

**APPROVED** (with modifications noted March 9, 2016)  
**THE COOPER UNION FOR THE ADVANCEMENT OF SCIENCE AND ART**

**Minutes of the Board of Trustees Meeting**

**December 9, 2015  
8:30AM**

**Offices of Cleary Gottlieb Steen & Hamilton, One Liberty Plaza,**

Trustees: Richard Lincer (Chair), Kevin Slavin (Vice Chair), Monica Abdallah, Nils Folke Anderson, Joseph Dobronyi, Thomas Driscoll, Ray Falci, Jeffrey Gural, Jeffrey Hersch, Eric Hirschhorn, Adrian Jovanovic, Peter Katz, Malcolm King, Jessica Marshall, Edgar Mokuvos, Robert Tan, Johnny Taylor Jr., Rachel Warren, Jeremy Wertheimer (phone)

Representatives: Mike Essl, Atina Grossman, Yuri Masnyi, Amy Westpfahl

Officers: Acting President William Mea, Secretary Lawrence Cacciatore

Invited: Chris Cloud, Justin Harmon

Absences: Trustees: Robert Bernhard, Elizabeth Diller  
Representatives: Toby Cumberbatch, Anthony Vidler

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Mr. Lincer called the meeting to order at 8:30 a.m. He noted that the newly elected Representatives to the Board would join the meeting following the Executive Session.

**Elections**

The Chairman requested that the trustees complete the ballot containing the names of the nominees for the two Alumni Trustee seats (Class of 2019): Peter Katz (A'76) and Adrian Jovanovic (BSE '89). The secretary collected and counted the ballots including that of the trustee participating by phone. Upon request Mr. Cacciatore reported that Messrs. Katz and Jovanovic were unanimously elected to the Board of Trustees.

Following discussion and upon motion made and seconded the following resolution was unanimously approved by the Board of Trustees:

**RESOLVED**, That the following Officers of The Cooper Union for the Advancement of Science and Art are hereby approved to serve until the next annual meeting of the Board of Trustees in 2016:

Richard Lincer	Chairman, Board of Trustees
Kevin Slavin	Vice Chairman, Board of Trustees
William E. Mea	President (Acting)

William E. Mea  
Lawrence Cacciatore

Treasurer  
Secretary

### **Executive Sessions**

The Secretary was excused from the meeting.

The Board then entered into Executive Session with the Acting President.

The Acting President was then excused from the meeting.

The Board then entered into Executive Session.

The executive session concluded. The officers and the Representatives to the Board were invited to join the meeting.

### **Chairman's Report**

Mr. Lincer welcomed the Representatives to the Board and proceeded to provide the Chairman's report noting the following:

- As per the recommendation of the Governance Committee, officers of the Corporation elected by the Board on an annual basis will attend Board of Trustees meetings. Vice presidents, deans and other guests will be invited to participate at Board meetings as and when necessary.
- The dates for the 2016 Board of Trustees calendar year were presented:
  - Wednesday, March 9, 2016
  - Wednesday, June 8, 2016
  - Wednesday, September 14, 2016
  - Wednesday, December 7, 2016
- 2015 Conflict of Interest forms were distributed to each trustee, representative and officer present at the meeting. It was requested that forms be completed and returned to the secretary by January 15, 2016.

Mr. Lincer then presented a set of guidelines developed by the Governance Committee for soliciting the input of the Representatives when appropriate at committee meetings and meetings of the Board of Trustees.

Mr. Lincer concluded his report by thanking trustees Gural and Falci for their service on the Cooper Union Board of Trustees, and for all the time and effort they had devoted to the work of the Board.

### **Consent Agenda**

Noting the following modifications:

1. (Malcolm King was absent from the November 11, 2015 Board of Trustee Meeting)
2. (The spelling of Monica Abdallah's name was corrected in the minutes)

the September 16, 2015 Board of Trustees Meeting minutes and the November 11, 2015 Board of Trustees meeting minutes were approved.

