

# Public Higher Education

FY 2018 Revised,  
FY 2019 Budgets and Capital Budget  
Staff Presentation  
April 5, 2018

# Public Higher Education

- \$1,199.3 million budget
  - 13% of state budget
  - 6% of general revenue budget
- 4,399.3 FTE positions
  - 29% of state total
- \$1,068.8 million capital budget
  - Majority of state's physical property

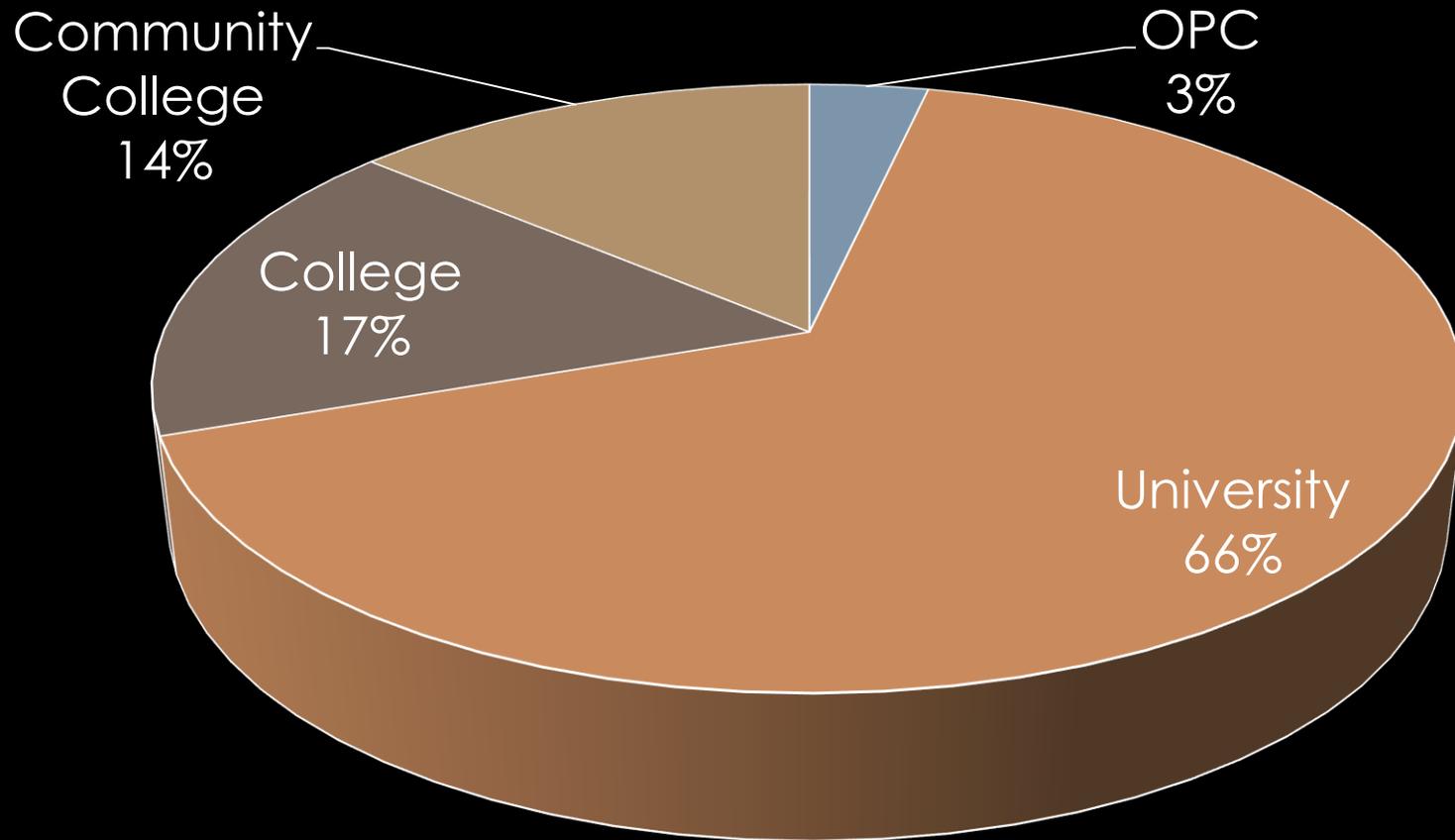
# Board of Education

- 2014 Assembly restructured the Board of Education
  - 17 members
    - Members also serve on one of two councils
- Councils have most of the statutory authority & responsibility previously held by Board of Education
- Eight members on each council appointed by the Governor

