

**Testimony of Chancellor Félix V. Matos Rodríguez
The City University of New York**

**Joint Finance and Higher Education Committee Hearing
on the
Fiscal Year 2022 Executive Budget Proposal**

Friday, May 21, 2021

Good afternoon, Chairs Dromm and Barron, and members of the New York City Council committees on Finance and Higher Education, staff and guests. I am Félix Matos Rodríguez, Chancellor of The City University of New York. I am joined this afternoon by Executive Vice Chancellor and University Provost José Luis Cruz, Executive Vice Chancellor and Chief Operating Officer Héctor Batista, and Senior Vice Chancellor and Chief Financial Officer Matthew Sapienza.

Thank you so much for the opportunity to testify this morning. I am proud to be able to share today how The City University of New York stood strong against a relentless pandemic, and outline our priorities, plans and goals for the coming fiscal year and beyond.

I am extremely honored and humbled to oversee the premier and largest urban public university in the United States, serving 500,000 students, 19,000 faculty and 21,300 staff at our 11 four-year-colleges, seven community colleges and seven graduate and professional schools. On behalf of the entire CUNY community, I want to thank the New York City Council for your past and sustained support, which has enabled CUNY to deliver strong results for our students and the citizens of New York.

2020 was a year that both demanded and inspired great fortitude and resourcefulness from our students, faculty, staff and leaders. The coronavirus forced CUNY to all but shut down its 25 campuses in March of 2020, and quickly pivot to distance education. When classes resumed after a week-long academic recess, 95 percent of the University's 50,000 course sections had transitioned to online instruction. We quickly realized that thousands of students lacked the tools to participate in distance learning. In response and with support from Governor Cuomo, we purchased 33,000 laptops and tablets and made sure they were safely distributed to students in need, and later provided 4,000 personal hotspots for those students who required Wi-Fi access. It was just one part of our broad efforts during the year to help our students weather the academic, economic and emotional challenges they faced.

Our efforts to support students certainly didn't stop there. Early in the COVID-19 crisis, we established the Chancellor's Emergency Relief Fund, with \$1 million each from the Carroll and Milton Petrie Foundation and the James and Judith K. Dimon Foundation. By the fall, support

from additional donors grew the fund to more than \$10 million and allowed us to distribute emergency grants to more than 12,000 students. Individual colleges and schools raised more than \$8.6 million in addition, enabling them to help thousands more, and for a total of nearly \$17 million in emergency relief funds across the university. We were also among the first systems in the nation to begin awarding student emergency grants that were funded by the federal CARES Act. We have fully disbursed our federal CARES Act student emergency grant allocation, with almost 161,000 students receiving awards averaging \$736 per student.

Earlier this month, we began distributing a second tranche of \$118 million in federal emergency grants, part of the pandemic relief package passed by Congress last December and made available to the nation's educational institutions in the spring. The second round of federal relief funds, called the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA), provides grants averaging about \$750 to help students meet educational and living expenses during the pandemic. More than half of CUNY's 270,000 degree-seeking students qualify for the CRRSAA emergency grants, with the average amounts ranging from \$600 to \$1,100, depending on students' financial need and factors including full-time or part-time enrollment status and whether they support dependent children. I'm pleased to report that we have already disbursed almost \$114 million of this second federal allocation, and over 151,000 CUNY students have received awards in recent weeks.

As part of our CRRSAA allocation strategy, we required CUNY colleges to reserve 5 percent of the funds for future discretionary awards to students, including the possibility that the federal government may allow them to be disbursed to international students, Dreamers and other undocumented students for the first time. We were therefore thrilled with the decision announced last week by the federal Department of Education to reverse the previous administration's policy of barring undocumented students from receiving federal pandemic relief. This important decision corrects a grave inequity in the distribution of funds that started with last spring's CARES Act. The new policy will allow colleges and universities to distribute federal pandemic relief to enrolled students who need financial help, regardless of their immigration status. We are now working to release these grants to Dreamers, and other undocumented and international students. These thousands of students will also be eligible to receive emergency grants from the American Rescue Plan package signed by President Biden in March. We are also working on our campus budget allocations for Fiscal Year 2022, which will include the institutional funds from CRRSAA, as well as resources becoming available from the American Rescue Plan.

