



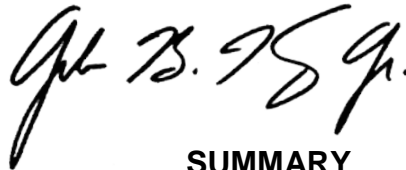
To: Higher Education Committee

From: John L. D'Agati 

Subject: Master Plan Amendment: Cornell University - Branch Campus in New York City and registration of master's degree programs

Date: July 13, 2012

Authorizations:


SUMMARY

Issue for Decision

Should the Board of Regents approve a master plan amendment for Cornell University to authorize the University to establish a branch campus in New York City and offer the following degree programs:

- Master of Engineering in Computer Science
- Master of Engineering in Electrical and Computer Engineering
- Master of Engineering in Operations Research and Information Engineering
- Master of Professional Studies in Information Science
- Master of Business Administration in Management, in the accelerated format

Reason(s) for Consideration

Required by State regulation.

Proposed Handling

The question will come before the Higher Education Committee at its July 2012 meeting, where it will be voted on and action taken. It will then come before the full Board at its July 2012 meeting for final action.

Background Information

Cornell University seeks approval of a master plan amendment to establish a branch campus initially at 111 Eighth Avenue, New York City, in space owned by Google, Inc. The branch campus will subsequently move to its permanent location at the CornellNYC Tech Campus on Roosevelt Island.

A master plan amendment is needed to authorize both the establishment of the branch campus and the degree programs proposed for the campus.

The proposed programs are based on those currently offered at Cornell's main campus in Ithaca. The ME programs, in and of themselves, will not lead directly to licensure in engineering.

In December 2011, Cornell University and The Technion-Israel Institute of Technology were selected as the winners of a competition to build an applied sciences and technology graduate campus in New York City. CornellNYC Tech, which will be built by Cornell on Roosevelt Island, is designed to drive innovation in the technology sector of New York City by significantly expanding a crucial resource: highly talented people who are savvy in both the technical and business aspects of starting and growing companies, and motivated to build those companies locally because of their close ties to the burgeoning tech ecosystem.

Consistent with its master planning process, the Department conducted a canvass of all degree-granting institutions in the New York City region. The Department received responses from six institutions. Five institutions expressed support for the proposed branch and programs. Pace University expressed concern about the effect of the proposed branch and MBA and MPS in Information Science programs on enrollment at the University. More information about the canvass results appears in the *Information in Support of the Recommendation*.

The Department has determined that the proposed branch campus and programs meet the standards for registration set forth in the Regulations of the Commissioner of Education.

Recommendation

It is recommended that the Board of Regents approve an amendment to the master plan of Cornell University to authorize the University to establish a branch campus in New York City and to offer master's degree programs at that campus. The amendment will be effective until July 31, 2013 unless the Department registers the branch campus and its programs prior to that date, in which case master plan amendment shall be without term.

Information in Support of the Recommendation

Cornell University seeks the Board of Regents approval of an amendment to its master plan to develop a branch campus to be located initially in the Chelsea section of Manhattan and eventually on Roosevelt Island, New York City, and the registration of 5 graduate programs to be offered at the branch campus.

Background: In December 2011, Cornell University and The Technion-Israel Institute of Technology were selected as the winners of a competition to build an applied sciences and technology graduate campus in New York City. CornellNYC Tech, which will be built by Cornell on Roosevelt Island, is designed to drive innovation in the technology sector of New York City by significantly expanding a crucial resource: highly talented people who are savvy in both the technical and business aspects of starting and growing companies, and motivated to build those companies locally because of their close ties to the burgeoning tech ecosystem. CornellNYC Tech is anticipated to be ready for occupation by 2017. In the meantime, the branch campus will be located at the building owned by Google Inc., 111 Eighth Avenue, New York City.

Mission: The mission of CornellNYC Tech enhances the mission of Cornell University, New York State's land-grant institution, "to discover, preserve, and disseminate knowledge; produce creative work; and promote a culture of broad inquiry...Cornell also aims, through public service, to enhance the lives and livelihoods of its students, the people of New York, and others around the world."

Goals and Objectives of the Proposed Programs: Students at CornellNYC Tech will develop strong fundamental and applied technical skills that they test by developing ideas with commercial potential via startup companies or work with existing companies in the area. The resultant innovations will be deeply connected to the commercial potential of New York City. The goal of the program is to tie students to the City through internships and mentorship, in order to help address the regional economic development need for technically educated graduates who will work in the City's tech sector.

