
3:42:04	TD	<p>As we updated the plan you probably saw an operating budget and a more landscape budget. My bottom line is always cash in the bank. The expected course of the endowment, the current forecast for the end of fiscal 2013 is actually up almost \$2 million from what it was previously. The permanently restricted endowment is actually down about \$5 million so we're worse off but it terms of liquidity we're a little better off. I don't think this changes anything we need to talk about in this slide. There's lots</p>

		of details in here that we can respond to.
3:42:49	MB	Tom, did you say the permanent is down 5 million?
3:42:53	TD	Versus the estimate of what it was going to be. The endowment giving for fiscal '12 we trued up about \$3 million versus the expected and the forecast for '13 is about \$3 million less than expected. So with rounding, you know minus 3 and minus 5.
3:43:13	MB	There's a line item...September update...There were a lot of other demands on cash which is set out of restricted expenses and this was modeled, also restricted donations?
3:43:27	TD	This is the long discussion we had with accounting, with an external accounting expert. Look at the financial statement, and correct me if I state this wrong, and take into account restricted dollars both in the income and outcome side. As long as those net out over time, you're ok doing that. But there's tiny differences, where I might give you restricted cash this year and you might spend it next year. Year 3 you might spend more than is incoming, so this is meant to correspond more closely to the accounting but it shouldn't change the substance of a financial position. You see a little bit as you net these things out as a couple hundred thousand one way or the other. Over time they should net out, assuming that the restricted gifts actually show up over time. Sometimes it's a pledge...So you might not true up entirely, so this is an attempt to tidy the account numbers. Is that a fair statement?
3:44:32	TW	Yes that's a fair statement
3:44:45	ME	Anyone have questions on that? Ok, budget overview...
3:44:48	TD	There are ups and down with the budget numbers. I think for the fiscal '13, actually there's a couple things in here that a \$386,000 decrease in total revenues. And on the expense side it's just a capital expenditure to move from one year to the other, and then we have the cash thing we just talked about...so a couple hundred thousand here and there is nothing that meaningful.
3:45:22	ME	Ok can we have an investment update? John?
3:45:32	SL	I have a request...I looked at some numbers and saw that our year over year investment return was negative. I sent a response to an email that came in where John Michaelson said...It would actually be useful to have a sense to track over time how we've done what our cumulative or annualized returns have been. I don't know if it's a good strategy or not. It seems like every time I've looked at the report it's more bad news and good news. I don't know if we all feel the same way.
3:46:10	TD	I think those numbers are in there that you're looking for, that give you kind of compact returns.
3:46:14	SL	I'm saying back ten years or something. Do we have a good long-term...I understand the returns fluctuate and so therefore you wind up saying it was a crappy period here but a good period there. What I'm trying to figure out is net of over long periods of time, are we good stewards of our endowment?
3:46:36	TW	Since inception, we track. We track current month, fiscal year, calendar year, three year, 5 year, and since inception. More than last year is on page 5 or 6 of that report.



3:46:55	LC	Not everyone gets that report, but we can distribute that.
3:47:07	SL	I would suggest it's a good idea to keep in front of the board, a snapshot of how we're doing with our investing.
3:47:11	LC	How about this, Stan, rather than presenting a one-pager that gives you a snapshot, how about we just simply replace that with the full Cambridge report, which shows you over the past...
3:47:34	TW	We'll get for you the one-pager that gives you that information and then you can have the dense report if you want it...
3:47:37	SL	I think it's really important that everyone get that, all who are interested. Over the years it's perplex. I don't actually know the answer to the question if we're doing a good job versus he does. Or not?
3:47:57	TD	When you do see the report you'll each ask if [unintelligible] benchmarked against the appropriate benchmarking asset bonds. And some of the numbers are kind of odd numbers because you may benchmark bonds against some odd index and you might benchmark each of your investments against a different flavor of bonds so you might actually outperform or underperform the benchmarks, so it will give you some granularity.
3:48:21	SL	That won't answer my question, though, which is: how are we doing? My question is of interest to those who manage the portfolio. For those of us who are investing it is: are we just better off buying long bonds or are we...You know...
3:46:38	TD	I missed the investment meeting.
3:48:41	TW	That's a question that gets talked about every time they meet. 1 year is not good, 3 year or 5 year is good. And even since inception is I think than, I'd say better than a benchmark. Any kind of investment in the short term...
3:49:00	SL	I'm not interested in the short term. It's a long-term strategy.
3:49:05	TC	Right, but a point of fact: in the past fiscal year we were down 4.8%. Now that was better than we had originally forecasted because the market improved.
3:49:20	TD	[unintelligible] underperform up-markets and outperform down-markets with a more conservative position. We have some international assets in here so you know the international markets underperformed US equity markets this year. So we'll underperform US stock indices this year...
3:49:55	ME	Any questions? Should we adjourn?
3:50:06	LC	Bringing the food in I was reminded that we have two potential exits to exit space. There's obviously front door, which is great. But for those of you who don't necessarily want to be trapped I'm going to go over and open up this door but I'm not guaranteeing that you won't get stopped.
3:50:21	SL	What's on their minds?
3:50:22	LC	You know the same thing that's been on their minds.
3:50:28	SW	Actually, reading their posts on Facebook about this meeting encouraging people to come. They are concerned that they'd be grandfathered. It's not clear to them that their tuition will remain full tuition scholarships. And they just want you to know how strongly they feel.
3:50:52	MB	The discussion about closure turned to are we going to phase out some of the classes but some of the students we're going to have to transfer but it was only. Years ago we had this discussion it was always under circumstances that if we were going to