Upon motion made and seconded the following resolution was unanimously approved by the Board of Trustees:

**WHEREAS**, the candidates listed below have completed the degree requirements as noted within their respective Schools of The Cooper Union, therefore  
**BE IT RESOLVED** that the Board of Trustees of the Cooper Union for the Advancement of Science and Art approves degrees for the following students as specified:

IRWIN S. CHANIN SCHOOL OF ARCHITECTURE

**Master of Architecture II**

Hsing Chiang  
Jaebong Jeon  
Nan Lei  
Yi-Chen Li  
Yu-Chun Lin  
Ming Yan

ALBERT NERKEN SCHOOL OF ENGINEERING

**Master of Engineering**

Electrical Engineering

Julia L. Astrauckas  
Kevin Tran Nguyen  
David Samuel Rubinstein

Mechanical Engineering

Olga Shishkov

SCHOOL OF ART

**Bachelor of Fine Arts**

Pablo Chea  
Sara C. Haley  
Nandi Icart-Pierre  
Alpha Lubicz  
Natalia Maliga

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### **Acting President's Report**

Mr. Mea reported that the end of the semester is in sight and the students and faculty are preparing for final exams, senior show openings, and critiques. He noted that the mood on campus is one of cooperation with a focus on student work.

Mr. Mea then reported on the budget variances for the period ending September 30, 2015. He noted that the projected revenues and expenses for FY16 are on target.

Mr. Mea then provided an update on Cooper Union's financial planning. He reported that the FY 16 budget was approved in the context of ensuring that Cooper Union maintains the necessary operating liquidity until the institution reaches a point where operations provide a positive net cash flow. It was discussed that, in order to reduce net losses and further ensure adequate unrestricted cash to fund operations until FY19 when a projected surplus is anticipated and to establish a reduced cost base for FY20 and beyond, it would be advisable to seek \$3 million in sustainable expense cuts over a two-year period beginning in FY 17. Mr. Mea reported that, in the context of planning for the FY17 budget, he has begun working with the Cabinet to begin identifying potential approaches to achieve the budget reduction goal.

Mr. Mea noted that Budget planning for FY 17, 18, and 19 include conservative projections for undergraduate enrollment in contrast to the Financial Sustainability Plan (FSP) where enrollments, particularly in Engineering, were assumed to be increasing. Mr. Mea noted that the revised budget plan reduces total student enrollment in the School of Engineering to the historically manageable target.

Of particular note, Mr. Mea reported that the revenue projections in the FSP for new academic programs have been deemed unattainable and are no longer being considered in the current administration's financial planning.

Following discussion, the trustees requested that President Mea develop a financial planning update memo for the Cooper Union community to keep them abreast of (a) current financial circumstances; (b) the status of the previously approved Financial Sustainability Plan; and (c) the proposal to reduce expenses by \$3 million in FY 17 and 18. With the semester nearing end it was recommended that the memo be sent at the beginning of the spring semester.

Other highlights from the president's report included the following:

- The state education department has confirmed Cooper Union's request to eliminate the computer science program. The program has been delisted.
- An agreement had been reached with the CUFCT to resolve the grievance filed regarding the tenure denial decision for Professor Benjamin Davis made by the previous president earlier in the year. He reported that an external reviewer reviewed Professor Davis' tenure application and recommended in favor of tenure. Acting President Mea granted tenure to Professor Davis and also promoted him to Associate Professor, all effective January 1, 2016.

- The tenure review committee has made its recommendation to grant tenure to Dean Nader Tehrani. Mr. Mea expressed his satisfaction with the recommendation and is planning to issue the official tenure letter later in the week.
- With appreciation expressed to Professor Diane Lewis, the president reported that the *Open City* Publication and Symposia featuring the work of alumni captured in the book took place at the New Museum and MoMa.
- President Mea congratulated Walid Raad for his exhibition on view at MOMA. He noted that a number of fundraising events have been planned with faculty and alumni to celebrate this extraordinary achievement.
- Space planning efforts continue. The space planners are expected to visit the campus on January 21.
- Gender Neutrality: Campus-wide session exploring issues related to trans and gender non-conforming students, including gender-neutral restrooms, took place on December 8<sup>th</sup> in the Great Hall. This session was offered based upon the resolution on gender-neutral restrooms passed by the Joint Student Council and the campus discussion that it inspired.
- Middle States: Mr. Mea reported that the Middle States Commission on Higher Education requested a monitoring report due in mid-October to address compliance with standards 3, 4, 5 and 8 for accreditation. The Office of the President has prepared and submitted the report and the Commission has responded to accept it, requesting verification by April 1, 2016 of the recently approved bylaws and follow-up data pertaining to student enrollment. The Commission has not yet responded officially, however, to Cooper Union requested a deferral of the self-study report to be prepared in concert with the accreditation review in 2018.

