

Public Higher Education

Expenditures By Program	FY2020	FY2021	FY2021			FY2022		
	Actual	Enacted	Governor	Change from Enacted		Governor	Change from Enacted	
Office of Postsecondary Commissioner	\$35.4	\$40.8	\$50.6	\$9.8	24.0%	\$44.4	\$3.6	8.8%
University of Rhode Island	823.3	861.7	847.7	(14.0)	-1.6%	836.0	(25.7)	-3.0%
Rhode Island College	184.8	202.9	198.9	(4.0)	-2.0%	185.3	(17.5)	-8.6%
Community College of R.I.	164.1	169.4	164.7	(4.6)	-2.7%	169.2	(0.2)	-0.1%
Total	\$1,207.5	\$1,274.8	\$1,261.9	(\$12.9)	-1.0%	\$1,234.9	(\$39.9)	-3.1%
Expenditures By Source								
General Revenue	\$231.4	\$238.0	\$238.0	\$0.1	0.0%	\$244.1	\$6.1	2.6%
Federal Funds	23.9	31.4	18.1	(13.3)	-42.4%	16.4	(14.9)	-47.6%
Restricted Receipts	1.7	3.0	3.0	0.0	0.1%	4.1	1.2	39.9%
Other Funds	950.5	1,002.5	1,002.9	0.4	0.0%	970.2	(32.3)	-3.2%
Total	\$1,207.5	\$1,274.8	\$1,261.9	(\$12.9)	-1.0%	\$1,234.9	(\$39.9)	-3.1%
Third Party Funded FTE	523.8	523.8	523.8	-	-	523.8	-	0.0%
Authorized FTE Levels	3,860.5	3,860.5	3,860.5	-	-	3,862.5	2.0	0.1%
Total	4,384.3	4,384.3	4,384.3	-	-	4,386.3	2.0	0.0%

\$ 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.

MAJOR ISSUES AND TRENDS

The FY2022 Budget includes total funding of \$1,234.9 million, representing a decrease of \$39.9 million (3.1 percent) from the FY2021 Budget as Enacted, including a general revenue increase of \$6.1 million (2.6 percent). The increase includes \$8.0 million in state funding to promote alignment between the State's priorities for higher education and institutional practice and policy, partially offset by a decrease of \$1.6 million for general obligation debt service. The increased state funding will be split among the three institutions, providing \$7.0 million to URI, \$35,770 to RIC, and \$168,214 to CCRI.

State Appropriation to Higher Education Institutions (not including G.O. Bond debt service)

	FY2019 Actuals	FY2020 Actual	FY2021 Enacted	FY2022 Gov	Change to FY2021 Enacted	Percent Change to Enacted	Change to FY2020 Actual	Percent Change to Actual
University of Rhode Island	\$80,967,459	\$79,141,738	\$78,152,796	\$85,145,516	\$6,992,720	8.9%	\$6,003,778	7.6%
Rhode Island College	48,845,066	47,805,887	52,172,385	52,208,155	35,770	0.1%	4,402,268	9.2%
Community College of R.I.	50,528,140	46,580,079	52,258,866	52,427,080	168,214	0.3%	5,847,001	12.6%
	\$180,340,665	\$173,527,704	\$182,584,047	\$189,780,751	\$7,196,704	3.9%	\$16,253,047	9.4%

According to the Office of Management and Budget, the proposed FY2022 appropriation to each institution was based on the FY2020 Final Enacted Budget with general revenue added to replace the scoop for the federal Higher Education Emergency Relief (HEER) Funds and account for the benefit adjustment for personnel. Excluding general obligation bond debt services, the three institutions requested a total increase in state appropriation of \$14.1 million, including \$8.1 million for URI and \$6.0 million for RIC. CCRI's budget request represents a current services budget with no new or expanded initiatives. The Governor recommends a total increase of \$7.2 million. The Budget includes tuition and mandatory fee increases at all three institutions.

The decrease in federal funds of \$14.9 million (47.6 percent) is due primarily to the discontinuation of federal Higher Education Emergency Relief Funds (HEERF) provided through the original Coronavirus Aid, Relief and Economic Security Act, 2020 (CARES Act). Restricted receipts increase by \$1.2 million (39.9 percent) due to an increased revenue projection from the Higher Education and Industry Centers as the new center in Woonsocket is scheduled to open in October 2021.

Based on current projections, there will not be sufficient funding for the Dual/Concurrent Enrollment program and the RI Promise I Need-Based Scholarship program in FY2023. 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

**Office of the Postsecondary Commissioner
Projection of DHEA Revenues/Expenses for FY2020 through FY2022**

	FY2020 Enacted	FY2021 Projected	FY2022 Projected	FY2023 Projected
Revenues				
Reserves	\$21,298,391	\$14,803,391	\$8,007,560	\$312,560
CollegeBound Fund Fees (from Treasurer)	5,800,000	5,500,000	4,600,000	4,400,000
Total	\$27,098,391	\$20,303,391	\$12,607,560	\$4,712,560
Expenditures				
Promise 1 Scholarship (CollegeBound Fees)	(5,595,000)	(5,595,000)	(5,595,000)	(5,595,000)
Promise 1 Scholarship (DHEA Reserves)	(4,000,000)	(4,000,000)	(4,000,000)	(4,000,000)
Dual/Concurrent Enrollment (DHEA Reserves)	(2,300,000)	(2,300,000)	(2,300,000)	(2,300,000)
Personnel Expenses (DHEA Reserves)	(400,000)	(400,831)	(400,000)	
Total	(\$12,295,000)	(\$12,295,831)	(\$12,295,000)	(\$11,895,000)
Ending Balance	\$14,803,391	\$8,007,560	\$312,560	(\$7,182,440)

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

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 FY2022. 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.