		close down anything that every student who was already admitted would get the benefit of the full tuition scholarship for their remaining time here and that we would never force students to transfer. That's the right thing to do if you're going to do it rather than decide that a student who is a sophomore or a junior suddenly has to transfer. I'm just curious as to why that thinking changed so dramatically from where it was years ago?
3:51:41	JB	Well it hasn't changed, I mean, I've assured the students and faculty that certainly through the class entering in 2013 it will not change...
3:51:47	MB	They will get four years?
3:51:59	JB	Well, there is that ambiguity whether it's 1 year or 4 years. It would be nice to be able to assure them that it's 4 years. I would think that we'll revise this over time. The only thing that's changed is I got the sense very early on that the board was looking for rapid, drastic, decisive action, and we talked about a 4-year wind down and for architecture 5 years. That's not a [unintelligible] and so I believe the most prudent thing to do for the long term is to assure the 4 years for the class of 2013. That gives us this extra year to get our decision made and has the least risk of depriving the students of education. But my sense is that the board has been looking for action sooner rather than later. I would rather we be not be making big decisions in the December, why not make them at the end of next May? But it seemed to me the board wanted to make them this past June [laughter]. So, the clearer the communication we give about the resolution of the short-term problem the more time it gives us to do things in a logical way that doesn't cause panic. So, if that's the sense of the board I'd love to be able to just assure the current and incoming students that at least through the freshman class incoming 2013 nothing will change for them
3:54:20	MB	My personal opinion being it would unconscionable to change the approach while students are still here
3:54:35	JB	But you have to realize that in any wind down plan if you're assuring students that they can have the 3 or 4 more years they need to graduate that mean you don't get the savings from closing down the operation. And you may be able to close down portions but the savings are not going to kick in until past 2018 when we have the leap in the rent anyway. It will certainly help us all, I think, to focus on coming up with good plans that are academically ambitious and actually sustainable, visionary, if we take some of the panic out of the equation. I'd love to come out of the meeting with this sense?
3:55:24	TD	Can we do that and promise money that we do have, or are we promising to spend money that we don't have?
3:55:32	SL	I think that's why what TC did is so important. Maybe we should spend a few minutes just discussing those options. We shouldn't put them on the screen [laughter]
3:55:46	JB	Let's spend some time on this. It's a very important discussion I don't want there to be any disputes about this going down because our admissions people need clear direction. We're in the midst of the early decision cycle already, admitting students, and what do we say? I think the best thing for the future health and vitality of the institution is to not act precipitously even if we have to act expeditiously. So can we say to the class coming in 2013 that you are also granted? I think that's what we said in our April announcement, that that class will not be affected, with some ambiguity in the sentence about whether that's for four years. Now some people online have already wielded that interpretation. I would rather we say sure, because the tuition is not going to impact the shape of the...it's too late for that.. one way or the other we can't do enough with the money. I just don't see uh...

