

Public Higher Education

Expenditures by Program	FY2023 Actual	FY2024 Enacted	FY2024 Governor	Change from Enacted		FY2025 Governor	Change from Enacted	
Office of the Postsecondary Commissioner	\$43.5	\$65.6	\$62.7	(\$2.9)	-4.4%	\$51.3	(\$14.3)	-21.8%
University of Rhode Island	906.8	993.2	968.9	(24.4)	-2.5%	1015.9	22.7	2.3%
Rhode Island College	179.4	208.5	214.9	6.5	3.1%	210.1	1.7	0.8%
Community College of R.I	178.1	182.4	181.7	(0.7)	-0.4%	194.4	12.0	6.6%
Total	\$1,307.8	\$1,449.7	\$1,428.1	(\$21.5)	-1.5%	\$1,471.8	\$22.1	1.5%

Expenditures by Program	FY2023 Actual	FY2024 Enacted	FY2024 Governor	Change from Enacted		FY2025 Governor	Change from Enacted	
General Revenue	\$264.4	\$304.8	\$311.1	\$6.3	2.1%	\$312.0	\$7.2	2.4%
Federal Funds	10.9	43.5	23.4	(20.0)	-46.1%	5.0	(38.5)	-88.6%
Restricted Receipts	7.5	6.7	6.7	0.0	0.2%	8.7	1.9	28.8%
Other Funds	1025.1	1094.7	1086.8	(7.8)	-0.7%	1146.2	51.5	4.7%
Total	\$1,307.8	\$1,449.7	\$1,428.1	(\$21.5)	-1.5%	\$1,471.8	\$22.1	1.5%

\$ in millions. Totals may vary due to rounding.

Prior to January 1, 2013, higher education in Rhode Island functioned under the direction of the Board of Governors for Higher Education. The FY2013 Budget as Enacted established a new Board of Education consisting of 11 members, appointed by the Governor with the advice and consent of the Senate. The Board of Governors for Higher Education and the Board of Regents for Elementary and Secondary Education were abolished as of January 1, 2013.

The major responsibilities of the Board of Education (Board), pertaining to higher education, include the governance of public institutions of higher learning and the regulation of proprietary schools; the preparation of a public higher education budget and capital development program; and the development of policies in pursuit of the primary goals of excellence, opportunity and access, diversity and responsiveness, coordination and accountability in public higher education.

The system of public higher education consists of three major institutions located at eight different campuses across the State of Rhode Island: The University of Rhode Island (URI), Rhode Island College (RIC), and the Community College of Rhode Island (CCRI).

The FY2015 Budget as Enacted established the Council on Postsecondary Education, which has duties and responsibilities per RIGL 16-59-1 and 16-59-4, much the same as the former Board of Governors for Higher Education. Article 9 of the FY2020 Budget as Enacted shifted oversight of the University of Rhode Island from the Board of Education, Council of Postsecondary Education (Council), and the Commissioner of Postsecondary Education to a newly established Board of Trustees (URI Board) at the University. The article further transferred all the duties and responsibilities pertaining to employees, debt service, and property from the Council to the Board.

MAJOR ISSUES AND TRENDS

The FY2025 Budget includes total funding of \$1,471.8 million, representing a net increase of \$22.1 million (1.5 percent) from the FY2024 Budget as Enacted, including a general revenue increase of \$7.2 million (2.4 percent). The general revenue increase is driven primarily by a \$2.3 million increase for Dual and Concurrent Enrollment in CCRI, and a \$1.3 million increase to support the Last Dollar Scholarship. Remaining general revenue increases are driven by rising operating and personnel costs within the institutions.

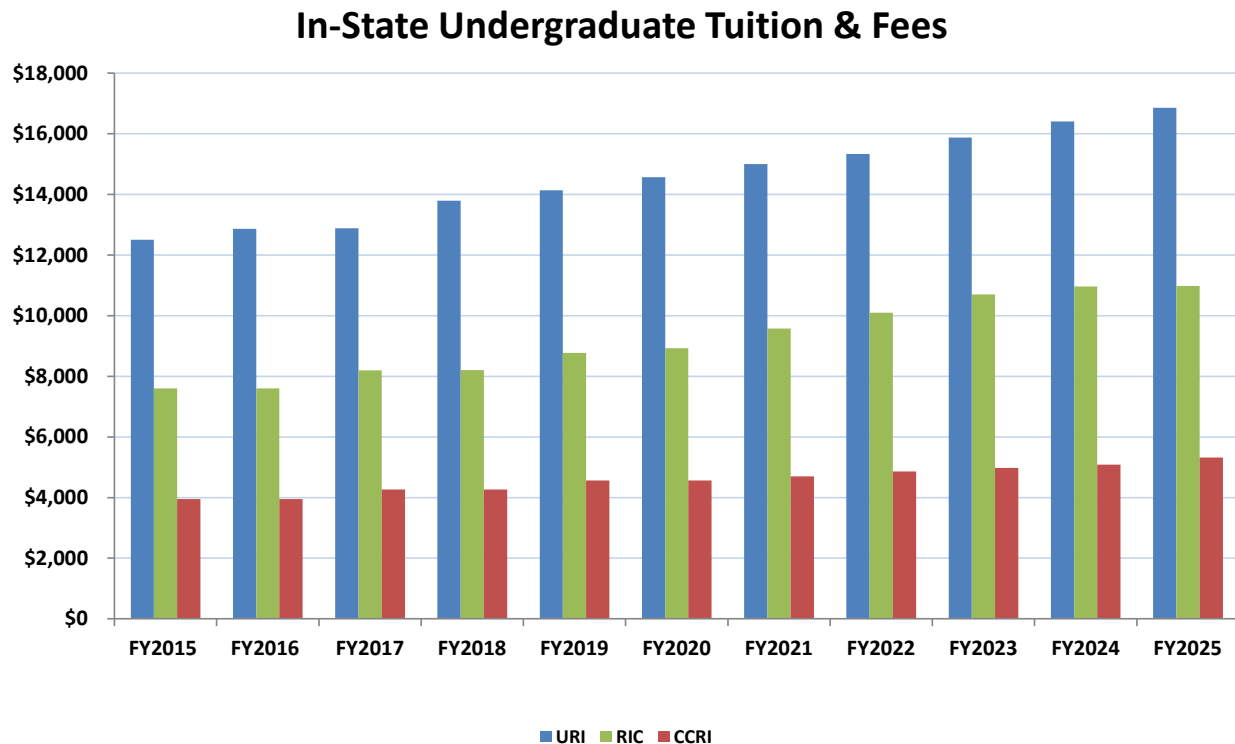
The net decrease of \$38.5 million (88.6 percent) in federal funds is due primarily to the Governor's proposal to remove \$20.0 million in ARPA SFRF resources from the University of Rhode Island, originally allocated

for the University’s PFAS projects. The growth in restricted receipts is driven by increased activity at the two Higher Education and Industry Centers, which are essentially self-funding.

The \$51.5 million (4.7 percent) increase in other funds is due primarily to an increase in tuition and fees at the University of Rhode Island and the Community College of Rhode Island, as well as an increase RICAP funds within CCRI. Increases include \$33.3 million in tuition at URI, \$4.6 million for tuition at CCRI, \$1.2 million in RICAP funding for the CCRI Flannagan Campus Renovations, and \$4.0 million in RICAP for the first phase of CCRI’s renovation plan. More information on these projects is provided in the “*Capital Projects*” and “*Tuition & Fees*” sections of this analysis.