The average age of the participants is currently 16; and, as these 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 \$5.5 million in FY2021, \$4.6 million in FY2022, and \$4.3 million in FY2023. These revenues are used to partially support the need-based Promise I grant program.

The American Rescue Plan, passed in March 2021, was the third appropriation of federal coronavirus aid to institutions of higher education. In total, the three state institutions have or will receive approximately \$172.7 million in federal aid. Of the total aid, roughly one-half is earmarked for emergency financial aid grants to students. Also, the FY2020 Revised Budget reduced general support the institutions by an amount roughly equivalent to the institutional allocation for the Higher Education Emergency Relief Funds (HEERF) provided through the original Coronavirus Aid, Relief and Economic Security Act, 2020 (CARES Act). The table below provides the current projections for federal, coronavirus-related aid.

Federal Coronavirus Aid to Higher Education Institutions

Coronavirus Aid, Relief and Economic Security Act, 2020 (CARES Act)	URI	RIC	CCRI	Total
HEERF I				
Institutional Allocation	\$5.6	\$3.7	\$5.0	\$14.3
Minimum Amount for Student Grants	5.6	3.7	5.0	14.3
Strengthening Institutions Program (SIP)	-	0.4	0.5	0.9
Total	\$11.2	\$7.8	\$10.5	\$29.5
Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (CRRSAA)				
HEERF II				
Institutional Allocation	\$11.8	\$8.4	\$17.0	\$37.2
Minimum Amount for Student Grants	5.6	3.7	5.0	14.3
Strengthening Institutions Program (SIP)	-	0.5	0.9	1.4
Total	\$17.4	\$12.6	\$22.9	\$52.9
American Rescue Plan, March 2021 (ARP) (funds available for use through September 30, 2023)				
HEERF III (Estimated Distribution)				
Institutional Allocation	\$15.4	\$10.6	\$19.2	\$45.1
Minimum Amount for Student Grants	15.4	10.6	19.2	45.1
Total	\$30.8	\$21.2	\$38.3	\$90.3
Grand Total	\$59.5	\$41.6	\$71.7	\$172.7

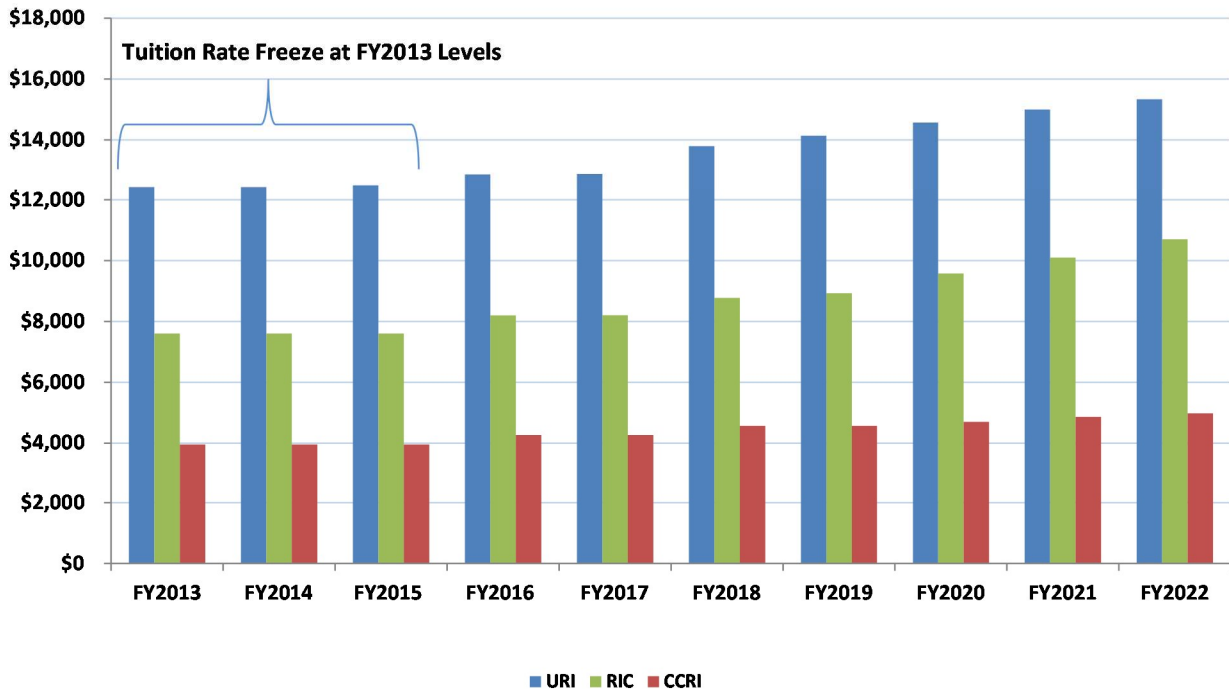
\$ in millions

While details are still a bit unclear, it appears that the institutional funds may be used to defray expenses associated with the coronavirus including lost revenue, technology cost associated with the transition to distance learning, previously incurred expenses, faculty and staff trainings, payroll, and financial aid grants to students. A portion of the funds must be used to implement evidence-based practices to monitor and suppress the virus in accordance with public health guidelines, and to conduct direct outreach to financial aid applicants about the opportunity to receive a financial aid adjustment due to the recent unemployment of a family member or dependent students, or other circumstances.

Tuition and Fees

Actual tuition and fee rates, by institution, along with a projection for FY2021 and FY2022, are shown in the following graph.