3:57:13	SL	So what do the numbers say, TC?
3:57:16	TW	Based on what you close, when?
3:57:18	SL	Yeah
3:57:22	PC	I'm just confused here because there's two different discussions. One is charging tuition for next year's class and the other is closing the school down and the problems with that.
3:57:30	VK	I thought the question was, oh I see, yes, that's right, both questions are important.
3:57:34	PC	Right, I think both questions are important. Closing the schools down in the end, I agree with Vikas, is really disruptive for the students and therefore I think would probably hurt the school in the long term. To say, even after one year you gotta go and transfer and do things you didn't want to do and try to find aid, whatever. On the other hand you gotta wonder what the place is going to be like for a discontinued program in the last year and the next to last year. What professors are going to hang around to do that? It won't be easy and it should be fleshed out sooner rather than later so we know what it would be.
3:58:20	JB	To be honest here, TC and I about 3 to 6 months ago were thinking you have to do it cold turkey and close. Firing faulty is the kind of thing corporations do. You know you have until 5 o'clock to clear out, and here's your severance, and that's it, and we somehow transfer the students out. We couldn't envision how you can carry out a strong academic program with faculty and staff leaving and getting fired. Staying on for another year simply to do this. The thing that turned us around on that is students, the welfare of students. We simply have to manage the faculty side of it. It's not going to pretty.
3:59:16	TD	I don't know if this question has any relevance, but when I was here, I think it was freshman year or my sophomore year there was a decision made to close the mathematics physics and the mathematics major. I think the solution at the end of the day was that you protected upperclassmen but not lower levels. I can't remember...certainly freshman were not protected...I don't know what happened to sophomores. I think that's an in between solution instead of 4 years.
3:59:48	PC	In that case they transferred out of their majors and they were still offering math and physics so it was easier, and conceivably close to civil engineering option. Which as a civil engineer, I'm not sure I'd advocate. Considering the freshman aren't that invested in their major. It's easier closing the art school, completely or something like that, or you know the engineering school completely.
4:00:26	JB	We can go back...I mean we do have plenty of institutional memory about that. Alan Wolf himself had to leave but that was a lot easier given that was 1 or 2 departments. We're talking about an entire school if not the entire institution. Even that was traumatic enough and that's what produced the creation of the full time faculty meeting.
4:00:54	TD	The idea of the discussion isn't to stay open the whole four years, so for the freshman to be pleased, it would be hard to stay open for four years in itself while simultaneously balancing the costs.
4:01:10	JB	Yeah. You know, the one thing we all have to recognize in this situation is that there is no easy path. From a rational standpoint it is really not clear that there are any paths at all. I think we have come a long way this past year in trying to find pathways. I do believe there are pathways that enable us coming out of this stronger than before. We may have to...uh...give on some highly valued constraints but any of the options we consider are going to have execution risks. They're going to be very

		<p>difficult to actually execute. You're going to see a lot more of what you see outside the door. Will you charge or will you close? Will you create a new program if people are exposed...opposed to expansion? That's just one of the things on the list. Every path is going to be controversial and fraught with uncertainties. I think there's a distinction between setting a policy, making policy level decisions, and execution on the ground which requires a lot of document tactic, sort of like football. You say, this is going to be the play, then once the play begins you have to improvise because somebody punches you and blocks you and trips you and then you fall. So we're aware of just how difficult any of these things is going to be. I wanted, before we close, to have a conversation about how we adjourn as gracefully as possible and exit, given...this. I think that the group outside represents a...it's not representative of the student body but it's a group that's very passionate. Many of them are ill-informed or misinformed and many of those are not ever likely to be...because...they don't understand. Are there any art graduates in the room? [laughter] Mark is an art graduate with an engineer's brain, [laughter] so he doesn't really count. [laughter] The ones who are quantitatively receptive are coming along. The kinds of spreadsheets that you see here are extremely complicated and Cooper Union's finances are an order of magnitude more complicated than any other institution because of this weird step function every ten years of rents. How do you calculate the deficit when expenses go up exponentially with inflation and revenues go like that, criss-crossing. It's very very real, but that strikes this group as...obfuscation is the term they use. They're obviously confusing us...so there must be something they're hiding, there must be something trying to get away with, it must be a cover up to turn the institution into NYU, to gouge the students, to expand. For many of the students, you can't get mad at them because they believe that, and it's very much influenced by the occupy movement and there were unconscionable things done by leaders in the financial world, no offense to anybody in this room, but you know, there are reasons to be mad, but there's a difference between being mad in a blanket sort of way and having specific goals. That's probably why the occupy movement hasn't been able to follow through. I think these students are very frustrated because they don't really have a handle and they're being influenced by some people who do have a handle, but who see political gain in this. Not all of them will be brought around, I think some of them will be brought around. There's also...the ones who tend to be protesting have a certain political view that meetings of people, mostly men, in dark suits in closed board rooms are inherently suspect. So when I was out there the main man goes "why aren't we all in here? Why can't they all just be in here?" No answer really will convince. You can say, as I did we have democratic procedures, you elect your student leaders to the senate and they go to faculty meetings and academic affairs, the trustee committee. There are avenues. But they want to know why they are not in this room. There are two ways to think about the exit strategy. One is we go out the back in which case that becomes the story on Facebook, or we go out front in which case that becomes the story on Facebook. Which story do you want? I think there are loads of problems to each. The ideal would be we go out front, we try to shake hands and walk through. The con is: how do you get out the other end? Because you'll be peppered with questions. It's human to want to engage, and I think there's some goodwill that you get from engaging and keeping that humanity. But they'll want answers.</p>
4:08:23	DB	<p>Jamshed, they make no effort. Some of us walked in and out a couple of times. They made no effort to communicate in any way. You think when we all leave they'll be more vociferous?</p>
4:08:37	JB	<p>There is a mass exodus at the end of the meeting, it's different than just going to the bathroom [laughter] They may not be ready to capture you just going to the</p>