Tuition and Fees

Actual tuition and fee rates, by institution, along with a projection for FY2022 and FY2023, are shown in the following graph.



	FY2024	FY2024	FY2025	FY2025	Change from FY2024	
URI	Enacted	Revised	Request	Enacted	Enacted	
In-State Tuition	\$14,116	\$14,116	\$14,546	\$14,546	\$430	3.0%
Out-of-State Tuition	33,512	33,512	34,534	34,534	1,022	3.0%
Mandatory Fees	2,292	2,294	2,312	2,312	20	0.9%
Tuition & Fee Revenue	\$401,060,957	\$396,184,484	\$407,309,481	\$422,477,562	\$21,416,605	5.3%
URI Enrollment						
In-State	6,797	-	-	6,791	(6)	-0.1%
Out-of-State	7,876	-	-	7,829	(47)	-0.6%
Research Assistants	0	-	-	228	228	100.0%
RIC						
In-State Tuition	\$9,481	\$9,481	\$9,765	\$9,765	\$284	3.0%
Out-of-State Tuition	25,014	25,014	25,764	25,764	750	3.0%
Northeast Neighbors Program	14,221	14,221	14,648	14,648	427	3.0%
Mandatory Fees	1,505	1,485	1,535	1,535	30	2.0%
Tuition & Fee Revenue	\$60,079,836	\$60,605,370	\$63,824,654	\$66,095,437	\$6,015,601	10.0%
RIC Enrollment						
In-State	4,167	-	-	4,278	111	2.7%
Out-of-State	724	-	-	750	26	3.6%
CCRI						
In-State Tuition	\$4,855	\$4,855	\$5,074	\$5,075	\$219	4.5%
Out-of-State Tuition	13,740	13,740	14,358	14,358	618	4.5%
Mandatory Fees	470	470	476	476	6	1.3%
Tuition & Fee Revenue	\$57,360,553	\$55,794,732	\$54,441,040	\$58,965,800	\$1,605,247	2.8%
CCRI Enrollment						
Total	7,698	-	-	7,698	0	0.0%

In FY2025, URI is projecting an increase in tuition and fee revenue of \$21.4 million (5.3 percent), based on an increase in undergraduate in-state tuition of \$430, or 3.0 percent; out-of-state tuition of \$1,022, or 3.0 percent; and, an increase in mandatory fees of \$20, or 0.9 percent. The Governor's Budget included an additional \$15.2 million to the request, assuming that the University will earn more in tuition and revenue than requested. However, the University is unaware of any additional revenue streams driving that projection.

RIC projects an increase in tuition and fee revenue of \$6.0 million, or 10.0 percent, based on a projected increase in enrollment of 2.8 percent, relative to the FY2024 projection. CCRI projects an increase in tuition and fee revenue of \$1.6, or 2.8 percent, relative to the FY2024 projection, based on a projected level of enrollment, and an increase in in-state tuition of \$219, or 4.5 percent; an increase in out-of-state tuition of \$618, or 4.5 percent; and, an increase in mandatory fees of \$6, or 1.3 percent. The changes from the FY2024 Budget as Enacted are shown in the preceding table.

State Support for Public Education

When looking at state support for public higher education, many policy makers tend to take a regional approach. For example, if looking at New England, Rhode Island has the third lowest appropriation per pupil in the region. In FY2022, the most recent data available, Connecticut appropriated \$8,035 more per student FTE than Rhode Island and Massachusetts appropriated \$3,721 more. Based on Rhode Island's FY2022 FTE enrollment of 27,262, the difference in per-student FTE appropriation between Rhode Island and Massachusetts is \$101.4 million.

However, on a national perspective in FY2021, the District of Columbia appropriated \$20,395 more per student FTE than Rhode Island. The chart that follows is from the State Higher Education Executive Officers Association (SHEEO) and

FY2022 State Educational Appropriations per FTE	
Connecticut	\$14,827
Massachusetts	10,513
Maine	8,938
Rhode Island	6,792
Vermont	6,363
New Hampshire	3,699
Regional Average	\$8,522

Source: State Higher Education Executive Officers (SHEEO)

Not inclusive of capital investments

illustrates state 2022 appropriations to public higher education based on student FTEs. The State of Rhode Island appropriates \$3,445 less per student than the national average.

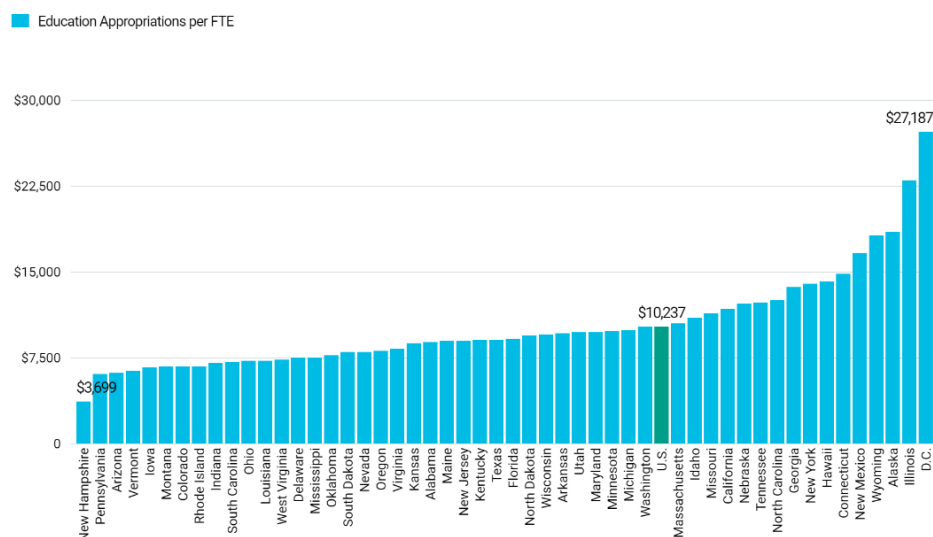
The previous funding comparisons are not inclusive of Capital Investments. According to the State Higher Education Executive Officers Association (SHEEO), Rhode Island appropriated a total of \$32.6 million in capital appropriations, ranking third behind Connecticut and Massachusetts, and spending \$56.4 million less than the regional average. In FY2022, Rhode Island spend \$118.0 million less in capital appropriations than Massachusetts and \$285.9 million less than Connecticut.

FY2022 Capital Appropriations	
Connecticut	\$318,590,831
Massachusetts	150,680,799
Rhode Island	32,660,628
New Hampshire	21,027,059
Maine	8,267,950
Vermont	3,500,000
Regional Average	\$89,121,211

Source: State Higher Education Executive Officers (SHEEO)

In FY2025, the three state institutions requested a \$21.8 million increase in State general revenue support, excluding general obligation debt service. The Budget provides \$7.2 million in additional funding, excluding general obligation debt service.

