HEAA

- Program Overview
- FY 2012 Revised
- FY 2013
HEAA

- Scholarship and Grant Program
  - Need-based student financial assistance programs

- Federal Loan Program
  - State’s designated guaranty agency
  - Loan guarantees, application processing, repayment management, default aversion and collection, etc.

- Tuition Savings Program
  - CollegeBoundfund is a qualified state tuition savings program
Scholarships and Grants

- Only available to Rhode Island residents
- Eligibility and need determined from information submitted on the FAFSA
- Approximately 50% of applicants projected to receive grants for FY 2013
  - 23,408 estimated to receive awards
  - Projected average award of $524 for FY 2013
  - FY 2011 average award was $761
At the March 16, 2012 Board meeting, the Board approved an increase in the maximum award to between $700 and $1,000 provided the state maintains $5.0 million from general revenues to the Authority.

- A portion of the $20.0 million surplus from the loan guaranty agency may be used to raise the maximum award.
- Options will be discussed at April Board meeting.
- Not reflected in the numbers presented here.
Academic Promise

- Students who demonstrate academic promise and show financial need
- Eligibility calculated using information from FAFSA and SAT or ACT score
- $2,500 per year over 4 years for a total of $10,000
- Program funded from Tuition Savings fees
  - Funding has been provided to make awards to recipients up to and including graduating class of 2015
  - Funded 10 cohorts at $1 million a piece
Matching Grant Program

- Program awards a $2 for $1 match for families with AGI of $72,000 or less and $1 for $1 match for families with AGI up to $87,000

- Funded as needed from Tuition Savings fees
  - Last funded in FY 2006 at $0.5 million
  - Students receive match in FY 2012 from carry-forward funding
Loan Division

- Congress passed legislation that includes provision to end subsidies to lenders and originate all loans directly through federal government
- No new loan guarantees effective July 1, 2010
- Authority still needs to manage current portfolio
  - Three to five years
HEAA

- WaytogoRI
  - free, internet-based program that helps students, parents, and educators explore educational options and occupations and make goals
  - Web portal is currently in use in all public school systems in Rhode Island and in many private and parochial institutions
  - Contract with XAP through March 1, 2016 funded from federal funds
CollegeBoundfund

- Qualified state tuition savings program

- Fees paid primarily by out-of-state participants are used for administrative expenses and financial assistance programs

- These fees generate approximately $6.0 million a year
FY 2012 Revised by Source of Fund

General Revenues 22%

Federal Funds 49%

Other Funds 29%
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Scholarships and Grants

- Adds $0.2 million from general revenues to provide maintenance of effort for federal college access challenge grant in Office of Higher Education's budget
  - $0.6 million was added in FY 2011
- Shifts $91,000 from tuition savings funds from operating expenses to scholarships

Academic Promise

- Adds $1.0 million from tuition savings fees

Medical benefit holiday savings
Article 4 - Sections 1 and 2
Higher Education

- Hearing held on February 15, 2012
- Transfers all powers, duties and authority to the Board of Governors
- Corporate existence would be terminated on September 1, 2012
- Budget transfers $27.7 million and staffing of 39.6 positions
## FY 2013 Summary by Program

<table>
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<tr>
<th>All Funds</th>
<th>FY 13 Gov*</th>
<th>Chg. to FY 12 Enact</th>
<th>Chg. to FY 13 Req</th>
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<tr>
<td>Scholarship and Grants</td>
<td>$5.6</td>
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<tr>
<td>Loans Program</td>
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<td>Tuition Savings</td>
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<td><strong>Total</strong></td>
<td><strong>$27.7</strong></td>
<td><strong>$0.3</strong></td>
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*Funding appears in Office of Higher Ed*
Scholarships and Grants by Fund

Tuition Savings Fees 58%

General Revenues 42%
Scholarships and Grants

[Bar chart showing funding details for different fiscal years (FY) from 2006 to 2013. The chart distinguishes between different revenue sources: General Revenues, Tuition Savings Fees, and Federal.]

- FY 2006
- FY 2007
- FY 2008
- FY 2009
- FY 2010
- FY 2011
- FY 2012
- FY 2013

Legend:
- General Revenues
- Tuition Savings Fees
- Federal
### Need Based Scholarships and Grants

<table>
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<th>(in millions)</th>
<th>FY 2012 Enacted</th>
<th>FY 2013 Gov</th>
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<td>General Revenues</td>
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<td><strong>Total</strong></td>
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<td><strong>$12.4</strong></td>
<td><strong>($0.1)</strong></td>
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Other Grants

Academic Promise

- Governor includes
  - $1.0 million in FY 2012
  - $750,000 in FY 2013

Matching Grant

- not funded
Governor includes 41.6 positions for FY 2012; the enacted level of positions and 39.6 positions for FY 2013

- Eliminates Department Manager and Executive Director

As of March 10, 2012 the Authority has 30.0 filled positions
Higher Education Assistance Authority

FY 2012 Revised and FY 2013 Budgets
Staff Presentation
March 22, 2012