

**Testimony of Senior Vice Chancellor Matthew Sapienza
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. I am Matthew Sapienza, Senior Vice Chancellor and Chief Financial Officer at The City University of New York. I am grateful for the opportunity to testify this afternoon about the University's capital budget needs.

You heard from our Chancellor regarding the challenges brought on by the coronavirus, and that also certainly applied to our capital program. Due to public health and financial constraints, the City stopped all construction early on in the pandemic, with the exception of priority health and safety projects. Over the past year, as more priority health and safety projects came up, we received individual approvals to proceed. We are pleased that the Mayor's Office has normalized the process and we are proceeding with business as usual, which means projects are restarting and new projects are being initiated once again.

Despite the delayed start, the University is on target to complete 13 capital projects in Fiscal Year 2021, and an additional 23 in the next fiscal year. One of the key projects completed this year is the expansion of the CUNY in the Heights facility, with increased operations there due to begin in the fall semester.

The capital plan outlined in our Fiscal Year 2022 Budget Request reflects two critical priorities in response to the pandemic. The first is a need for higher air quality standards, and the second is the recognition that we need to accelerate our IT improvement efforts. Designs for capital renewal projects will include new criteria to improve the indoor air quality for our buildings and the latest public health information to ensure the safety of our community. Regarding IT, the required pivot to distance learning has underscored the need for reliable, flexible, and user-friendly technologies. We must continue to improve and modernize our IT operations to be supportive of business needs and evolve our systems to adapt to the changing needs of our students, faculty, and staff. Moving to modern cloud solutions will help us to replace paper and manual business processes with digital workflows, and to centralize data that is currently located in systems managed by external providers.

The City's Executive Budget proposes \$615 million in capital funds for CUNY over the five year plan through Fiscal Year 2025, including \$5.1 million in capital funding from the borough

presidents. We have worked collaboratively with the Mayor's Office of Management and Budget to more accurately realign the five-year plan with expected start and completion dates of capital projects.

We are also pleased that the City's plan includes an agreement between CUNY and the School Construction Authority to build a new building on the campus of Medgar Evers College. The project will remove about 19 trailers which have been used as classrooms and replace them with a new building to be shared with the Department of Education.

One of the most critical issues affecting CUNY's capital program is the age of its facilities. The University's facilities portfolio consists of 29 million square feet in 300 buildings across our 25 campuses. The average building at CUNY is more than 50 years old; most are over 30 and some exceed 100.

Capital construction, however is a known strong economic engine to restart economies. CUNY has been a major part of that process for New York City. Investment in CUNY's capital program will create jobs for the local economy, resulting an incredibly strong return on the City's investment.

We are very grateful for the City's Council's strong advocacy on behalf of CUNY and its students. We are now happy to respond to questions from the Higher Education and Finance committees.