Public Higher Education Appropriations per FTE by State, FY 2022 (Adjusted)



Notes:

1. Education appropriations are a measure of state and local support available for public higher education operating expenses and student financial aid, excluding appropriations for research, hospitals, and medical education. Education appropriations include federal stimulus funding.
2. The U.S. calculation does not include the District of Columbia.
3. Fiscal year 2022 net FTE enrollment is estimated for Arkansas and education appropriations for Illinois and Texas include estimated local appropriations.
4. Constant 2022 dollars adjusted by the Higher Education Cost Adjustment (HECA).
5. Adjusted to account for interstate differences using the Enrollment Mix Index (EMI).
6. Adjusted to account for interstate differences using the Cost of Living Index (COLI). The COLI is not a measure of inflation over time.

Source(s): State Higher Education Executive Officers Association

OFFICE OF THE POSTSECONDARY COMMISSIONER

Expenditures by Source	FY2023 Actual	FY2024 Enacted	FY2024 Governor	Change from Enacted		FY2025 Governor	Change from Enacted	
General Revenue	\$16.7	\$30.1	\$27.1	(\$3.0)	-10.1%	\$30.6	\$0.5	1.7%
Federal Funds	8.5	23.5	23.4	(0.0)	-0.1%	5.0	(18.5)	-78.9%
Restricted Receipts	6.7	5.9	5.9	0.0	0.8%	7.9	2.0	33.0%
Other funds	11.6	6.1	6.2	0.1	2.4%	7.8	1.8	28.7%
Total	\$43.5	\$65.6	\$62.7	(\$2.9)	-4.4%	\$51.3	(\$14.3)	-21.8%

\$ in millions. Totals may vary due to rounding.

The mission of the Office of the Postsecondary Commissioner (OPC), formerly the Office of Higher Education, is to support the work of the Board of Education and the Council on Postsecondary Education in providing an excellent, accessible, and affordable system of higher education designed to improve the educational attainment of Rhode Island citizens, support economic development, and enrich the civic, social, and cultural life of the residents of the State. The Commissioner works with the presidents of the state higher education institutions to determine the benefits or disadvantages of proposed new programs, departments, courses of study, and policies with the scope and role adopted by the Council on Postsecondary Education. The OPC also supports specific programs, such as early college access and veterans' affairs. The FY2016 Budget as Enacted created a new Division of Higher Education Assistance (DHEA) within the Office of the Postsecondary Commissioner and eliminated the Rhode Island Higher Education Assistance Authority. The OPC provides research, policy, and fiscal analysis, and seeks to ensure that higher education in Rhode Island remains economically and geographically accessible.

The Budget provides 45.0 FTE positions for the OPC in FY2024, including 1.0 FTE that is third-party funded. This represents an increase of 11.0 FTE positions from the FY2023 Budget as Enacted. The increase is due to the addition of 7.0 FTE positions for the Rhode Island Longitudinal Data System (RILDS), including 4.0 sponsored research positions transferred from URI; 3.0 FTE positions for the Rhode Island Reconnect program; and 1.0 FTE Director of P-20 Readiness and Transition position. Of the 45.0 positions provided, 11.0 are available only for the State's Higher Education Centers located in Woonsocket and Westerly, and 10.0 for the Nursing Education Center.

Office of the Postsecondary Commissioner	General Revenue
FY2024 Enacted	\$30,102,355
<i>Target and Other Adjustments</i>	63,292
Dual Enrollment	2,300,000
Shepard Building Parking Contract	(2,195,679)
Last Dollar Scholarship	1,295,000
RI Promise Scholarship	(689,994)
Hope Scholarship	(624,500)
Personnel Adjustments	217,384
Centralized Services (statewide adjustments)	154,322
FY2025 Governor	\$30,622,180

Central Management	Other Fund Changes
ARPA SFRF Funds (federal funds)	(\$15,000,000)
Higher Education and Industry Centers- Operations (restricted receipts)	1,937,368
Westerly Education Center Expansion (RICAP)	1,220,000

Dual Enrollment**\$2.3 million**

The Budget shift \$2.3 million in reserve funds to general revenue as all funds that supported this program are exhausted or insufficient. The Budget assumes that this account will continue to be supported by general revenue in the outyears.

Pursuant to RIGL 16-100, Rhode Island began offering the Dual Enrollment program, which allows students to take college courses to earn credits at both secondary and higher education institutions. In 2015, the Board of Education adopted provisions that ensure that all Rhode Island high school student have the opportunity to access college level work while still in high school. All three of the State institutions offer dual enrollment courses.

According to a study conducted by the Education Commission of the States (ECS), dual enrollment programs have been proven to positively impact prospective students by preparing them to meet and maintain college readiness benchmarks. Students who are dually enrolled maintain higher GPAs, are more likely to enter college after high school graduation, and complete an undergraduate degree within four to six years. Dual enrollment also increases second year retention rates.

Shepard Building Parking Contract**(\$2.2 million)**

The Budget includes \$2.2 million in general revenue savings to account for changes in the parking contract within the Shepard Building.

In 2023, the Office relocated from State-owned offices on Jefferson Boulevard in Warwick to the Shepard Building in Providence, joining several State agencies that were already housed there. The State contracts with the Rhode Island Convention Center to provide parking for the employees working at the Shepard Building. This contract has been renegotiated to accommodate the OPC, with each resident agency paying their portion of the parking costs. Similarly, Shepard Building maintenance costs are to be shared by each State agency. Prior to the Office's relocation, URI inhabited the building with OPC financing the costs of parking for the University. Changes to the contract offset the Offices expenditures, resulting in the \$2.2 million savings.

Last Dollar (Promise I) Scholarship Fund Source**\$1.3 million**

The Budget shifts \$1.3 million in reserve spending used for college scholarships from the Division of Higher Education Assistance (DHEA) to general revenue. Shifting scholarship funding to general revenue will provide full funding to programs in FY2025. Based on current projections, however, there will not be sufficient funding for the Dual/Concurrent Enrollment program and the RI Last Dollar (Promise I Need-Based) Scholarship program in FY2026.

**Office of the Postsecondary Commissioner
Projection of DHEA Revenues/Expenses for FY2023 through FY2026**

	FY2023	FY2024	FY2025	FY2026
Revenues	Actual	Projected	Recommended	Projected
Reserves ¹	\$11,352,952	\$3,388,915	\$112,000	\$66,400
CollegeBound Fund Fees (from Treasurer)	4,251,710	4,523,170	3,500,000	3,200,000.0
Total	\$15,604,662.0	\$7,912,085.0	\$3,612,000.0	\$3,266,400.0
Expenditures				
Promise 1 Scholarship	(\$9,595,000)	(\$4,795,000)	(\$3,500,000)	(\$3,200,000)
Dual/Concurrent Enrollment (CollegeBound Fees) ²	(2,420,746)	(2,750,000)	-	
Personnel Expenses (DHEA Reserves)	(200,001)	(255,085)	(45,600.0)	(43,600.0)
Total	(\$12,215,747)	(\$7,800,085)	(\$3,545,600)	(\$3,243,600)
Ending Balance	\$3,388,915	\$112,000	\$66,400	\$22,800

Source: Reserves and expenditure projections from OPC and the FY2025 database. CollegeBound Fee projections from the General Treasurer's Office.