		bathroom. We are pretty involved with students, I'm sure you've all been through, like you said, 1968 or 19-whatever it is era. There are no graceful ways of bridging between power and the perception of powerlessness. It is mostly art students, a sprinkling of architecture and engineering students. Mostly art students who perceive this as about power. The 1% versus the 99%. Most art students don't feel that they have much stake in the establishment, that's why there's mostly the engineers view and it's also reflected in this board, right? We have a few minutes and I do think the group needs to feel comfortable about what we're going to do as we exit.
4:10:05	DB	Let's just say we all have to go to the bathroom. [laughter]
4:10:08	SW	Jamshed, just to note, you offered them a meeting with you at another point? Maybe we should be aware of that, and what is that?
4:10:49	JB	They acknowledge that we have been open to individual meetings that they can sign up for and so on...they're saying how about a meeting of the full student body? That's fine. We can do it during club hours. Right off the bat they seem very receptive to that. Some of them are very civil and don't think there is anything nefarious going on, they just want more information or reassurance, and others believe we're lying. There's nothing we can say. When someone believes you're lying it doesn't matter what you say, they'll go "you're lying about lying" and all that stuff. You'll never get out of that. There's another thing, boards tend to be disproportionately analytical people because analytical people are the ones who tend to be more successful in traditional ways and finally pay the bills. This is not a particularly analytical issue out there. It's more symbolic, it's emotional and about understanding how they feel, right? So going out in a humane way is the way to do it. So, I don't know, is going out the back door the way to do it?
4:12:01	LC	I'm just suggesting, you know, for those people who have a time constraint.
4:12:03	FD	I think we need to go out the front...[laughter in room]...Vikas's comment...
4:12:12	DB	[chatter] If Vikas doesn't come back we'll go out the back way. [laughter]
4:12:28	PC	Would another option be to actually invite them in here for 10 minutes?
4:12:35	SW	I'd be in favor of that, personally.
4:12:37	JB	Any discussion of that?
4:12:38	RF	Ask them to set a prerequisite.
4:12:42	JB	To make a presentation? Not to ask questions.
4:12:45	RF	Yeah, not to ask questions, to tell us what they're thinking but not ask questions. I'd be in favor of that.
4:13:05	LC	Then I think it's important to set some rules up from the beginning. Let's put a time limit on it. Any other thoughts about what the rules should be? I certainly think it's a great way to make peace.
4:13:14	TD	Maybe we say we will listen respectfully but we won't respond, unless you want to respond. I think that will be okay.

4:13:22	FD	I think any talking needs to be done by the president and not by us.
4:13:30	TD	You want them to come in one at a time, or?
4:13:33	FD	They can come in as a group...[laughter in room]...yeah, sure.
4:13:36	PC	The advantage of them coming in also is that it clears out. [laughter and chatter].
4:13:55	LC	I'd also suggest...please just make sure your papers are put away.
4:16:00	JB	[to entering students] If there are any empty seats feel free to take them.
4:16:07	S	No names? Would it be helpful to leave the nametags, everyone?
4:16:13	LC	Oh, we can have each person introduce themselves.
4:16:24	TD	So, thirty years ago I was on the floor, now I get a chair.
4:16:30	JB	Do we want to do introductions? [students respond "yes"] Your year and class, why don't we start at the end.
4:16:40	DB	Don Blauweiss, Art '61.
4:16:42	RF	Ray Falci, Engineering '86.
4:16:46	JB	And you're an alumni trustee, elected by alumni, and just came on.
4:16:50	LS	I'm Lee Skolnick, Architecture '79 and alumni trustee.
4:16:55	PC	Peter Cafiero, Civil Engineering '83 and president of the Alumni Association.
4:17:01	ME	I'm Mark Epstein, I'm chairman of the board, graduated '76 from Art.
4:17:07	FD	Francois DeMenil, Architecture, '87.
4:17:11	RL	Richard Lincer, I'm not an alumnus but my father was an Engineering alumnus, class of '42.
4:17:16	TD	Tom Driscoll, Engineering '77.
4:17:20	JD	Joe Dobronyi, Peter Cooper descendant.
4:17:22	MB	Mike Borkowsky, Engineering '61.
4:17:26	TW	TC Westcott, not a board member, I'm the Vice President of Finance and Administration.
4:17:31	LC	Lawrence Cacciatore, Secretary to the Board of Trustees.

4:17:34	SW	And I'm Sheri Wills, I'm a professor of art and art history at the University of Rhode Island. I'm here for one year as an American Council of Education fellow. I'm not a board member.
4:18:48	JB	If you want, anybody, feel free to speak, or if you want to elect some spokespeople...the important thing is to express, uh...
		<b>Audio and video for the remainder of the meeting is available online</b>

