

Testimony of Chancellor Félix V. Matos Rodríguez
The City University of New York
Joint Senate and Assembly Legislative Public Hearing on
the Fiscal Year 2023 Executive Budget Proposal
Monday, February 7, 2022

Good Afternoon, Chairs Krueger, Weinstein, Stavisky and Glick, and members of the Senate Finance, Assembly Ways and Means, and the Senate and Assembly Higher Education committees, 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 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 afternoon. I am proud to share the many steps CUNY has taken to help lead the State and City's recovery and advance CUNY's mission of access and opportunity. I also am optimistic about the future and CUNY's priorities, plans and goals for the coming fiscal year and beyond.

I am extremely honored and humbled to lead the premier and largest urban public university in the United States, serving about 260,000 degree-seeking students, 185,000 in adult and continuing education programs, 18,400 faculty and 21,500 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 Governor Hochul, the State Senate, and the State Assembly for your steadfast and sustained support, which has enabled CUNY to deliver strong results for our students and the citizens of New York. Governor Hochul has been a friend to CUNY and a frequent visitor to our campuses during her years as Lieutenant Governor. Her commitment to Higher Education and to CUNY is evident in her Executive Budget Proposal.

In the past year, CUNY's triumphs were many and varied.

We completed the 2020-2021 academic year, which was mainly remote, and awarded 59,295 degrees — the largest number of degrees in our 175-year history. This represents an increase of nearly 5 percent from 2019-2020. Among those who received a diploma this year were the first graduates of the Macaulay Honors Bridge Scholars program — a pilot initiative that opened the highly-selective Macaulay Honors College to community college transfer students. The ability of the CUNY community to reach this milestone in

the face of unprecedented challenges exemplifies the perseverance of the students, the determination of the faculty and staff, and the importance of our mission. In fact, over the past decade, CUNY has conferred over half a million degrees (516,217 to be exact).

Thanks to strong advocacy from State and City partners, we received much needed aid from the federal government, and we put that aid to great use. Federal Higher Education Emergency Relief Funds were used to advance a number of initiatives that directly assisted our students. We expanded the University's mental health services to assist the increasing numbers of students at CUNY struggling with the effects of the COVID-19 pandemic, using \$5 million from federal stimulus funding in each of the last two fiscal years. This allowed colleges to reach more students with face-to-face online counseling and other remote wellness services as they continued to pursue their degrees at a distance from their professors, classmates and campuses.

Thanks to federal relief funds, CUNY made history by launching the CUNY Comeback Program, erasing more than \$100 million in unpaid tuition and fees for more than 57,000 students through what is believed to be the country's largest debt-forgiveness initiative of its kind. I received many moving letters of gratitude from students. Sabrina, a Borough of Manhattan Community College student who is pursuing her dream to become a trauma surgeon, described the program as "a miracle," "a weight off my shoulders" and a "chance to keep trying for my dream." And Marc, a student at New York City College of Technology, called the elimination of his unpaid balance "just overwhelming" and said it allowed him to "stay focused on my schoolwork and just use this opportunity to the fullest to go after my goals and get my degree." Additionally, the CUNY Comeback Program granted relief in the form of enhanced Student Emergency Grants for students who did not accrue unpaid tuition and fee balances during the period but experienced financial hardship stemming from the pandemic.

CUNY oversaw the timely distribution of \$455 million in emergency grants from three federal stimulus bills, the Coronavirus Aid, Relief and Economic Security Act (CARES), the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA) and the American Rescue Plan Act (ARPA). Colleges held back a portion of the funds when they were first available, ensuring that international and undocumented students also received grants when they were declared eligible. In Fall 2021, all degree-seeking students received funds from ARPA.

In the midst of it all, CUNY continues to distinguish itself and be recognized for our quality, affordability and effectiveness in propelling students up the socio-economic ladder. Recent accolades include:

- 10 of CUNY’s senior colleges have been named among the top-performing public schools in the northern United States in 2021 rankings by U.S. News & World Report. The magazine also named eight CUNY colleges among the best for social mobility, and cited eight schools for their strong ethnic diversity;
- 10 of our senior colleges are among the top 50 colleges in the nation when it comes to providing the most economic mobility for students and two of our colleges are among the country’s 10 best according to Third Way, a public policy think tank that is building on the work of economist Raj Chetty to create an “economic mobility index”; and
- six CUNY community colleges are eligible for the 2023 Aspen Prize for Community College Excellence - considered by many as the highest recognition for community college achievement in the nation - and they are the only ones eligible in New York State.

We are also providing direct assistance to the wider community in fighting COVID-19. Eight CUNY colleges across all five boroughs hosted vaccination sites and pop-ups, collaborating with the city, state and federal governments to vaccinate over 520,000 New Yorkers on the grounds of our campuses. The two largest sites, at York College and Medgar Evers College, were selected expressly to reach underserved communities of color in Queens and Brooklyn. CUNY Colleges continue to host pop-up sites. More than 2,500 CUNY nursing and medical students stepped forward to help run vaccination sites across NYC. In addition to the vaccination sites, countless CUNY faculty, staff and students are on the frontlines (i) in hospitals, clinics and other medical facilities and (ii) shaping public policy and discourse about COVID.