¹ Any unused CollegeBound fund fee revenue is deposited into the Reserves account for future use. FY2024 balance as provided by OPC on 3.22.2024

² The FY2025 Governor's Recommended Budget assumes that Dual Enrollment will be funded by General Revenue

* The FY2023 Budget as Enacted provided a one-time \$9.6 million infusion of general revenue

On December 6, 2017, the Council on Postsecondary Education voted to authorize the Commissioner to transfer the Federal Family Education Loan Portfolio to the United States Department of Education. The transfer was completed in FY2018; consequently, the Division of Higher Education Assistance (DHEA) no longer receives any guaranty agency fee revenues. Without the revenues, the reserves balance declines and will be exhausted in FY2025. Pursuant to RIGL 16-57-6.1(b) and 16-56-6, CollegeBound Fund fees must be used for need-based grant programs; thereby limiting the use of these funds. Additionally, revenues from the CollegeBound fund are expected to decline due to the raising average age of participants and smaller contributions. The revenues are based on the amount of assets under management.

As the average age of the participants increases and participants enter college, they will withdraw assets. Furthermore, the new, younger participants are not joining in the numbers needed to offset withdrawals, and these new participants are generally making smaller contributions to their savings plans. Historically generating about \$6.0 million annually, the General Treasurer projects revenue to decline to \$4.0 million in FY2024, \$3.5 million in FY2025, and \$3.2 million in FY2026. These revenues are used to partially support the need-based Promise I grant program.

Rhode Island Promise Scholarship Program **(\$689,984)**

The Budget includes \$7.8 million in general revenue, a decrease of \$689,984, to fund the Rhode Island Promise Scholarship program (RI Promise). Article 3 of the FY2018 Budget established the program to provide students with two years of tuition and mandatory fees at the Community College of Rhode Island (CCRI), less federal and all other financial aid available to the recipient. The decrease is due to updated enrollment projections for the 2024-2025 school year. The program was scheduled to sunset with the high school graduating class of 2021; however, 2021-S-0079 Sub A eliminated the sunset and made the program permanent.

Hope Scholarship - RIC **(\$624,500)**

In an effort to increase the number of students enrolling and completing four-year degrees and certificates on time, Article 8 of the FY2024 Enacted Budget established the Hope Scholarship Pilot program. The pilot program began with students who enroll in Rhode Island College (RIC) in the fall of 2023 and students enrolled in RIC as of July 1, 2021, who have attained junior status as of July 1, 2023. Students who enrolled as of July 1, 2022, and have attained junior status at RIC as of July 1, 2024 are also eligible if they are in compliance with the other requirements such as credit attainment and grade point average.

The scholarship covers the cost of up to two years of tuition and mandatory fees for the junior and senior years of the student, or for adult students who have attained at least 60 credit hours. While the eligibility requirements are very similar to the Promise II Scholarship program at the Community College of Rhode Island, students cannot receive an award under both programs. The Budget includes \$4.0 million in general revenue for this program in FY2024 and \$3.4 million in FY2025.

The scholarship is modeled after the Rhode Island Promise Scholarship and requires the timely accrual of credit hours and grade point average of 2.5 or greater; however, the Hope Scholarship is available to adult students and allows for the completion of the necessary 60 credit hours over four years, instead of two. While not defined within the statute, RIGL 16-112, adult students are generally 25 years of age and older.

The Article requires annual reporting, as with the Rhode Island Promise Scholarship program, beginning in November 2023. The November reports will project the cost of the program for the current and following fiscal year and be submitted to the Office of Management and Budget, the State Budget Officer, the House Fiscal Advisor, the Senate Fiscal Advisor, the Commissioner of Postsecondary Education, and the Chair of the Council on Postsecondary Education. A report evaluating the program will be submitted annually on or before July 1 to the Governor, the Speaker of the House, and the President of the Senate.

The Council on Postsecondary Education is authorized to promulgate rules and regulations for the program, while RIC will establish appeal procedures for the award, denial, or revocation of scholarship funding. The Hope Scholarship program began on July 1, 2023, and sunsets on July 1, 2028, unless further action is taken by the General Assembly.

Personnel Adjustments

\$217,384

The Budget includes a general revenue increase of \$217,384 for personnel adjustments, shifting funding from the DHEA reserves, which are soon to be exhausted, to general revenue to cover the costs of the Chief Financial Officer and the Director of Program Administration. In FY2025, general revenues will support the entire Office.

ARPA SFRF Funding Changes (federal funds)

(\$15.0 million)

The Budget includes a \$15.0 million decrease in federal funds due to a one-time federal ARPA SFRF appropriation in FY2024, that does not reoccur. . According to the Department of Administration, the State must appropriate all ARPA funds by December 31, 2024, and spend them by December 31, 2026, in order to comply with U.S. Treasury rules. These funds supported RI Reconnect, the Fresh Start Scholarship, and RIC's Cybersecurity Center.

	FY2024	FY2025	Change from
ARPA SFRF Fund Changes	Enacted	Governor	Enacted
RI Reconnects	\$8,000,000	\$0	(\$8,000,000)
Fresh Start Scholarship	5,000,000	-	(5,000,000)
RIC Cybersecurity Center	2,000,000	-	(2,000,000)
Total	\$15,000,000	\$0	(\$15,000,000)

Higher Education and Industry Centers – Operations (restricted receipts)

\$1.9 million

The Budget includes a \$1.9 million restricted receipt increase to support the Westerly and Woonsocket Education and Industry Centers. These funds support 1.0 new FTE coordinator position for the Westerly Education Center. They also support funding for contracted training programs, supplies and expenses, and janitorial services. According to the Office, the center has seen an influx of utilization since it has opened, requiring increased funding and an additional FTE position to maintain the building.

UNIVERSITY OF RHODE ISLAND

Expenditures by Source	FY2023 Actual	FY2024 Enacted	FY2024 Governor	Change from Enacted		FY2025 Governor	Change from Enacted	
General Revenue	\$121.9	\$138.8	\$144.7	\$5.9	4.3%	\$142.2	\$3.4	2.4%
Federal Funds	-	20.0	-	(\$20.0)	-100.0%	0.0	(20.0)	-100.0%
Other funds	784.9	834.4	824.1	(\$10.3)	-1.2%	873.7	39.3	4.7%
Total	\$906.8	\$993.2	\$968.9	(\$24.4)	-2.5%	\$1,015.9	\$22.7	2.3%

\$ in millions. Totals may vary due to rounding.

The University of Rhode Island (URI) was founded in 1888 as an agricultural school known as the Rhode Island College of Agriculture and Mechanic Arts. The college was actually the second State college established in Rhode Island. The Agricultural Experiment Station building was the first structure on campus, and was built in 1889; the building was later renamed Taft Hall. Today, Taft Hall houses internship, international exchange, and foreign student programs. In 1955, the school became known as the University of Rhode Island.

URI evolved beyond its genesis as a land grant and agricultural school, and today has retained a focus on biological and natural sciences, along with a developing focus on technology in areas such as ocean engineering, chemistry, pharmacy, economics, nursing, and renewable energy. URI has the third oldest continuously operating marine laboratory in the United States, the oldest turfgrass research program in the country, and has implemented green building technology in the expansion and renovation of its facilities. URI provides Bachelor's, Master's, and Doctorate level degrees. URI has four campuses: the 1,250-acre Kingston Campus; the 153-acre Bay Campus in Narragansett; the Providence Campus, located in the Shepard Building on Washington Street in Providence; and, the W. Alton Jones Campus located on 2,300 acres in West Greenwich. The Budget provides 2,551 FTE positions, including 353.8 positions that are third party funded, consisted with the FY2024 Enacted Budget.