In-State Undergraduate Tuition & Fees



URI	FY2018	FY2019	FY2020	FY2021	FY2022	Change from FY2021	
In-State Tuition	\$12,002	\$12,248	\$12,590	\$12,922	\$13,250	\$328	2.5%
Out-of-State Tuition	28,252	28,972	29,710	30,496	31,272	776	2.5%
Mandatory Fees	1,790	1,890	1,976	2,082	2,082	-	-
Tuition & Fee Revenue	316,248,105	323,265,906	334,895,206	343,782,541	352,063,419	8,280,878	2.4%
RIC							
In-State Tuition	\$7,637	\$7,790	\$8,218	\$8,835	\$9,277	\$442	5.0%
Out-of-State Tuition	20,150	20,553	21,683	23,310	24,475	1,165	5.0%
Northeast Neighbors Program	11,456	11,685	12,328	13,252	13,915	663	5.0%
Mandatory Fees	1,139	1,139	1,360	1,268	1,425	157	12.4%
Tuition & Fee Revenue	72,656,239	70,945,602	65,868,388	66,521,065	67,839,867	1,318,802	2.0%
CCRI							
In-State Tuition	\$4,148	\$4,148	\$4,284	\$4,414	\$4,524	\$110	2.5%
Out-of-State Tuition	11,740	11,740	12,128	12,492	12,804	312	2.5%
Mandatory Fees	416	416	416	446	456	10	2.2%
Tuition & Fee Revenue	53,493,373	53,997,972	56,551,293	54,196,881	55,544,270	1,347,389	2.5%

In FY2022, URI is projecting an increase in tuition and fee revenue of \$8.3 million, or 2.4 percent, based on an increase in in-state tuition of \$328, or 2.5 percent; and, out-of-state tuition of \$776, or 2.5 percent. RIC is projecting an increase in tuition and fee revenue of \$1.3 million, or 2.0 percent, based on an increase in in-state tuition of \$442, or 5.0 percent; an increase in out-of-state tuition of \$1,165, or 5.0 percent; and, an increase in mandatory fees of \$157, or 12.4 percent, partially offset by a decrease in enrollment of 3.0 percent. CCRI projects an increase in tuition and fee revenue of \$1.3 million, or 2.5 percent, based on an increase in in-state tuition of \$110, or 2.5 percent; an increase in out-of-state tuition of \$312, or 2.5 percent; and, an increase in mandatory fees of \$10, or 2.2 percent.

State Support for Public Education

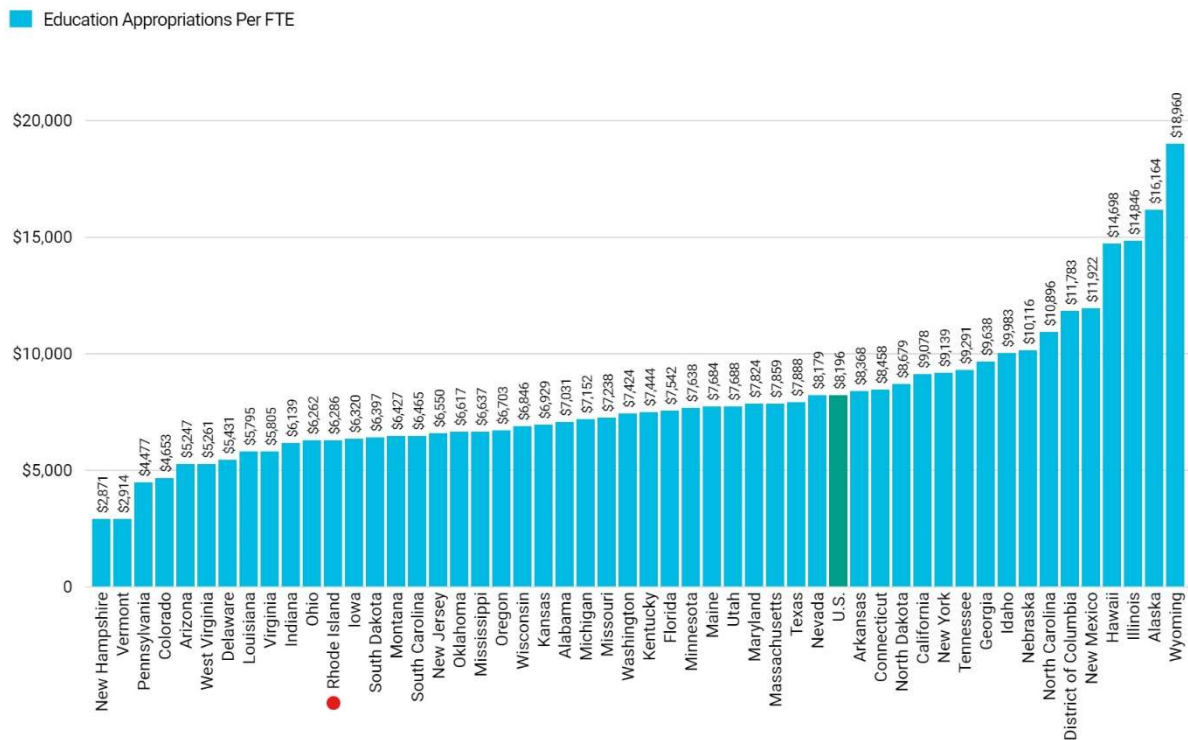
When looking at state support for public higher education, many policy makers tend to take a regional approach. For example, if looking at New England, Rhode Island is in the middle of the pack. In FY2019, the most recent data available, Connecticut appropriated \$2,172 more per student FTE than Rhode Island and Massachusetts appropriated \$1,573 more. Based on Rhode Island's FY2019 FTE enrollment of 30,204, the difference in per-student FTE between Rhode Island and Massachusetts is \$47.5 million.

However, on a national perspective in FY2019, the State of Wyoming appropriated \$12,674 more per student FTE than Rhode Island. The chart below is from the State Higher Education Executive Officers Association (SHEEO). The chart illustrates state appropriations to public higher education based on student FTEs. The State of Rhode Island appropriates \$1,910 less per student than the national average.

