

# Consent decree calls for state oversight at New York's Cooper Union

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An agreement between Cooper Union and an organization of students, faculty and alumni that had sued the school in 2014 was announced last month by New York State Attorney General Eric Schneiderman.

The lawsuit, filed by the Committee to Save Cooper Union (CSCU), charged mismanagement on the part of the administration, along with violation of the school's 150-year-old charter. Cooper Union was founded in 1859 by Peter Cooper, an abolitionist and self-made industrialist, and it has been tuition-free for most of its existence.

The consent decree, which must be brought before a judge for final approval later this month, provides for the withdrawal of the lawsuit, while at the same time creating an independent monitor, to be appointed by the Attorney General, to oversee the school's fiscal operations and long-term strategic planning.

While the CSCU applauded the agreement as a compromise that achieved most of its aims, there is no guarantee on the crucial issue of free tuition. On the contrary, the agreement promises only that the trustees will be required to create a new committee tasked with issuing a report in 2018 on the possibility of bringing back full-tuition scholarships.

It was the ending of Cooper Union's long tradition of free education for its 1,000 art, architecture and engineering students that had galvanized opposition among students as well as faculty. The first class facing tuition charges entered in 2014. By the time the committee examining tuition, currently about \$40,000 annually, returns with its report in 2018, none of the students then at Cooper Union will be covered by full scholarships as in the past.

Outrage and student protests over the imposition of tuition led the state to examine the school's finances and management. The investigation, alongside lengthy

negotiations that culminated in the agreement, led to the resignation of CU president Jamshed Bharucha and five members of the board of trustees last June.

Cooper Union's crisis is rooted in the corporate model of higher education—"competitive," exorbitant salaries for top administrators, emphasis on new buildings and amenities, and efforts to attract wealthy students for whom high tuition is not an obstacle—that is now almost universal. The administration at Cooper Union embarked on the construction of a new engineering building ten years ago, financed largely through a \$175 million loan. Mortgaging the school's future to the fortunes of the stock market, the Cooper Union trustees' plans collapsed along with Wall Street in 2008. Meanwhile Bharucha was being paid handsomely and the school was spending lavishly on entertainment and other matters.

Bharucha's annual salary was \$750,000, and he was also provided with a home. The huge salary, while above average, nevertheless reflects a trend both in private and public universities. College presidents are receiving corporate-style compensation while tuition skyrockets and students are forced to take on huge debts. In the 2013-2014 school year, for instance, eight public college presidents had salaries greater than that of Bharucha, with Pennsylvania State University President Rodney Erickson topping the list with a salary of \$1,464,603, according to *CNN Money*.

Cooper Union students, faculty and alumni were also angry over the fact that the seriousness of the school's financial crisis was kept secret from them. When the issue of ending free tuition first came up, working groups including students and alumni were created to supposedly find an alternative. The groups did not have direct access to the school's financial records, even though the trustees who were also part of these working

groups did have such access.

The CSCU issued an optimistic statement on the latest agreement, as posted on the *gothamist* web site, quoting Schneiderman as claiming to act “to safeguard Peter Cooper’s irreplaceable gift to the people of New York.” It also cited the proposed committee “that will be dedicated to development of a strategic plan to return the school to its traditional tuition-free policy”; the expansion of the board of trustees to include additional student, faculty and alumni representatives; transparent disclosure of board materials and financial documents; and an “inclusive search committee” for the school’s next president. Cooper Union is now being led by an interim president, William Mea.

WSWS reporters spoke with Cooper Union students, many of whom appeared generally enthusiastic about the settlement.

Isaiah, a second year art student, said, “It is fantastic. Tuition is horrible. I think this decision is really encouraging to the population. Even if they don’t go through with it at Cooper Union, we are going to come out and fight, again. Nobody would take this sitting down.

“I am currently one of the students that has to pay tuition, but I can go here because I am poor and get financial aid. I know that without the tuition everyone in the class is equal, because we all worked hard and earned the chance to be here. With tuition things are different, and that is why we are struggling.”

Emily, a sophomore, said, “I have not been following this as closely as I should have, but there has been so much deceit and wrongful decision-making here. We were looking over Peter Cooper’s trust deed, and it was very clear that this was not followed.

“I am in the second to last class that was given free tuition, and without this I could not afford to go here. Even though I don’t have to pay tuition I still have to take out loans because I still have to afford housing, and I can’t be a full-time student and have a full-time job.

“It is much harder for some people, and a lot of them become indebted just to get an education. This school is merit-based, and more colleges should be offering scholarships to help students. Instead, these colleges act like a moneymaking business, and I think that is what they wanted to turn Cooper Union into.

“Even now, I see they are still redoing buildings and

making aesthetic changes. How can they have money for that, but not free tuition?”

Madeline, a senior, talked about the present situation. “I feel weird because right now Cooper Union is like a two-tier system. Half of the students pay tuition and half, such as myself, do not pay. In two years it will be a one-tier system in the negative sense of the word, because everyone will pay tuition.

“Up to now, we all got here regardless of our background. With tuition, the character of the school will change. It will depend more on your background. In some schools, tuition per year is \$50,000. Many of students get there because they can pay.”

While Cooper Union students are encouraged by aspects of the settlement that seem to represent a response to their protests, they should be forewarned that leaving the Attorney General, a veteran Democratic Party politician, in charge of oversight gives Wall Street and the corporate establishment dominant influence over the future of the school and of free tuition. There are already plenty of signs that the settlement will be used to appease the opposition while nothing is fundamentally changed.

“It’s my job to promote and protect New York’s nonprofit sector, but we also have to step in to help institutions like Cooper Union when they face fiscal and governance problems,” Schneiderman declared after the settlement. “We’ll continue to monitor the school’s progress to make sure it’s on a path to long-term sustainability—and, I hope, free tuition.”

Alongside this “hope,” others pointed to the school’s current \$10 million operating deficit. The chairman of the school’s board of trustees, Richard Lincer, told the *New York Times*, “It’s going to be an uphill climb. We want to do this in a sustainable way, not in the patchwork way it’s been done in the past.” And the agreement itself admits, “It is impossible to predict whether, and if so when, Cooper Union could return to full-tuition-scholarship model.”



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