### **Governance Committee Report**

Ms. Warren reported that the committee considered the issue of where to hold Board of Trustees meetings and it recommended that meetings should continue to be held at the offices of Cleary Gottlieb for the immediate future (in view of, among other factors, better meeting facilities and technology). The committee also recommended that the Board engage in more activities on-campus and there will be a number of events scheduled for that purpose (like the reception for the new trustees and Faculty and Staff Representatives the evening before the board meeting). The committee believes that organizing opportunities for the Board to interact directly with the community in this way will do more for improving relations than could be achieved by holding a Board meeting on campus.

Ms. Warren then briefed the trustees on the status of the trustee recruitment process noting that there had been a pause during the period of the lawsuit since many prospective trustees, especially those outside the immediate Cooper community, were disinclined to even consider joining the Board in light of the lawsuit. She urged trustees to make recommendations concerning potential trustees. She noted the high percentage of trustees on the board who are also alumni of Cooper and expressed the committee's interest in recruiting individuals with high-capacity to give who will also help to diversify the board.

Ms. Warren then presented the Proposed Committee Slate for 2016 and requested a modification to add Mr. Katz as Co-Chair on the Development Committee and as a member of the Executive Committee. Upon motion made and seconded, the following committee slate was approved:

**BOARD OF TRUSTEES COMMITTEE MEMBERSHIP FOR 2016**

**Executive Committee**

Richard Lincer, Chair  
 Kevin Slavin (A'95), Vice Chair (Alumni Trustee)  
 Joseph Dobronyi  
 Thomas Driscoll (ME'77)  
 Jeff Hersch (EE'87)  
 Eric Hirschhorn (ME'89)  
 Peter Katz (A'76) (Alumni Trustee)  
 Malcolm King (EE'97)  
 Edgar Mokuvos (EE'78) (Alumni Trustee)  
 Robert Tan (AR'81) (Alumni Trustee)  
 Johnny Taylor Jr.  
 Rachel Warren

**Audit Committee**

Malcolm King (EE'97)  
 Adrian Jovanovic (BSE'89) (Alumni Trustee)  
 Richard Lincer

**Academic & Student Affairs**

Johnny Taylor Jr., Chair  
 Elizabeth Diller (AR'79)  
 Kevin Slavin (A'95) (Alumni Trustee)  
 Jeremy Wertheimer (EE'82)  
 [5 Cooper Union Deans]  
 [Elected Student Representatives]

**Finance and Business Affairs Committee**

Thomas Driscoll (ME'77), Co-Chair  
 Joseph Dobronyi, Co-Chair  
 Jeff Hersch (EE'87)  
 Eric Hirschhorn (ME'89)  
 Peter Katz (A'76) (Alumni Trustee)  
 Edgar Mokuvos (EE'78) (Alumni Trustee)  
 Jeremy Wertheimer (EE'82)

*Appointed Committees:*

**Compensation Committee**

Joseph Dobronyi, Chair  
 Edgar Mokuvos (EE'78) (Alumni Trustee)  
 Johnny Taylor Jr.

**Communications Committee**

Eric Hirschhorn (ME'89), Chair  
 Nils Anderson (A'94) (Alumni Trustee)  
 Johnny Taylor Jr.  
 Peter Katz (A'76) (Alumni Trustee)

**Alumni Affairs and Development Committee**

Edgar Mokuvos (EE'78) Co-Chair (Alumni Trustee)  
 Peter Katz (A'76) Co-Chair (Alumni Trustee)  
 Nils Anderson (A'94) (Alumni Trustee)  
 Adrian Jovanovic (Alumni Trustee)  
 Malcolm King (EE'97)  
 Robert Tan (AR'81) (Alumni Trustee)

**Free Education Committee**

Robert Tan (AR'81), Chair (Alumni Trustee)  
 Monica Abdallah (Student Trustee)  
 Adrian Jovanovic (BSE'89) (Alumni Trustee)  
 Malcolm King (EE'97)

**Governance Committee**

Rachel Warren, Chair  
 Nils Anderson (A'94) (Alumni Trustee)  
 Jeffrey Hersch (EE'87)  
 Eric Hirschhorn (ME'89)  
 Richard Lincer  
 Jessica Marshall (Student Trustee)  
 Robert Tan (AR'81) (Alumni Trustee)  
 Johnny Taylor Jr.