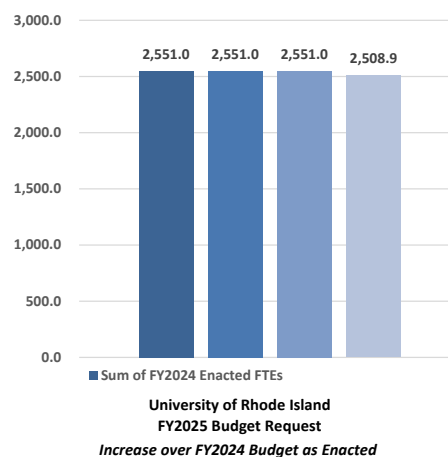
Major Issues and Trends

The URI Board of Trustees requested a 3.0 percent (\$430) increase for in-state tuition and 3.0 percent (\$1,022) increase for out-of-state tuition. There is a net increase in mandatory fees of 0.9 percent (\$20).

In addition to the 3.5 percent increase in tuition and fee revenue, URI requested a general revenue, state appropriation increase of \$23.3 million (12.0 percent relative to the FY2024 Budget as Enacted) excluding general obligation debt service. The increase in state appropriation is to support \$25.0 million in cost increases associated with the current service level and additional \$14.3 million in new initiatives. While approving the tuition and fee increase, the Budget provides a state appropriation increase of \$1.9 million, excluding debt service for general obligation bonds.

The FY2024 Enacted Budget included \$6.2 million for the Universities operating deficit. While the Universities requested budget reflects a \$4.1 million operating deficit in FY2025, the Board of Trustees decided to utilize reserve funds to mitigate the burden of the deficit, resulting in no net gain/loss.

FTE Snapshot



University of Rhode Island FY2025 Budget Request Increase over FY2024 Budget as Enacted		
Revenue Initiative	Amount	Percentage Change
State Appropriation ¹	\$23.3	12.0%
Tuition and Fees	17.9	3.5%
All Other	(12.1)	-4.3%
Total	\$29.1	2.9%
Expenditure Initiatives		
Maintain Current Services	\$25.0	7.4%
Personnel (COLA/Contractual)	27.3	6.5%
Operating	15.5	8.1%
Student Aid	9.1	3.5%
Capital	(28.9)	-34.9%
Non-GO Debt Service	1.9	7.4%
FY24 Operating Deficit	(\$4.1)	n/a
Use of Fund Balance	4.1	n/a
Net Gain/Loss	\$0.0	
New Initiatives	\$14.3	
Life Sciences Facility	3.0	n/a
Academic Advisors	2.0	n/a
Foster an Inclusive Culture	2.3	n/a
IT Modernization	7.0	n/a
Total	\$39.3	

¹ Excludes G.O. debt service.

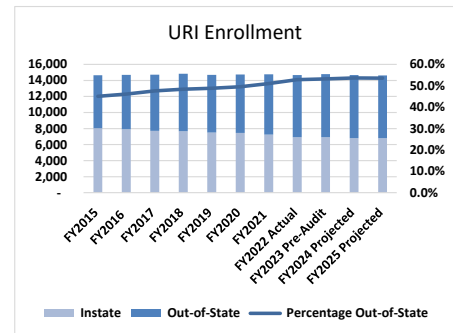
\$ in millions.

For FY2025, URI has requested \$14.3 million in funding for their four strategic initiatives related:

- **Life Sciences Facility:** The University requests funds to broaden its impact on Rhode Island’s life sciences workforce by supporting 20 new faculty.
- **Academic Advisors:** Currently, the URI’s advisor to student ration is 1:900, which is well above the standard (1:300). These funds would support 20.0 new advisors.
- **Fostering and Inclusive Culture:** These funds would support scholarship s for URI’s Talent and Diversity (TD) Program, National Guard, and Tribal programs.
- **IT Modernization:** Funds would support the installation and implementation of the new ERP System, migration to Cloud, audio and visual upgrades, and a change management office.

Enrollment

In-state enrollment is projected to be 6,791 full-time equivalent students, a decrease of 6, or 0.1 percent from the FY2024 Budget as Enacted. Out-of-state student enrollment is projected at 7,829 in FY2025, a decrease of 47, or 0.6 percent. The projected net enrollment for FY2025 reflects an overall decrease in enrollment of 53 FTEs, 0.4 percent, relative to the FY2024 Budget as Enacted. The FY2024 Revised projection reflects a net decrease of 53 students, 0.4 percent, relative to the FY2024 Enacted level.



University of Rhode Island		General Revenue
FY2024 Enacted		\$138,821,474
Target and Other Adjustments		-
State Appropriation		3,360,839
General Obligation Debt Service		166,239
State Crime Lab		(149,112)
FY2025 Governor		\$142,199,440

State Appropriation **\$3.4 million**

The state appropriation for URI increases by \$3.4 million in FY2025 to a total of \$105.9 million, excluding general obligation bond debt service and the State Crime Lab. Of the total increase, \$3.3 million is to support a 2.5 percent cost of living adjustment COLA, which is reflected in the colleges settled contracts and act as a place holder for ongoing negotiations. Furthermore, \$620,711 supports the University’s share of the Enterprise Resource Planning system. As indicated in the request detailed under the “Major Issues and Trends” section, URI requested an all funds increase for current service of \$39.3 million. The Governor’s proposal recommends \$21.5 million, \$17.8 million less than requested.

General Obligation Debt Service **\$2.8 million**

The Budget includes \$31.6 million in general revenue for general obligation debt service at URI in FY2025 and \$31.9 million in FY2024. This is an increase of \$166,239 in FY2025 and an increase of \$119,366 in FY2024 relative to the FY2024 Budget as Enacted.

Debt Service							
	FY2024 Enacted	FY2024 Final	Change from Enacted		FY2025 Enacted	Change from Enacted	
University of Rhode Island	\$31,813,173	\$31,932,539	\$119,366	0.4%	\$31,664,061	(\$149,112)	-0.5%
Rhode Island College	8,732,729	8,845,962	113,233	1.3%	8,178,392	(554,337)	-6.3%
Community College of Rhode Island	807,992	953,044	145,052	18.0%	1,054,709	246,717	30.5%
Total	\$41,353,894	\$41,731,545	\$377,651	0.9%	\$40,897,162	(\$456,732)	-1.1%

Source: Rhode Island Budget Office

Crime Lab

\$102,729

The Budget provides a decrease of \$149,112 in general revenue (\$1.8 million total) for the State Crime Lab for target and other adjustments, consistent with the requested budget.