FY2019 State Educational Appropriations per FTE	
Connecticut	\$8,458
Massachusetts	7,859
Maine	7,684
Rhode Island	6,286
Vermont	2,914
New Hampshire	2,871
Regional Average	\$6,012

Source: State Higher Education Executive Officers (SHEEO)

Public Higher Education Appropriations Per FTE by State, FY 2019 (Adjusted)



Notes:

1. Education appropriations are a measure of state and local support available for public higher education operating expenses, and exclude appropriations for independent institutions, financial aid for students attending independent or out-of-state institutions, research, hospitals, and medical education.
2. The U.S. calculation does not include the District of Columbia.
3. Constant dollars adjusted by the Higher Education Cost Adjustment (HECA).
4. Adjusted to account for interstate differences using the Enrollment Mix Index (EMI).
5. 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

In FY2022, the three state institutions requested a \$14.1 million increase in the State general revenue support, excluding general obligation debt service. The Governor recommends \$7.2 million.

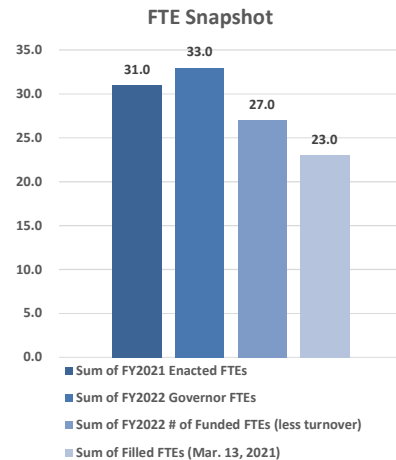
OFFICE OF THE POSTSECONDARY COMMISSIONER

Expenditures By Source	FY2019	FY2020	FY2021	FY2021	Change from		FY2022	Change from	
	Actual	Actual	Enacted	Governor	Enacted		Governor	Enacted	
General Revenue	\$15.9	\$16.1	\$16.8	\$16.9	\$0.7	4.6%	\$17.3	\$1.2	7.7%
Federal Funds	8.0	8.3	8.4	18.1	9.8	118.1%	11.2	2.9	34.9%
Restricted Receipts	1.9	1.1	2.3	2.3	1.3	119.5%	3.5	2.4	231.1%
Other Funds	10.3	9.9	13.4	13.4	3.5	34.8%	12.4	2.5	25.0%
Total	\$36.1	\$35.4	\$40.8	\$50.6	\$15.2	43.1%	\$44.4	\$9.0	25.6%

\$ in millions

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 education 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 33.0 FTE positions for the OPC in FY2022, including 1.0 FTE that is third-party funded. This represents an increase of 2.0 FTE positions from the FY2021 Budget as Enacted. The increase is due to the addition of 2.0 FTE Executive Assistant positions for the Northern RI Education Center. Of the positions provided 10.0 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 Postsecondary Commissioner	General Revenue
FY2021 Enacted	\$16,793,746
<i>Target and Other Adjustments</i>	
Rhode Island Promise Scholarship Program	98,690
Reduction in Turnover Savings	446,974
	290,330
FY2022 Governor	\$17,339,410

Office of Post Secondary Commissioner	Other Fund Changes
GEER funds I and II (federal funds)	\$3,095,402
Higher Education and Industry Centers (2.0 FTE position) (restricted receipts)	190,356

Rhode Island Promise Scholarship Program **\$446,974**

The Budget includes an additional \$446,974 in general revenue (\$7.7 million total) 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. FY2022 represents the sixth year of the program. The Budget assumes no enrollment growth for the fall of 2021 cohort. The increase is due entirely to the 2.5 percent increase in tuition and fees at the College. The program is scheduled to sunset

with the high school graduating class of 2021; however, section 15 of Article 1 would repeal the sunset and make the program permanent.

Reduction in Turnover Savings

\$290,330

The Budget reduces turnover savings within the OPC from \$440,000 to \$149,670 by adding \$290,330 in general revenue. With an average cost per FTE of \$96,493, this increase represent funding for 3.0 positions. The Budget funds 27.0 positions. As of March 13, 2021, 23.0 positions were filled.

GEER Funds I and II (federal funds)

\$3.1 million

The Budget provides \$3.1 million in Governor's Emergency Education Relief (GEER) Funds in FY2022 and \$776,200 in FY2021. Based on a memorandum from Governor Raimondo, dated January 14, 2021, the funds will be used for specific criteria related to three projects.

- **Higher Education and Education Training Opportunities:** A total of \$470,884 in federal GEER funds, will be used in FY2022 to improve access and accessibility to higher education and education training programs in communities where there currently is not a public higher education campus in an effort to serve students and workers dislocated by the pandemic. The project will create a communication plan to increase awareness of new education training programs at the Northern RI Education Center where the pandemic has been devastating to high-density communities. Employer-driven, training programs will be designed and implemented to support unemployed or underemployed individuals. This project started in November 2021 and is scheduled for completion in December 2022.
- **Innovation and Institutional Effectiveness:** A total of \$1.0 million in federal GEER Funds, including \$667,200 in FY2021 and \$332,800 in FY2022, will be used to support innovation and institutional effectiveness at institutions that have been most financially impacted by COVID to support ongoing operations. The funds will support activities such as the payment of services to Alvarez & Marsal for analyzing institutional improvement at Rhode Island College in relation to the COVID-19 pandemic. Areas identified for further growth include the dual/concurrent enrollment program, and the recruitment and matriculation of Rhode Island students from postsecondary education, including the seamless transfer of students from the Community College of Rhode Island to four-year institutions.
- **Education-Related Jobs and Child Care Programming:** A total of \$2.4 million in federal GEER funds, including \$109,000 in FY2021 and \$2.3 million FY2022, will be used to build an infrastructure to protect education-related jobs and to increase the quality of child care programming to address learning loss among the State's youngest learners. The funds will be used to implement an Early Childhood Care & Education (ECCE) Workforce Center at the OPC to develop and implement programming that supports at least 80 incumbent child care workers in earning credits and/or degrees to allow them to advance to higher wage positions.