In Fall 2021, we increased our in-person class offerings. And this Spring semester, a majority of our class offerings are in-person.

CUNY is also a regional research powerhouse where externally sponsored research and programs totaling over \$500 million contribute knowledge and develop solutions for critical regional and national challenges including the climate crisis, energy, public health and other public impact areas. Just this Fall, CUNY secured one of only seven national awards for an innovation hub through a \$15 million grant from the National Science Foundation. The potency of CUNY’s research enterprise comes from its ability to combine expertise across its 25 geographically close campuses and build focused and transdisciplinary research teams that are recognized globally. This makes CUNY, as a system, a major research center. Research at CUNY is also an important catalyst for degree completion and building a more capable and diverse workforce.

Now let me turn to the Governor's Executive Budget — a budget that is committed to investing in higher education and supporting students in New York. Governor Hochul's Executive Budget would increase CUNY's operating budget by over \$171 million.

The Governor's proposal to add \$53 million to hire approximately 540 new full-time faculty across our four-year and community colleges will fulfill a request from CUNY that was built around student-centered priorities, and will position our colleges to thrive. Hiring of full-time faculty is directly tied to student success and retention, as full-time instructors have a particularly high impact in courses that have low rates of passing. Having full-time faculty teach more introductory courses will help students identify faculty mentors and faculty advisers who can help them push through obstacles instead of giving up and dropping out. Additionally, full-time faculty have time to focus on the development of new courses and the revision of existing ones. CUNY's faculty, as well as staff, have made numerous and important contributions in their respected fields. We truly appreciate our faculty and staff, and continued investment further strengthens the University.

Additionally, Governor Hochul's Executive Budget contains a number of welcome improvements to the TAP program. The Executive Budget would:

- increase state support to CUNY senior colleges by \$59.6 million to cover the so-called 'TAP gap,' which will bolster CUNY's commitment to its historic mission as an engine of social and economic mobility;
- include TAP awards for part-time students enrolled in degree programs, and in non-degree workforce credential programs approved by the New York State Empire State Development Corporation and the New York State regional economic development councils; and
- propose the repeal of legislation banning incarcerated individuals from receiving state financial aid.

We have advocated for similar changes in the past and thank Governor Hochul for her leadership. Additionally, her Executive Budget accelerates the reset of the Excelsior Scholarship program tuition rates to current year levels, starting in FY 2023.

The Executive Budget also provides \$3.6 million to establish child care centers at additional campuses, a 10 percent increase in funding (\$3.6 million) for the SEEK and College Discovery programs, and \$0.2 million in support for CUNY LEADS to provide services to students with disabilities. We appreciate the inclusion of these vital items in the Executive Budget — they help us center student success by providing much-needed and proven supports.

We are also grateful for almost \$48 million in increased funding for CUNY's fringe benefits budget. Unlike state agencies, CUNY's fringe benefits are a line-item appropriation in our State budget. Annual funding increases are vital, as our fringe benefits costs — covering expenses like the health insurance and welfare fund payments for our employees and pension costs for our retirees — account for almost a quarter of the University's total operating budget.

For the community colleges, the Executive Budget includes a 100 percent funding floor, equated to current-year funding levels. This will assist our community colleges with budget stability and is something that CUNY advocated for in our Budget Request for Fiscal Year 2023. CUNY community colleges — like community colleges nationwide — are experiencing enrollment losses. We are also concerned about the support we will receive from the City, given the recent additional reductions announced by Mayor Adams.

We applaud proposed legislation that is included in the Governor's Budget Proposal to prevent institutions of higher education from withholding a student's transcript for failure to pay past or presently due tuition or otherwise using transcript issuance as a tool for debt collection. I am proud to have enacted this practice in August 2021. The CUNY Board of Trustees voted to make it permanent at its meeting on January 31.

With respect to the capital budget, the Executive proposal recommends \$792.8 million in new funding: Much-needed critical maintenance funding of \$284.2 million, and \$425 million in expansion and improvements funding at the senior colleges. The Governor's budget also adds \$44.8 million in matching funding for community college projects that have already received funding from the City of New York. We thank Governor Hochul for these funds, which are needed to maintain our 300 buildings totaling 29 million square feet across our 25 campuses and to expand where needed. The average building at CUNY is more than 50 years old; most are over 30, and some exceed 100. This investment helps CUNY and the economy by spurring construction — a known economic engine to restart economies. CUNY has been a major part of that process for New York State and City. Every \$100 million in construction spending creates nearly 1,000 direct and indirect jobs for the local economy, and with our continued commitment to supplier diversity, added investment in CUNY's capital program will certainly benefit state-certified MWBE vendors. Indeed, CUNY's state MWBE utilization rate — representing the engagement with MWBEs on state-funded contracts — was 31.52 percent in Fiscal Year 2021, exceeding the State's target, which is the highest MWBE goal of any state in the nation.

I am extremely optimistic about the future of this great University, especially in light of the challenges we have overcome these past two years. We have learned invaluable lessons and seen what we can accomplish by pulling together and lifting each other, even while buffeted by profound difficulty and loss. CUNY has persevered, and we must continue our integral role in the sustenance of New York. Working together, I know we will.

That concludes my testimony. I would be happy to answer any questions.