\*Atina Grossmann (Faculty Representative)  
 \*Amy Westpfahl (A'99) (Staff Representative)

**Presidential Search Committee**

Johnny Taylor, Co-chair  
 Eric Hirschhorn (ME'89), Co-chair  
 Richard Lincer  
 Jessica Marshall (Student Trustee)  
 Kevin Slavin (A'95), (Alumni Trustee)  
 Robert Tan (AR'81) (Alumni Trustee)  
 Professor Day Gleeson  
 Professor Anne Griffin  
 Professor Rob Marano (EE'93)

**Investment Committee**

Jeff Hersch (EE'87), Chair  
 Thomas Driscoll (ME'77)  
 Eric Hirschhorn (ME'89)  
 Edgar Mokuvos (EE'78) (Alumni Trustee)  
 Rachel Warren

\*Mike Essl (A'96) (Faculty Representative)

\*Non-voting member

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### **Investment Committee Report**

Mr. Hersch reported on the performance of Cooper Union's investment portion of the endowment which as of October 31, 2015 consisted of approximately \$125 million. It was reported that total investment assets for the month ending October 2015 were up 2.7%, however performance for the calendar year to date was down by -0.5%.

Following a discussion concerning the role of Cambridge Associates, which advises and makes investment recommendations to the Investment Committee, Mr. Hersch noted that the annual fee paid to Cambridge Associates is fixed and not contingent on the performance of investment managers. Mr. Hersch further noted that Cooper Union's portfolio has delivered strong absolute and relative returns despite being more conservatively positioned. The significant allocation to hedge funds has played an important role in this outcome. Furthermore, sufficient liquidity has been maintained in the portfolio to support the significant cash outflows required for operations.

Following a discussion concerning investment strategy and performance, it was noted that the investment challenge for Cooper Union in the current volatile environment is to produce returns while minimizing risk.

Mr. Lincer noted that the real estate portion of the endowment is comprised of the Chrysler Building asset. In recent months proposals to leverage the Chrysler asset had been made to the Finance Committee, including a proposed sandwich lease as well as a proposal to monetize tax equivalency payments. He reported that the committee had discussed these proposals and concluded that it was not in Cooper Union's best interest to pursue these options at this time.

Mr. Hersch then turned to the revised Investment Policy Statement (IPS) prepared by the committee, and reviewed by outside counsel, for the Board's consideration and approval. He noted that the revised IPS reflects among other things substantive changes over the previous policy in order to comply with the New York Prudent Management of Institutional Funds Act and clarify spending rate provisions and to adopt revised asset allocations. A discussion concerning these changes ensued.

Following the discussion and upon motion made and seconded, the revised Investment Policy Statement was adopted by the Board as presented.

### **Audit Committee Report**

Mr. Falci reported that the draft audit had not yet been prepared for issuance by the Board due to a delay in the audit process. He noted that the deadline for filing is March 31, 2016. The draft audit will be presented to the Board at the upcoming board meeting in March.

Mr. Falci then presented a revised Contracts Review and Authorization Policy for the Board's consideration and approval, noting that the current policy was adopted under the Campbell administration and allowed the president to authorize contract expenditures up to \$10 million, which is deemed to be excessive. The revised policy recalibrates authorization requirements limiting the president's authority to approve expenditures only up to \$1 million (any expenditures in excess of that threshold will require Board approval). Other modifications bring the policy in line with best practices to minimize risk to the institution. It was suggested that the

portion of the sentence “with total committed or expected expenditures over the life of the contract that exceed \$10,000” in the second paragraph of the first page of the policy be deleted so that the paragraph reads:

POLICY: Prior to execution, all contracts must be reviewed to ensure that they are in conformance with Cooper Union’s standard contracting provisions as outlined below.

Upon motion made and seconded, the revised Contracts Review and Authorization Policy was adopted by the Board with the modification noted above.