Higher Education and Industry Centers (2.0 FTE position) (restricted receipts)

\$190,356

The Budget includes an additional \$190,356 in restricted receipt funding for 2.0 new FTE Executive Assistant positions at the Northern Rhode Island Higher Education and Industry Centers. The Northern Center is expected to open in October 2021. The Higher Education Facilities are self-supporting through occupancy fees charged for the use of the facility.

UNIVERSITY OF RHODE ISLAND

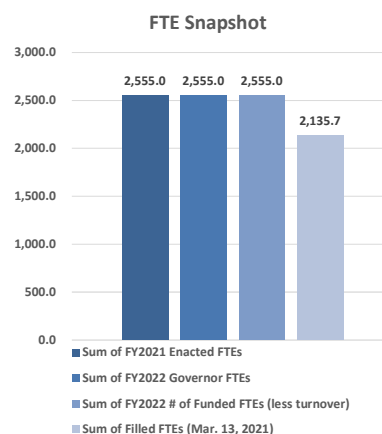
Expenditures By Source	FY2019 Actual	FY2020 Actual	FY2021 Enacted	FY2021 Governor	Change from Enacted		FY2022 Governor	Change from Enacted	
General Revenue	\$110.0	\$112.7	\$109.5	\$109.5	\$0.0	0.0%	\$115.0	\$5.4	5.0%
Federal Funds	-	4.5	14.0	-	(\$14.0)	-100.0%	-	(\$14.0)	-100.0%
Other Funds	687.5	706.1	738.2	738.2	0.0	0.0%	721.0	(17.2)	-2.3%
Total	\$797.4	\$823.3	\$861.7	\$847.7	(\$14.0)	-1.6%	\$836.0	(\$25.7)	-3.0%

\$ in millions

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 quickly 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 2,555 FTE positions, consistent with the FY2021 Budget as Enacted, including 357.8 positions that are third party funded.



Major Issues and Trends

In addition to the 2.5 percent increase in tuition and fee revenue, URI requested a general revenue, state appropriation increase of \$8.1 million excluding general obligation debt service. Of the requested increase for personnel costs, \$6.0 million is for COLAs and associated fringe benefits, \$300,000 for contracts such as audit feeds and background checks, and \$200,000 is for 10 new graduate assistants. The student aid increase includes \$2.7 million to offset tuition increase and \$580,772 for waivers for new graduate assistants as well increased cost for tuition growth. Operating costs increase by \$940,316 (2.0 percent) for insurance and utility increases.

While approving the tuition and fee increase, the Governor recommends a general revenue increase of \$7.0 million, excluding debt service for general obligation bonds. The recommendation is \$1.1 million less than requested by URI.

**University of Rhode Island
FY2022 Budget Request
Increase over FY2021 Budget as
Enacted**

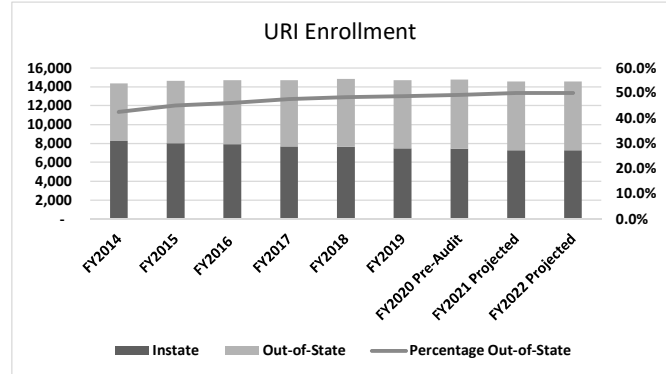
Revenue Initiative	Amount
State Appropriation ¹	\$8.1
Tuition and Fees	8.3
Miscellaneous	1.3
Total	\$17.7
Expenditure Initiatives	Amount
Personnel	\$8.5
Student Aid	3.4
Operating	0.9
Total	\$12.7

¹ Excludes G.O. debt service.

\$ in millions.

Enrollment

In-state enrollment is projected to be 7,267 full-time equivalent students and out-of-state students are projected at 7,306 in FY2022, level with FY2021 projections.



University of Rhode Island

General Revenue

FY2021 Enacted	\$109,533,078
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Target and Other Adjustments

State Appropriation	6,983,825
General Obligation Debt Service	(1,543,043)
State Crime Lab	8,895
FY2022 Governor	\$114,982,755

State Appropriation

\$7.0 million

State general revenue support for URI increase by \$7.0 million in FY2022 to a total of \$85.1 million, excluding general obligation bond debt service. In 2016, the General Assembly passed the Performance Incentive Funding Act to promote alignment between the State's priorities for higher education and institutional practice and policy. The statute delineates three priorities for the public institutions including improving graduation/persistence; increasing graduates in high-demand, high-wage fields (HDHW); and, advancing institutions missions. The institution-specific performance measures were designed by the Commissioner, in consultation with the Council on Postsecondary Education (Council). Data collection began in FY2017. Under the statute, the institutions do not lose any funding, since the statute is triggered by the allocation of "otherwise unrestricted higher education general revenue". The Budget no longer itemizes performance incentive funding, instead it is rolled into general support.