RHODE ISLAND COLLEGE (RIC)

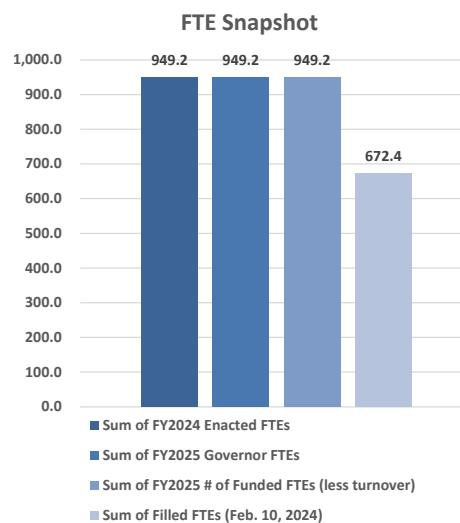
Expenditures by Source	FY2023 Actual	FY2024 Enacted	FY2024 Governor	Change from Enacted		FY2025 Governor	Change from Enacted	
General Revenue	\$68.5	\$76.5	\$78.3	\$1.7	2.3%	\$77.9	\$1.3	1.7%
Other funds	110.8	131.9	136.7	4.7	3.6%	132.3	0.3	0.3%
Total	\$179.4	\$208.5	\$214.9	\$6.5	3.1%	\$210.1	\$1.7	0.8%

\$ in millions. Totals may vary due to rounding.

Rhode Island College (RIC) was established in 1854 as the Rhode Island State Normal School, with the mission of providing teacher preparation to Rhode Island residents. In 1959, RIC moved to its current campus location on 180 acres off of Mount Pleasant Avenue in Providence and was renamed Rhode Island College to reflect expanded curriculum.

Today, RIC provides comprehensive education at the Bachelor's and Master's level, with a focus on Rhode Island residents. Rhode Island College is accredited by the New England Commission of Higher Education, the Council on Social Work Education, National Association of Schools of Art and Design, National Association of Schools of Music, National Association of State Directors of Teacher Education and Certification, National Council for Accreditation of Teacher Education, and the Commission on Collegiate Nursing Education.

The Budget includes 949.2 FTE positions in FY2025, including 76.0 third-party funded positions, consistent with the FY2024 Budget as Enacted. As of February 10, RIC has about one third of their allotted FTE positions vacant, with a total of 672.4 FTE positions (71.0%) filled.



Major Issues and Trends

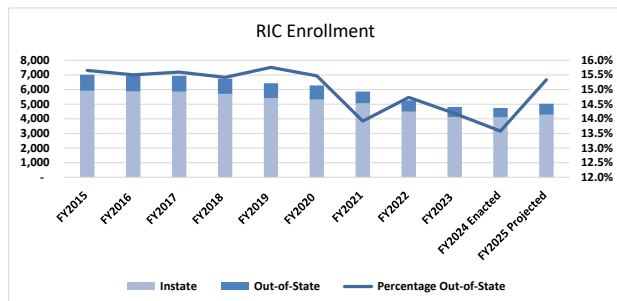
RIC's Budget request includes a \$3.5 million increase in tuition and fee revenue compared to the FY2024 Enacted Budget. Of these funds, \$1.7 million is due to a net increase of 3.0 percent to tuition, and the remaining funds are due to an observed increase in enrollment.

According to the College, undergraduate applications, admissions, and enrollment have increased by 17.7 percent compared to recent years, totalling 213 new FTE students in the 2025-2026 school year. This observed increase in enrollment is connected to the recently enacted Hope Scholarship, which allows eligible FTE students to attend the College at no expense during their junior and senior years. Additionally, RIC has opened or is intending to open new majors in Sports Management, Biotechnology, and Cybersecurity, which attracts new students who would otherwise need to attend different colleges to study these fields. Additionally, RIC is investing in its infrastructure through the renovation and opening of the new Cybersecurity building, and new athletic fields. Due to the increase in enrollment, the College requested \$300,000 for student aid.

Of the \$6.2 million increase requested, excluding debt service for general obligation bonds, the Budget provides \$4.8 million, including \$5.4 million for personnel adjustments and \$265,009 for student aid. The Budget also includes a decrease of \$947,939 in operating expenses.

Enrollment

Total enrollment is projected to be 4,278 full-time equivalent students in FY2025, an increase of 180 students, or 4.4 percent, relative to FY2024 Enacted enrollment, and a decrease of 111 students, or 2.7 percent from the FY2024 Revised level. This enrollment projection represents estimates related to the Hope Scholarship, which was recently passed in the FY2024 Enacted Budget.



Rhode Island College		General Revenue
FY2024 Enacted		\$76,546,642
Target and Other Adjustments		-
State Appropriation		1,888,923
General Obligation Debt Service		(554,337)
FY2025 Governor		\$77,881,228

State Appropriation

\$1.9 million

The Budget includes \$1.9 million in increased general revenue support (\$67.9 million total), excluding G.O. bond debt service. As indicated in the request detailed under the "Major Issues and Trends" section, Rhode Island College (RIC) had requested a \$3.4 million increase in the state appropriation to help support fixed costs, replace lagging tuition and fee revenue, as well as new investments in the College. The Budget provides \$1.7 million for current service costs to support a 2.5 percent COLA, which is reflected in the College's settled contracts. These funds also act as a place holder for ongoing negotiations.

General Obligation Debt Service

(\$554,337)

The Budget provides \$8.2 million in FY2025 and \$8.5 million FY2024 for general obligation debt service at RIC funded by general revenue. This is a decrease of \$554,337 in FY2025 and an increase of \$113,233 in FY2024 relative to the FY2024 Budget as Enacted.

Debt Service							
	FY2024 Enacted	FY2024 Final	Change from Enacted		FY2025 Enacted	Change from Enacted	
University of Rhode Island	\$31,813,173	\$31,932,539	\$119,366	0.4%	\$31,664,061	(\$149,112)	-0.5%
Rhode Island College	8,732,729	8,845,962	113,233	1.3%	8,178,392	(554,337)	-6.3%
Community College of Rhode Island	807,992	953,044	145,052	18.0%	1,054,709	246,717	30.5%
Total	\$41,353,894	\$41,731,545	\$377,651	0.9%	\$40,897,162	(\$456,732)	-1.1%

Source: Rhode Island Budget Office

COMMUNITY COLLEGE OF RHODE ISLAND (CCRI)

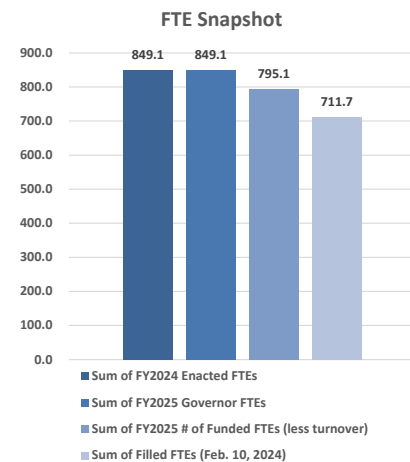
Expenditures by Source	FY2023 Actual	FY2024 Enacted	FY2024 Governor	Change from Enacted		FY2025 Governor	Change from Enacted	
General Revenue	\$57.2	\$59.3	\$61.0	\$1.69	2.9%	\$61.3	\$1.9	3.3%
Federal Funds	2.4	-	-	-	0.0%	-	-	0.0%
Restricted Receipts	0.8	0.8	0.8	(0.0)	-4.1%	0.8	(0.0)	-1.7%
Other funds	117.8	122.2	119.8	(2.4)	-2.0%	132.3	10.1	8.3%
Total	\$178.1	\$182.4	\$181.7	(\$0.7)	-0.4%	\$194.4	\$12.0	6.6%

\$ in millions. Totals may vary due to rounding.

