

# The Agency

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## Rhode Island Higher Education Assistance Authority

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### Agency Operations

The Higher Education Assistance Authority administers three major programs. The Scholarship and Grant Program includes the State Grant Program, the Scholar Recognition Program, the Campus-Based Work Opportunity Program, a student intern program, and a student community service program. The Loan Program includes the Federal Family Education Loan program (FFELP), and the Health Professions Contract Program. The *CollegeBoundfund*, a “qualified state tuition program” under section 529 of the IRS code, encourages qualified students, parents, and others responsible for paying the cost of higher education to plan/save for college by investing contributions that will grow tax free each year until applied toward college costs.

The authority is governed by an 11-member Board of Directors, five of whom are appointed by the Governor for staggered terms; two who represent the finance committees of the House and Senate (one each), and two who represent the Board of Governors for Higher Education, the State General Treasurer or his/her designee, and the Chairperson of the Rhode Island Independent Higher Education Association or his/her designee. The Board of Directors elects its own chairperson and other officers and appoints an Executive Director to head the authority. The authority receives its funding from the general fund and from several non-state sources, including the federal government. State general revenues fund the scholarship, grant, and student employment programs, as well as the administrative costs for these programs. A small amount of federal funds (LEAP/SLEAP) is also received for direct grants for students. Revenues from program operations and cost reimbursements from the federal government fund the entire Loan Program. Proceeds from the *CollegeBoundfund* program operations fund the administrative and marketing expenses associated with the program, and provide supplemental funds to the State Scholarship and Grant Program. Additionally, the *CollegeBoundfund* revenues provide funding for the Academic Promise Scholarship Program and 5 & 10 Matching Grant Program.

### Agency Objectives

The Higher Education Assistance Authority was created to provide a system of financial assistance programs, consisting of the Scholarship and Grant Program, Loan Guarantees, College Savings Program, and other aids, which promote opportunity for post-secondary education by providing financial assistance to qualified students, or parents, and others responsible for paying the cost of education, who are restricted from participating in post secondary education because of insufficient financial resources, to help them meet their educational/career goals beyond the high school level.

### Statutory History

The Higher Education Assistance Authority was created in 1977 to administer the grant, scholarship, and loan programs for the State of Rhode Island, replacing an existing loan entity and assuming some functions of the Department of Education. R.I.G.L. 16-56 and 57 establish and provide for the organization and functions of the authority.

# The Budget

## Rhode Island Higher Education Assistance Authority

	FY 2003 Actual	FY 2004 Actual	FY 2005 Revised	FY 2006 Recommended
<b>Expenditures By Subprogram</b>				
Scholarship and Grants	6,259,005	11,427,720	10,390,173	10,332,611
Loans	4,778,503	7,104,748	9,974,569	11,958,150
Tuition Savings	3,369,008	3,967,934	6,364,746	6,398,486
<b>Total Expenditures</b>	<b>\$14,406,516</b>	<b>\$22,500,402</b>	<b>\$26,729,488</b>	<b>\$28,689,247</b>
<b>Expenditures By Object</b>				
Personnel	4,419,895	6,453,776	8,468,998	10,186,193
Other State Operations	1,879,883	2,229,827	3,180,237	3,422,801
Aid To Local Units Of Government	-	-	-	-
Assistance, Grants and Benefits	8,106,738	13,816,799	15,080,253	15,080,253
<b>Subtotal: Operating Expenditures</b>	<b>\$14,406,516</b>	<b>\$22,500,402</b>	<b>\$26,729,488</b>	<b>\$28,689,247</b>
Capital Improvements	-	-	-	-
Capital Debt Service	-	-	-	-
<b>Total Expenditures</b>	<b>\$14,406,516</b>	<b>\$22,500,402</b>	<b>\$26,729,488</b>	<b>\$28,689,247</b>
<b>Expenditures By Funds</b>				
General Revenue	6,017,049	11,051,448	9,957,984	9,900,422
Federal Funds	5,007,519	7,481,020	10,406,758	12,390,339
Other Funds	3,381,948	3,967,934	6,364,746	6,398,486
<b>Total Expenditures</b>	<b>\$14,406,516</b>	<b>\$22,500,402</b>	<b>\$26,729,488</b>	<b>\$28,689,247</b>
<b>FTE Authorization</b>	<b>45.6</b>	<b>45.6</b>	<b>46.0</b>	<b>46.0</b>
<b>Agency Measures</b>				
Minorities as a Percentage of the Workforce	4.5%	4.5%	6.7%	6.7%
Females as a Percentage of the Workforce	73.3%	75.0%	73.3%	73.3%
Persons with Disabilities as a Percentage of the Workforce	1.1%	6.8%	6.7%	6.7%
<b>Program Measures</b>				
Percentage of Eligible Students Receiving Grants	51.0%	48.5%	48.4%	44.8%
Average Grant Award	\$587	\$1,101	\$1,200	\$1,200
State Grant as a Percentage of Unmet Need Prior to State Grants	5.4%	14.3%	15.3%	18.0%