General Obligation Debt Service

(\$1.5 Million)

The Budget includes \$29.8 million in general revenue for general obligation debt service at URI in FY2022 and \$31.4 million in FY2021. This is a decrease of \$1.5 million in FY2022 and level funded in FY2021 relative to the FY2021 Budget as Enacted. The change is due primarily to the issuance of bonds for the College of Engineering projects at URI.

	FY2021 Enacted	FY2021 Revised	Change from Enacted		FY2022 Governor	Change from Enacted	
University of Rhode Island	\$31,380,282	\$31,380,282	\$0	0.0%	\$29,837,239	(\$1,543,043)	-4.9%
Rhode Island College	5,706,171	5,706,171	-	-	6,024,998	318,827	5.6%
Community College of Rhode Island	1,486,945	1,486,945	-	-	1,095,685	(391,260)	-26.3%
Total	\$38,573,398	\$38,573,398	\$0	0.0%	\$36,957,922	(\$1,615,476)	-4.2%

Source: Rhode Island Budget Office

State Crime Lab

\$8,895

The Budget provides an additional \$8,895 in general revenue (\$1.3 million total) for the State Crime Lab, consistent with the requested budget.

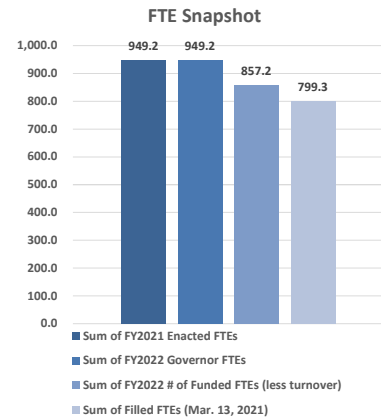
RHODE ISLAND COLLEGE (RIC)

Expenditures By Source	FY2019 Actual	FY2020 Actual	FY2021 Enacted	FY2021 Governor	Change from Enacted		FY2022 Governor	Change from Enacted	
General Revenue	\$55.3	\$54.1	\$57.9	\$57.9	\$0.0	0.0%	\$58.2	\$0.4	0.6%
Federal Funds	-	7.0	4.0	-	(\$4.0)	-100.0%	-	(\$4.0)	-100.0%
Other Funds	141.4	123.7	141.0	141.0	-	0.0%	127.1	(13.9)	-9.9%
Total	\$196.7	\$184.8	\$202.9	\$198.9	(\$4.0)	-2.0%	\$185.3	(\$17.5)	-8.6%

\$ in millions

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 FY2022, including 76.0 third-party funded positions, consistent with the FY2021 Budget as Enacted.

Major Issues and Trends

The Budget includes a tuition increase of 5.0 percent for both in-state (\$442) and out-of-state students (\$1,165). Mandatory fees increase by 12.4 percent (\$157) relative to FY2021; however, several fees that were waived or reduced in FY2021 are reinstated in FY2022. The increase relative to FY2020 is 4.8 percent (\$65). Based on projected decline enrollment of 3.0 percent, the tuition and fee increase is projected to net an increase of \$1.3 million. In addition, RIC requested an increase in the state general revenue appropriation of \$6.0 million, excluding G.O. debt service, relative to the FY2021 Budget as Enacted. Beginning in FY2022, RIC will no longer be subsidizing the Henry Barnard School for a savings of \$2.6 million, and the college will also resume assessing the indirect cost recovery on auxiliary enterprises for additional revenue of \$1.6 million relative to FY2021.

Rhode Island College FY2022 Budget Request Increase over FY2021 Budget as Enacted	
Revenue Initiatives	Change
State Appropriation ¹	\$6.0
Tuition and Fee increase from FY2021 Revised Request ²	1.3
Henry Barnard School Subsidy Savings	2.6
Auxiliary Indirect Cost Recovery	1.6
Sales and service	0.2
Total	\$11.6

¹ Excludes general obligation bond debt service.

² The FY2021 Revised request lower tuition and fee revenue by \$14.4 million based on actual experience.

\$ in million. Totals may not add due to rounding.

Analyst Note: At RIC, the FY2022 Request shows an 11.5 percent decrease (739 students) in FTE enrollment and a 17.8 percent (\$14.4 million) decrease in tuition and fee revenue.

Of the requested increase, 51.6 percent is for fixed costs and commitments such as the third and final year of contracted salary adjustments to bring faculty salaries in line with peer institutions (\$4.2 million), contracted COLAs for July 1, 2021 (\$1.6 million), and healthcare and fringe benefit costs to meet the budget planning values instructions (\$750,000). The request also restores temporary cuts from FY2021 that were possible due to the nature of remote instruction. An initiative to target new student populations with online, evening, and weekend class scheduling is intended to increase enrollment by reaching the students where they are and appealing to a broader population of more diverse learners. The request also includes a 4.9 percent increase in student aid (\$470,079) to offset the impact of the tuition increase for low income students.

Rhode Island College FY2022 Budget Request	
<i>Increase over FY2021 Budget as Enacted</i>	
Expenditure Request	Change
Fixed Personnel Costs	\$6.0
Restoration of FY2021 Temporary Cuts	2.4
Targeting New Student Populations Initiative	2.3
Early Retirement Program ¹	0.5
Financial Aid - 5.0 Percent Increase	0.5
Total	\$11.6

¹ Represents the net of projected \$1.8 million in payouts versus \$1.3 million in savings for FY2022.

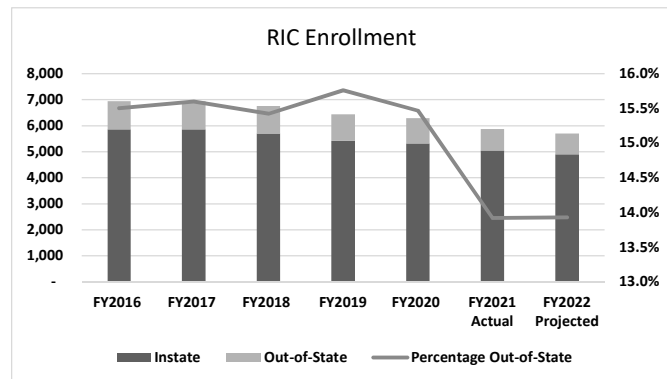
\$ in million. Totals may not add due to rounding.