CUNY joined the City's battle against the coronavirus on many fronts. Campuses used 3D printers to produce personal protective equipment. Experts at the School of Public Health and Health Policy produced a weekly tracking survey of New Yorkers' attitudes and behaviors around the pandemic. CUNY scientists repurposed their work to take on coronavirus-related research. One project that gained national attention devised a process for monitoring the level of coronavirus in the city's wastewater to help identify new outbreaks before testing did and guide health officials' response.

The long-awaited coronavirus vaccine became available for public distribution in December, and we were extremely proud that it was a CUNY nursing alumna, Sandra Lindsay, who was the first person in the U.S. to receive it. Once vaccines became available, CUNY once again proved its importance to the fabric of our city, as the University has made five of our campuses available to serve as vaccine centers. About 500,000 New Yorkers have been vaccinated at either Medgar Evers College, York College, City College, Lehman College, or Queensborough Community College. And more than 2,000 CUNY students were activated to help at vaccine centers across the City, as these impressive future leaders rallied to help their fellow New Yorkers, even as they faced unthinkable pressures and loss.

Our amazing students continue to make our University proud; just last week, we learned that three CUNY community college students were named as recipients of the highly selective Jack Kent Cooke Foundation Undergraduate Transfer Scholarship, honoring the nation's top community college students. CUNY community college students also figured prominently in the Kaplan Educational Foundation's most recent awards, with 13 students earning the recognition — accounting for this year's entire cohort of the Kaplan Leadership Program. The program helps high-performing, low-income community college students from the New York City metropolitan area complete their associate degree and successfully transfer and finish their four-year degree.

At the same time, we are in the midst of a major transition in leadership that began with my appointment as Chancellor two years ago this May. I have continued to assemble a cabinet and college presidents of unprecedented diversity who reflect the City we live in and the students we serve. The Board of Trustees has appointed ten new presidents during my tenure, including our most recent appointment of Dr. Patricia Ramsey as president of Medgar Evers College. They also include the first two Asian-Americans to ever serve as CUNY college presidents, four women, and four African Americans.

Looking ahead to life after COVID, we redoubled our efforts to help our students succeed, graduate on time and find sustainable career paths that will also help drive the state and city's economic recovery. Among the most important developments were a plan to expand mental health services on campuses and a new partnership, the New York Jobs CEO Council, which is working with the CEOs from 28 of the largest employers in the New York area to create a pipeline to job opportunities for 25,000 CUNY students. Additionally, CUNY is working with the Department of Youth and Community Development (DYCD) and the Center for Youth Employment to launch the CUNY Recovery Corps, a partnership to offer 5,000 CUNY students from targeted low income and vulnerable populations the opportunity to participate in the Summer Youth Employment Program. Employment and job sites will be focused on helping with recovery efforts in the education, healthcare, community/nonprofit, and small business areas.

CUNY launched its newest set of offerings for the CUNY Upskilling Challenge that began one year ago to help students, alumni and New Yorkers with free opportunities to train in areas that are highly demanded by employers. In addition to over 30 curated offerings from partners like Microsoft, Google, General Assembly, and Salesforce, we have added CUNY courses to the mix through scholarships funded by a generous grant from the BNY Mellon Foundation. We are offering over 1,300 scholarships for trainings-at nine colleges, and we will be introducing 26 more training offerings this summer. We have funding through the U.S. Department of Education and will be introducing new courses and programs through the year as the economy picks up and employment prospects improve.

Finally, we are pleased to offer the Internship to Employment program this summer in partnership with several small business intermediaries including the Brooklyn Navy Yard and Grand Central Tech to give recent CUNY graduates paid internships, with at least half of the positions converting to full time paid, professional positions in technology, marketing, and engineering roles. This is an important program for small business recovery and we hope to scale it over the next year. To date 100 students have taken part in the program.