Mr. Cloud was invited in to address the Board.

### **Alumni Affairs and Development Committee Report**

Mr. Cloud reported a projected fundraising total this fiscal year of approximately \$10.5 million. The unrestricted portion of the fundraising revenue is forecasted at \$4.3 million which will exceed the budget goal of \$3,000,000. The favorable forecast in unrestricted fundraising is largely due to unanticipated bequest gifts that have been received. He noted that other anticipated bequests are expected to materialize before the close of the fiscal year.

Mr. Cloud then provided an operational update and highlighted the following points:

- In September Mr. Cloud noted to the Board a 60% loss in staff from resignations. He noted that since then he has continued to rebuild and consolidate an alumni affairs and development team and, in so doing, has eliminated the director of development position by redesigning the responsibilities of the major gift officers.
- Two vacant positions have now been filled.
- Four additional open positions including the Director of Advancement Services and the Director of Gift Planning remain unfilled.
- Since the settlement of the lawsuit, the Office of Alumni Affairs and Development has been working to rebuild ties with the CUAA, particularly with the annual fund so that outreach efforts have a single voice as evidenced by the end-of-year appeal letter jointly signed by the president of Cooper Union and the president of the CUAA.
- Achieved 100% giving participation by the Board of Trustees in FY2015
- Secured Immigrant Engineer Retraining Program operational partner (CAMBA) with positive indication for a renewed Robin Hood grant this year

Mr. Lincer thanked his colleagues on the Board for setting the important example of having 100% giving participation from among the Board of Trustees.

Mr. Cloud was excused from the meeting.

Mr. Harmon was invited in to address the Board.

### **Presidential Search Committee Report**

Mr. Hirschhorn provided a brief report on communications pertaining to the presidential search. He noted that the position profile was approved by the Presidential Search Committee and that the search consultant was well underway with advertising the position. Mr. Taylor noted that the



Cooper Union website contains a button on the homepage pertaining to the search and includes the profile, search committee membership, the link to the search consultant's Cooper microsite, and the email address at Korn Ferry to use for making nominations. Mr. Katz requested that the position profile be submitted for review and comment by the full Board but it was noted that it was not practical to have the profile edited by the entire Board and, consistent with the Board's delegation to the Presidential Search Committee, the profile had been reviewed and commented on by all members of the Committee and had to be placed for advertising promptly in order to meet deadlines in some relevant journals. It was agreed that the position profile would be circulated to the Board for their information following the Board meeting and prior to posting on the website. It was further noted that Paul Chou of Korn Ferry has begun to meet with campus groups, including student leaders, the CUAA, Faculty Student Senate leadership and members of the Cabinet to seek input about the characteristics the community is seeking in a new president and to learn more about the unique qualities of The Cooper Union. It was noted that all community input meetings hosted by the search consultants are undertaken independently of the search committee in order to ensure that all stakeholders have the opportunity to speak freely and voice their opinions on any topic relevant to the selection of a new president.

### **Communications Committee Report**

Upon request Mr. Harmon updated the committee about a proposal to develop a Digital Colonnade to promote the work of faculty and students, encourage attendance at public events and exhibitions, and raise Cooper's visibility in support of fundraising, particularly from New Yorkers who may appreciate Cooper's role as a cultural resource for the city. Mr. Harmon described plans to obtain faculty input on the project and its potential realization.

A discussion ensued about the relative merits of the proposal and the adverse impact the project might have on fundraising for student scholarships.

Mr. Hirschhorn noted the importance of reassuring members of the community that this project was only in the preliminary discussion phase and would not proceed without the approval of the Board, including a full analysis of the financial impact.

Mr. Harmon was excused from the meeting.

### **Cooper Union Alumni Association Report**

Mr. Anderson provided a brief report on the recent activities of the CUAA. Acknowledging the collaborative manner with which the CUAA and the Office of Alumni Affairs is now operating Mr. Anderson noted the joint efforts to develop a complementary and synchronized approach in support of the CUAA elections, outreach for Cooper's annual fund, and events.

There being no further business the meeting was adjourned at 12:50 p.m.

**APPROVED** March 9, 2016.



LAWRENCE CACCIATORE  
SECRETARY TO THE BOARD OF TRUSTEES