While approving the tuition and fee increase, the Governor recommends a general revenue increase of \$35,770, excluding debt service for general obligation bonds. The recommendation is \$5.9 million less than the request.

RIC is proposing an early retirement program targeting faculty and staff not reached by the State program. The program is expected to target employees 62 years of age, or older, with 20 or more years of service at RIC as of June 19, 2021. Qualified employees will be eligible to received 50.0 percent of their current annual salary, or 50.0 percent of the third year of the faculty salary schedule, whichever is higher, with a minimum payout of \$20,000. The enrollment period will begin in April 2021 with program participants confirmed in May 2021.

Enrollment

Total enrollment is projected to be 5,693 full-time equivalent students in FY2022, a decrease of 176 students, or 3.0 percent, relative to FY2021 Actual enrollment.



Rhode Island College	General Revenue
FY2021 Enacted	\$57,878,556
<i>Target and Other Adjustments</i>	-
General Obligation Debt Service	318,827
State Appropriation	35,770
FY2022 Governor	\$58,233,153

General Obligation Debt Service **\$318,827**

The Budget provides \$6.0 million in FY2022 for general obligation debt service at RIC funded by general revenue, and \$5.7 million in FY2021. This is an increase of \$318,827 in FY2022 level funded in FY2021 relative to the FY2021 Budget as Enacted.

	FY2021 Enacted	FY2021 Revised	Change from Enacted		FY2022 Governor	Change from Enacted	
University of Rhode Island	\$31,380,282	\$31,380,282	\$0	0.0%	\$29,837,239	(\$1,543,043)	-4.9%
Rhode Island College	5,706,171	5,706,171	-	-	6,024,998	318,827	5.6%
Community College of Rhode Island	1,486,945	1,486,945	-	-	1,095,685	(391,260)	-26.3%
Total	\$38,573,398	\$38,573,398	\$0	0.0%	\$36,957,922	(\$1,615,476)	-4.2%

Source: Rhode Island Budget Office

State Appropriation

\$35,770

State general revenue support for RIC increase by \$35,770 in FY2022 to a total of \$52.2 million, excluding general obligation bond debt service. In 2016, the General Assembly passed the Performance Incentive Funding Act to promote alignment between the State's priorities for higher education and institutional practice and policy. The statute delineates three priorities for the public institutions including improving graduation/persistence; increasing graduates in high-demand, high-wage fields (HDHW); and, advancing institutions missions. The institution-specific performance measures were designed by the Commissioner, in consultation with the Council on Postsecondary Education (Council), and data collection began in FY2017. Under the statute, the institutions do not lose any funding, since the statute is triggered by the allocation of "otherwise unrestricted higher education general revenue". The Budget reduces the line item for the performance incentive funding and increases the general education support.

COMMUNITY COLLEGE OF RHODE ISLAND (CCRI)

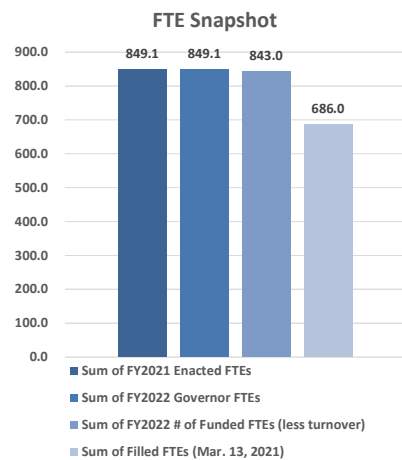
Expenditures By Source	FY2019 Actual	FY2020 Actual	FY2021 Enacted	FY2021 Governor	Change from Enacted		FY2022 Governor	Change from Enacted	
General Revenue	\$52.4	\$48.5	\$53.7	\$53.7	\$0.0	0.0%	\$53.5	(\$0.2)	-0.4%
Federal Funds	-	4.2	5.0	-	(5.0)	-100.0%	5.3	0.3	5.0%
Restricted Receipts	0.6	0.6	0.7	0.7	-	-	0.7	0.0	0.7%
Other Funds	107.4	110.7	110.0	110.3	0.4	0.3%	109.7	(0.2)	-0.2%
Total	\$160.4	\$164.1	\$169.4	\$164.7	(\$4.6)	-2.7%	\$169.2	(\$0.2)	-0.1%

\$ in millions

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 FY2022 and FY2021, including 89.0 third-party funded FTE positions, consistent with the enacted level.



Major Issues and Trends

CCRI’s budget request represents a current services budget with no new or expanded initiatives. The request includes a 2.5 percent increase in tuition and mandatory fees that is projected to increase tuition and fee revenue by \$1.3 million (2.5 percent) over the FY2021 Budget as Enacted. The state appropriation request remains level with the enacted at \$54.4 million. While approving the tuition and fee increase, the Governor recommends an increase of \$168,214 in general revenue funding.

The expenditure request includes an increase in personnel costs of \$1.8 million or 2.0 percent, reflecting fringe benefit changes, restoration of some FY2021 funding, and a reduction in turnover. Bad debt increases by \$200,000 or 28.6 percent based on a five-year experience calculation and driven primarily by students not meeting financial aid requirements or defaulting on payment plans. Student aid is increased by \$100,334 or 2.5 percent to offset the impact of the tuition increase on lower-income students. There is also a \$833,125 reduction, 35.9 percent, in projected general obligation bond debt service.