The Fall 2021 semester is closely upon us. The wellbeing of every member of the University community continues to govern our decision-making in every respect. Rigorous reopening guidelines created by the Central Office and each CUNY campus last summer are being updated in consultation with University stakeholders for Fall 2021.

Earlier this month, Governor Cuomo announced that COVID-19 vaccinations will be required for all students attending in-person classes beginning this fall. With this in mind, I continue to strongly encourage every member of our CUNY family to get vaccinated. My office has made the careful decision to mark the week of August 2 as the date for staff to return to their workplaces in preparation for a more in-person fall. Faculty will follow in accordance with the academic calendar of their campus. The return to in-person work will be guided by the University's safety-first approach, which includes a blended scheduling system combining remote and in-person arrangements.

Now let me turn to the Mayor's Executive Budget proposal. While we are grateful for the funding of our mandatory cost increases, the budget also includes a \$77 million efficiencies target in Fiscal Year 2022. A component of this efficiencies target included a \$10 million reduction to the incredibly successful ASAP program, which has more than doubled community college graduation rates and is being replicated in several other states. We are pleased that the Mayor's Office has committed to rescinding this cut to ASAP as part of the FY22 Adopted Budget. With this adjustment, CUNY is left with a \$67 million reduction, which is \$21 million higher than what the City removed from our current year budget. If this reduction were enacted, CUNY's community colleges would experience a 12% cut in City support since the pandemic began. We also had to absorb a one-time \$20 million reduction in the last quarter of Fiscal Year 2020, when the coronavirus first began to negatively impact the City's finances. A reduction of this size would severely limit our community colleges' ability to provide

the course sections and other vital supports that our students rely on in pursuit of their degrees.

We also seek the Council's help in restoring \$1.7 million that was provided for remediation in the current fiscal year, \$1 million for the Food Insecurity initiative, \$510,000 for our community college child care centers, and \$2.3 million for various centers and institutes in the FY22 City budget. We are also requesting a \$750,000 investment for the Center for Ethnic, Racial, and Religious Understanding (CERRU), an equity education center that works in both academic and community settings, providing impact-based, nonviolent communication tools for individuals and groups, and helping them to bridge social differences.

In addition to these reductions, the pandemic has caused other unprecedented stress on our finances. Specifically, community college enrollment has been negatively impacted. In the current academic year, student full-time equivalent enrollment decreased by 14% from pre-COVID levels. This was a trend that was experienced statewide and nationwide at community colleges. As a result, the year-to-year tuition revenue loss to the community colleges is \$42 million.

The University has frozen tuition rates at its community colleges for five consecutive years. We are also proud that two thirds of our full-time undergraduate resident students attend tuition-free, thanks to generous financial aid support like the New York Tuition Assistance Program (TAP), Excelsior Scholarships, and the City Council's Vallone Merit Scholarships. We are grateful to the City Council for continually securing resources for the Vallone Merit Scholarships. We will ask for your advocacy again, as funding for this critical student support program was not included in the FY22 Executive Budget.

CUNY's Budget Request for Fiscal Year 2022 takes into account our needs as well as the current fiscal environment. Our focus is on responding to the pandemic and jumpstarting New York's economic resurgence. Some of the initiatives for which we are seeking support include prioritizing student mental health, creating a nursing pipeline program, forging connections with private-industry partners to create career pathways for our students, expanding the successful CUNY Corps internship program, and enhancing diversity within our full-time faculty ranks. We are also seeking crucial capital budget support to enhance our IT systems, the needs of which have come to the forefront due to our transition to online learning.

Thanks to the continued support of our New York State and City partners, I am extremely optimistic of the future of this great University, despite the challenges we have collectively faced from the coronavirus. Having seen our administration, faculty, students and staff pull together and lift one another, even as their families and communities were buffeted by profound difficulty and loss, it shows me that CUNY, like New York itself, will always persevere. I have never been prouder to be a member of the CUNY community, or more certain of the integral role this University plays in the sustenance of New York, than I have been this year.

That concludes my testimony. I will now ask our Chief Financial Officer Matt Sapienza to provide more information on CUNY's capital budget.