Proposed Programs: The programs offered at CornellNYC Tech will involve graduate study only. Cornell is initially proposing to offer the following:

- Master of Engineering in Computer Science
- Master of Engineering in Electrical and Computer Engineering
- Master of Engineering in Operations Research and Information Engineering
- Master of Professional Studies in Information Science
- Master of Business Administration in Management, in the accelerated format

The ME and MPS programs require completion of 30 credits, including a project worth 4 – 8 credits, depending upon the program. Applicants will be required to have an undergraduate degree in a field related to the program. Each ME and MPS program is expected to enroll 15 students in the first year and 40 students by the fifth year of the program.

The ME programs, in and of themselves, will not lead directly to licensure in engineering.

The Accelerated MBA program requires completion of 45 credits. Applicants will be required to have a master's or doctoral degree in a science or technology field and submit GMAT or GRE scores. The MBA program is expected to enroll 30-40 students in the first year and 70-80 students by the fifth year of the program. It is expected that students with scientific and technical education and work experience will be attracted to the Accelerated MBA program.

Partnership with Technion – Israel Institute of Technology: Cornell and Technion are creating the Technion-Cornell Innovation Institute (TCII), an applied sciences and technology institute, which will be a part of the new campus. Technion and Cornell are planning to offer a two-year Master of Science degree in Applied Information Sciences, which will eventually result in a degree from each of the two universities. This will be a multidisciplinary program focusing on three specific application domains: Healthier Life, Connective Media and the Built Environment. This program is under development and will undergo internal Cornell approval processes for the Cornell degree later this year, at which time Cornell will submit its degree for registration and approval.

Facilities and Resources: Google, Inc. has donated space for the CornellNYC Tech campus in their building in Chelsea, New York City, starting July 2012. The overall space initially will be approximately 22,000 square feet, expanding to 58,000 square feet within five years. In mid-2017, the campus will move to its permanent location on Roosevelt Island. The permanent campus will have two buildings of 150,000 square feet each dedicated to the academic programs offered on the campus. The facilities will include classroom space, shared workspace and meeting areas for students, conference and breakout areas, as well as research facilities for faculty and their research groups.

Students at the branch campus will have access to online library resources already in place at Cornell University.

Employment Prospects: Demand for employees in the areas of the programs has been strong for many years, and remains strong despite the recent economic downturn. Data gathered by Cornell Engineering Career Services from student surveys shows that of the 2010 graduates with ME degrees from Cornell, 93 percent of Computer Science and 84 percent of Electrical and Computer Engineering graduates had jobs at the time of graduation. In May 2011, over 95 percent of Cornell University's graduates in Operations Research and Information Engineering had secured jobs or committed to other professional plans. 97 percent of the 2011 graduates of Cornell's Accelerated MBA program accepted a job offer within 3 months of graduation.

Planning Review: The Department conducted a canvass of all degree-granting institutions in the New York City region. Six institutions responded. Of those responses, five institutions expressed support for the branch and the programs.

One institution, Pace University, responded that the establishment of the temporary branch campus in Chelsea and the offering of the proposed MBA and MPS in Information Science programs will have a detrimental effect on enrollment at the University.

In its response, Pace University made the following points:

- Cornell's proposed MBA program is geared to those with graduate degrees in the sciences.
- The New York City market contains more than 10 Association to Advance Collegiate Schools of Business accredited schools currently offering MBA degree programs. Market trends for MBA programs show a weakening in market interest for the degree.
- Authorizing Cornell to offer the proposed MBA program at the proposed branch campus will permit it to offer a full range of MBA concentrations at this location, including concentrations in accounting and finance, similar to Pace's MBA program.
- Pace states they have been working over the past decade to build graduate enrollment that was negatively affected by the events of September 11, 2001 and the difficulty international students have had in obtaining visas to study in the United States. The proposed programs at the temporary Chelsea location are seen as having a detrimental effect on the enrollment at Pace as both institutions will be recruiting from similar populations and offering a similar educational experience.
- Pace acknowledged they were less concerned about the effects of the proposed branch and programs once the branch moved to its permanent location on Roosevelt Island.

Cornell replied with the following points:

- The focus of Cornell's proposed MBA differs from Pace's MBA program. The proposed program is not a general MBA within a traditional business school. It is grounded in technology and commercialization.
- The prospective student market for the two MBA programs will differ. Students applying to the proposed MBA program will be required to have an advanced technical degree at the master's or doctoral level. Pace's program does not have this requirement.
- Cornell acknowledges the decline in national market interest for the MBA overall, but insists there is an important need for graduates who hold advanced technical degrees combined with an MBA, particularly in the New York City technology sector.
- The proximity of Cornell's temporary branch campus to Pace University should not be a determining factor for applicants. Applicants to both institutions will ultimately make decisions on enrollment based on career goals, faculty, program offerings, etc.

- The proposed branch campus location in Chelsea is temporary until the program moves to the CornellNYC Tech campus on Roosevelt Island in 2017.

The Department has determined that the proposed branch campus and programs meet the standards for registration set forth in the Regulations of the Commissioner of Education.