**Community College of Rhode Island
FY2022 Budget Request
Increase over FY2021 Budget as
Enacted**

Revenue Initiatives	Amount
Tuition and Fee Increase	\$1.3
State Appropriation ¹	-
Total	\$1.3

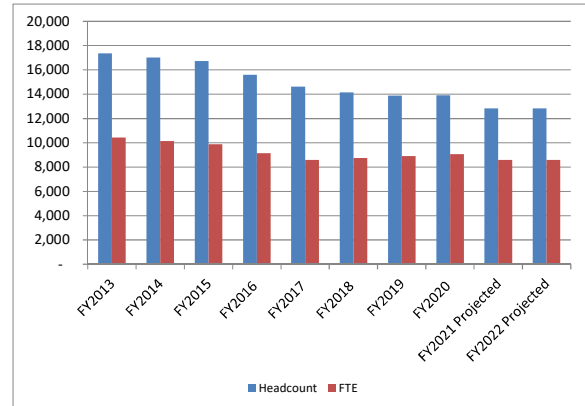
Expenditure Request	Amount
Personnel	\$1.8
Bad Debt	0.2
Student Aid	0.1
G.O. Debt Service	(0.8)
Total	\$1.3

¹ Does not include G.O. bond debt service.
\$ in millions

Enrollment

The table shows the actual student enrollment, both by headcount and by FTE, from 2013 through 2020, and a projection for 2021 and 2022. In FY2022, enrollment is projected to decrease by 1,102 full-time equivalent students, or 5.2 percent, relative to FY2020.

Year	Headcount		FTE	FTE % Change
	Headcount	% Change		
FY2013	17,351	-1.1%	10,433	-1.5%
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 Projected	12,821	-7.9%	8,592	-5.2%
FY2022 Projected	12,821	0.0%	8,592	0.0%
10-Year Average	14,892	-3.0%	9,206	-2.0%



Community College of Rhode Island	General Revenue
FY2021 Enacted	\$53,745,811
Target and Other Adjustments	-
General Obligation Debt Service	(391,260)
State Appropriation	168,214
FY2022 Governor	\$53,522,765
General Obligation Debt Service	(\$391,260)

The Budget provides \$1.1 million in FY2022 and \$1.5 million in FY2021 for general obligation debt service at CCRI funded by general revenue. This is a decrease of \$391,260 and level funded respectively from the FY2021 Budget as Enacted.

	FY2021 Enacted	FY2021 Revised	Change from Enacted		FY2022 Governor	Change from Enacted	
University of Rhode Island	\$31,380,282	\$31,380,282	\$0	0.0%	\$29,837,239	(\$1,543,043)	-4.9%
Rhode Island College	5,706,171	5,706,171	-	-	6,024,998	318,827	5.6%
Community College of Rhode Island	1,486,945	1,486,945	-	-	1,095,685	(391,260)	-26.3%
Total	\$38,573,398	\$38,573,398	\$0	0.0%	\$36,957,922	(\$1,615,476)	-4.2%

Source: Rhode Island Budget Office

State Appropriation

\$168,214

State general revenue support for CCRI increases by \$168,214 in FY2022 to a total of \$52.4 million, excluding general obligation bond debt service. In 2016, the General Assembly passed the Performance Incentive Funding Act to promote alignment between the State's priorities for higher education and institutional practice and policy. The statute delineates three priorities for the public institutions including improving graduation/persistence; increasing graduates in high-demand, high-wage fields (HDHW); and, advancing institutions missions. The institution-specific performance measures were designed by the Commissioner, in consultation with the Council on Postsecondary Education (Council), and data collection began in FY2017. Under the statute, the institutions do not lose any funding, since the statute is triggered by the allocation of "otherwise unrestricted higher education general revenue". The Budget provides an additional \$529,483 in performance incentive funding for CCRI in FY2021, for a total of \$3.0 million. Included in this increase is \$268,995 to support three additional student advisors at CCRI. The Budget no longer itemizes performance incentive funding, instead it is rolled into general support

CAPITAL PROJECTS

The Budget includes a total of \$31.3 million in capital expenditures from Rhode Island Capital Plan (RICAP) funds in FY2022 and \$16.5 million in FY2021, 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 FY2021, there is a total of \$7.8 million, including \$2.5 million in RICAP asset protection funding for URI, \$4.2 million for RIC, and \$1.1 million for CCRI. In FY2022, the Budget includes a total of \$17.7 million in asset protection funding for URI (\$9.9 million), RIC (\$4.7 million), and CCRI (\$3.0 million).

OPC – Northern RI Education Center – The Budget provides \$3.9 million, split between FY2021 and FY2022, to expand the RI Education Center model to Northern RI. The new Center is scheduled to open in October 2021 in Woonsocket.

RIC Infrastructure Modernization: The Budget provides \$959,015 in RICAP funding in FY2021 and \$4.6 million in FY2022 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 \$1.6 million in RICAP funding in FY2021 and \$2.8 million in FY2022 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: The Budget provides \$2.0 million in FY2022 to begin the renewal of the Flanagan Campus in Lincoln. Funding for this \$13.7 million project includes \$12.5 million in RICAP funds, \$901,994 in College funds, and \$300,000 in private funding. The 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 \$303,000 in FY2021 and \$1.5 million in FY2022 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 Knight Campus Lab Renovation: The Budget provides \$1.6 million in FY2021 and \$887,902 in FY2022 to modernize the second floor labs on CCRI's Knight Campus. The Engineering and Physics labs have not been renovated since the mega-structure was built in the 1970's. The project will bring the labs up to current code, including Americans with Disability (ADA) requirements and enclosures to prevent distractions from people walking past the lab. The equipment will be modernized to reflect current employer expectations.