The Community College of Rhode Island (CCRI) was established by the General Assembly in 1960 as Rhode Island Junior College. The first class of 325 students enrolled at a temporary Providence location in the fall of 1964. CCRI has provided a variety of career, technical, and academic programs and has established partnerships with businesses and non-profit organizations to provide worker training.

Today, CCRI has four main campuses: the 205-acre Knight Campus in Warwick; the 300-acre Flanagan Campus in Lincoln; the 7-acre Liston Campus in downtown Providence; and the 5-acre Newport County Campus in Newport. In addition, CCRI holds classes in the Westerly Higher Education and Industry Center.

The Budget includes 849.1 FTE positions in FY2024 and FY2025, including 89.0 third-party funded FTE positions, consistent with the enacted level.



Major Issues and Trends

CCRI's budget request includes a 1.3 percent increase in tuition and mandatory fees, with total tuition and fee revenue estimated to increase by \$735,167 (1.3 percent) from the FY2024 Enacted level, or \$2.4 million (4.6 percent) from the FY2024 Revised level. The state appropriation request increases by \$9.5 million (17.0 percent) to \$63.5 million.

- **CCRI Advantage:** The request includes \$4.0 million in general revenue to support the Advantage program. This program targets students in developmental education programs and enrolls them in non-credit bearing courses to enhance reading, math, and writing skills. Eligible students are enrolled in this program prior to enrolling in credit bearing classes. According to the College, about

half of incoming first-time students are assessed as needing developmental education in on content area, another 20.0 percent require developmental education in two content areas. This program will result in a reduction of \$3.6 million in revenue. The College requests the \$3.6 million as back fill and an additional \$427,500 in funds for miscellaneous expenses related to the program.

- **Early College Opportunities:** The College requests \$3.0 million in general revenue to support early college programs which will help predict future enrollment through engagement with students and families. The proposal has five components; expanding dual enrollment, expanding summer and afterschool programs, increasing equity through the purchase of technology, course material, meals, and transportation; establishing a gateway to college, and enhancing family engagement.

Early College Programs	
Summer Dual Enrollment	\$250,000
Summer and After School Enrollment	\$250,000
Early College Equity	\$1,000,000
Gateway to College	\$1,000,000
Family Engagement	\$500,000
Total	\$3,000,000
<i>\$ in millions</i>	

The expenditure request includes funding to support current services and \$5.9 million for strategic priorities.

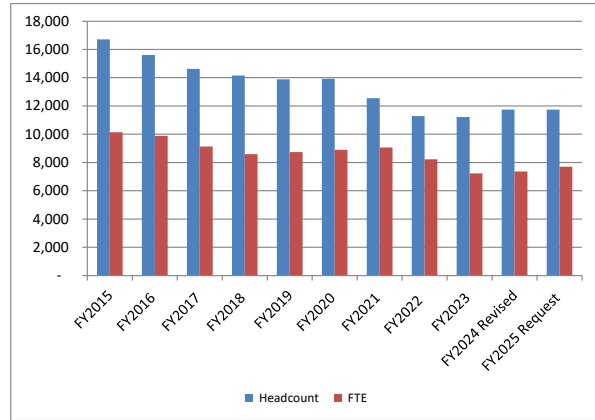
- **Student Aid:** \$200,000 is consistent with the tuition and fee increases at the College. For FY2025, student aid and waivers are expected to be 10.0 percent of the tuition and fee revenue.
- **Personnel Investment:** \$5.2 million is requested to support contractually obligated salaries and COLAs, as well as a placeholder for ongoing negotiations.
- **Technology and Other Operating:** \$450,000 is requested to expand to a cloud-based data system and upgrade financial reporting systems. The request includes 1.0 new FTE position within the College's cap.

Community College of Rhode Island FY2025 Budget Request Change to FY2024 Budget as Enacted	
Revenue Initiatives	Amount
Tuition and Fees	\$2.3
State Appropriation ¹	9.5
Total	\$11.8
Expenditure Request	Amount
Student Aid	\$0.2
Personnel investment	5.2
Technology and Other Operating	0.5
Total	\$5.9
¹ Does not include G.O. bond debt service. <i>\$ in millions</i>	

The Governor recommends an increase of \$1.7 million in general revenue funding, excluding G.O. debt service, about 20.6 percent of the requested expenditure increase of \$11.8 million. The Budget does not include funding for any of the College's proposed initiatives. The Budget also excludes funding requested for upgrades to the College's data and financial reporting systems.

Enrollment

CCRI Student Enrollment				
Year	Headcount	Headcount	FTE	FTE %
		% Change		Change
FY2014	17,017	-1.9%	10,141	-2.8%
FY2015	16,718	-1.8%	9,882	-2.6%
FY2016	15,611	-6.6%	9,128	-7.6%
FY2017	14,624	-6.3%	8,593	-5.9%
FY2018	14,155	-3.2%	8,732	1.6%
FY2019	13,878	-2.0%	8,899	1.9%
FY2020	13,923	0.3%	9,065	1.9%
FY2021	12,549	-9.9%	8,231	-9.2%
FY2022	11,290	-10.0%	7,224	-12.2%
FY2023	11,223	-0.6%	7,365	2.0%
FY2024 Revised	11,736	4.6%	7,698	4.5%
FY2025 Request	11,736	0.0%	7,698	0.0%
10-Year Average	14,099	-4.2%	8,726	-3.3%



The table shows the actual student enrollment, both by headcount and by FTE, from 2014 through 2025, and a projection for 2024 and 2025. In FY2025, the College expects enrollment to be level with the FY2024 Revised levels.

Community College of Rhode Island

General Revenue

FY2023 Enacted \$57,098,581

Target and Other Adjustments

-

State Appropriation 2,633,796

General Obligation Debt Service (597,307)

FY2024 Governor \$59,135,070

State Appropriation

\$2.6 million

State general revenue support for CCRI increases by \$2.6 million in FY2024 to a total of \$58.3 million, excluding general obligation bond debt service. As indicated in the request detailed under the “Major Issues and Trends” section, CCRI requested an increase of \$7.7 million over the FY2023 Budget as Enacted to support current services and strategic priorities. The Governor’s recommendation includes \$1.7 million for current services, \$328,412 for the Student Services request, and \$543,528 for the Technology and Other Operating increases excluding advertising and printing the report. In addition, \$2.5 million is provided through the Office of the Postsecondary Commissioner for the new Fresh Start Scholarship program requested by CCRI.

General Obligation Debt Service

(\$597,307)

The Budget provides \$807,992 in FY2024 and \$1.4 million in FY2023 for general obligation debt service at CCRI funded by general revenue. This is a decrease of \$597,307 in FY2024 and an increase of \$36,180 in FY2023 relative to the FY2023 Budget as Enacted.

Debt Service

	FY2023		Change from		FY2024	Change from	
	Enacted	FY2023 Final	Enacted		Governor	Enacted	
University of Rhode Island	\$29,049,378	\$29,302,462	\$253,084	0.9%	\$31,813,173	\$2,763,795	9.5%
Rhode Island College	6,002,565	6,219,501	216,936	3.6%	8,732,729	2,730,164	45.5%
Community College of Rhode Island	1,405,299	1,441,479	36,180	2.6%	807,992	(597,307)	-42.5%
Total	\$36,457,242	\$36,963,442	\$506,200	1.4%	\$41,353,894	\$4,896,652	13.4%

Source: Rhode Island Budget Office

CAPITAL PROJECTS

The Budget includes a total of \$88.8 million in capital expenditures from Rhode Island Capital Plan (RICAP) funds in FY2024 and \$102.7 million in FY2025, including the following.

- **URI, RIC, CCRI – Asset Protection:** Asset Protection projects are budgeted from Rhode Island Capital Plan funds (RICAP) and are used to maintain and repair facilities, including roads, buildings, and infrastructure. The asset protection program includes a number of projects at various facilities, and allows each school to shift funding based on current priorities. In FY2025, there is a total of \$22.5 million, including \$14.0 million in RICAP asset protection funding for URI, \$5.8 million for RIC, and \$2.7 million for CCRI. In FY2024, the Budget includes a total of \$28.7 million in asset protection funding for URI (\$13.3 million), RIC (\$10.9 million), and CCRI (\$4.5 million).
- **URI – Athletics Complex Renewal (new project):** The Budget provides \$5.4 million in RICAP funds in FY2025 for the renovation of the Meade Stadium East Grandstands and the Slade Outdoor Track and Field. Total funding for the project is \$83.1 million over three years, including \$65.8 million in RICAP funds and \$17.3 million in University funds.
- **URI – Fine Arts Center:** This project involves the renovation and construction of an addition to the Fine Arts Center to meet current and future teaching, performance, research, and outreach requirements. Phase IA is complete. Phase IB is based on planning from Phase IA and includes the replacement of several pods serving the Art and Art History Department with a new three-story building to house studios and offices for the Art, Music, and Art History Departments. Phase II will provide upgrades to the interiors of the performance halls for Theater and Music. Phase IB and Phase II are projected to cost \$78.3 million, including \$56.3 million in general obligation bond proceeds (approved in March 2021), \$16.0 million in RICAP funds, and \$5.0 million in private funding. The Budget provides \$8.0 million in RICAP funding (\$43.1 million total) in FY2025 and \$8.0 million in RICAP funding (\$21.5 million total) in FY2024 to begin this project. The new building is projected to open for the spring 2025 semester. Phase II will commence upon receipt of the private funding to support the project.
- **URI – Bay Campus:** In addition to the \$100.0 million general obligation bond which was approved in November 2022, the Budget provides \$6.0 million in RICAP funding annually in FY2025 and FY2024 toward repairs and construction on the Narragansett Bay Campus in support of education and research for the marine disciplines.
- **URI Academic Mechanical, Electrical, and Plumbing:** The Budget provides \$1.0 million FY2025 and \$7.8 million in FY2023 to provide new HVAC systems in Fogarty and White Hall. The total project cost is \$17.9 million. Fogarty Hall, currently housing the Crime Lab and Nutrition and Food Science Department, will be renovated for administrative and academic departments. Substantial renovations will address the building envelope, mechanical systems, HVAC, as well as removing laboratory fixtures and associated utilities. White Hall, currently housing the College of Nursing, requires the upgrade of obsolete building systems and building envelope improvements, including foundation waterproofing, a drainage system, and minor cosmetic improvements.
- **URI Fire Protection Academic Phase 2:** The Budget includes \$3.9 million in FY2025 and \$3.3 million in FY2024 toward the total cost of \$8.1 million to provide safety improvements. This project involves the installation of fire-suppressing sprinkler systems, the upgrade/replacement of existing fire alarm systems, and safety improvements in academic and administrative buildings in order to comply with changes in the State Fire Code. This phase will also provide a central bank of generators to provide the necessary power back up to allow the University to shelter in place during prolonged power outages. Phase I (\$25.8 million) of this project was completed in December 2016.
- **URI PFAS Water Treatment Plant:** The Budget includes \$512,500 in FY2025 and \$1.0 million in FY2024 toward the total cost of \$20.0 million to construct a permanent water treatment plant to address the Universities elevated per- and polyfluorinated substances (PFAS) levels. Originally, these funds

were identified as ARPA SFRF funding; however, the University's capital improvement plan timetable put these time-sensitive funds at risk of being reclaimed by the federal government, instead the project will be completely funded through RICAP funds.

- **Stormwater Management:** The Budget includes \$256,338 in FY2025 and \$2.2 million in FY2024 to support stormwater improvements to existing drainage systems. According to the University, current infrastructure frequently exceeds during major flooding events, resulting in erosion and flooding to the downstream landscapes and buildings. Total estimates for the project are \$4.7 million.
- **OPC – Northern RI Education Center:** The Budget provides \$1.2 million in FY2025 to expand the RI Education Center model to Northern RI. The Woonsocket Education Center, which opened August 2022, is designed to address gaps in education and workforce development training in Northern RI. These funds, which result in an increase of \$108,746 in FY2024 Revised and \$225,635 in FY2025, support furniture, fixtures, and technology for classrooms, common areas, and administrative offices.
- **RIC – Phase III Master Plan:** Phase III of the Master Plan at RIC will complete major renovations to the Clarke Science Building, which houses the Department of Physical Sciences. The building includes several labs, two lecture halls, classrooms, and faculty offices. In March 2021, voters approved a \$38.0 million general obligation bond for this project. In addition to the bond proceeds, the Budget provides \$20.0 million in RICAP funds, including \$10.0 million in FY2024 and \$10.0 million in FY2025.
- **RIC Infrastructure Modernization:** The Budget provides \$10.3 million in RICAP funding in FY2025 and \$5.7 million in FY2024 to modernize and replace steam lines, water lines, and the electrical distribution system across the RIC campus. Improvements will address issues of water quality, limit power failures, and eliminate steam plumes throughout the campus.
- **CCRI Knight Campus Renewal:** The Budget includes \$1.4 million in RICAP funding in FY2025 for the renovation of 280,000 square feet of the 385,000 square-foot Knight Campus Megastructure, including lighting, painting, and replacement of carpeting/tile.
- **CCRI Flanagan Campus Renewal (Lincoln):** The Budget provides \$1.8 million in FY2025 and \$5.7 million in FY2024 for the renewal of the Flanagan Campus in Lincoln. This \$12.5 million project includes the modernization and code compliance upgrades to all of the science labs at the Lincoln campus, as well as the refurbishment of the exterior including heat resistance paint, window replacement, and light abatement.
- **CCRI Data, Cabling, and Power Infrastructure:** The Budget provides \$3.3 million in FY2025 and \$3.7 million in FY2024 to assess, design, and construct a modernized data cabling and power infrastructure across the four CCRI campuses. The project will upgrade network wiring infrastructure and deliver more capacity to support additional classroom technology, wireless devices and security systems, including cameras, emergency alarm systems, and HVAC control systems.
- **CCRI Renovation and Modernization Phase I:** The Budget includes \$8.0 million in FY2025 and \$16.0 million in FY2024 to modernize academic and student support spaces. The project is estimated to cost a total of \$59.5 million where \$12.0 million derive from general obligation bonds, approved in March 2021, and \$47.5 million from RICAP funds, and an additional \$12.0 million from the 2022 General Assembly. The budget exceeds original estimates by \$7.5 million due to updated cost estimates.