# Board of Education

- Full Board
  - Advice and consent on hiring commissioners
    - Elementary and Secondary Education
    - Postsecondary Education
  - Budget review and consent
  - Develop a performance funding formula for public higher education

# FY 2019 Summary by Institution



# About Year to Year Comparisons

- Schools re-evaluate tuition, enrollment & spending projections & adjust current year budget accordingly
- Revisions to current year become basis for budget year
  - Governor adds \$0.1 million more from general revenues than enacted for FY 2018
    - Adjusted for centralized services transferred from DOA, recommendation is \$0.1 million less than enacted from general revenues

# FY 2019

Funding Source	Request	Governor	Gov. Chg. to Request	Gov. Chg. to Enacted
General Revenues	\$231.8	\$228.0	\$(3.7)	\$7.1
Tuition and Fees	446.6	454.7	8.1	9.8
Other Unrestricted	48.1	48.1	-	(6.4)
RICAP	56.6	28.2	(28.4)	(3.1)
Other Restricted	444.5	440.2	(4.3)	(29.6)
<b>Total</b>	<b>\$ 1,227.6</b>	<b>\$1,199.3</b>	<b>\$(28.3)</b>	<b>\$19.2</b>

*in millions*

# Centralized Services

- 2017 Assembly authorized establishment of internal service funds for centralized services
  - Information technology, capital asset management & maintenance, & HR
- Costs previously budgeted in DOA
  - Methodology on distribution needs review
  - Long term impacts and transparency concerns

# Centralized Services

- Governor's budget allocates costs to user agencies

All Sources	FY 2018	FY 2019
Information Technology	\$91,653	\$10,973



General Revenues	FY 2018	FY 2019
Information Technology	\$10,892	\$10,976

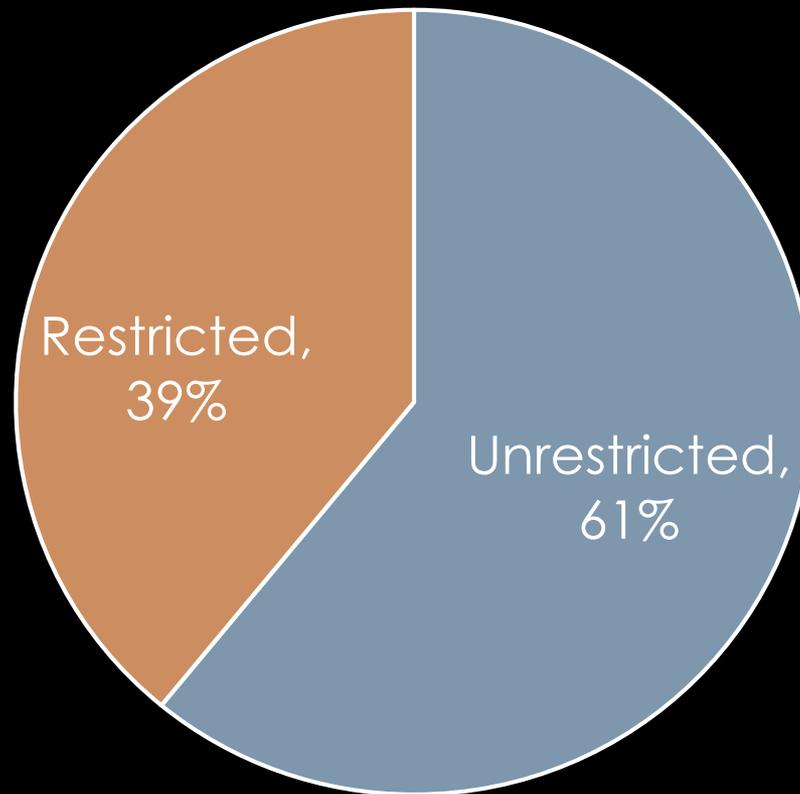
# FY 2019 General Revenues

- Council directed institutions to revise original budget requests to specific targets
  - Increase would total \$9.0 million for FY 2019
- Council approved budgets that were \$4.8 million less from general revenues than originally requested
  - \$3.9 million less for URI
  - \$1.3 million less for CCRI
  - \$0.4 million more for RIC

# FY 2019 General Revenues

- Governor's budget is \$7.1 million more than enacted
  - \$3.6 million more for RI Promise Scholarship
  - \$2.3 million more for GO bond debt service
  - \$0.4 million more for Nursing Education Center
- \$3.7 million less than requested

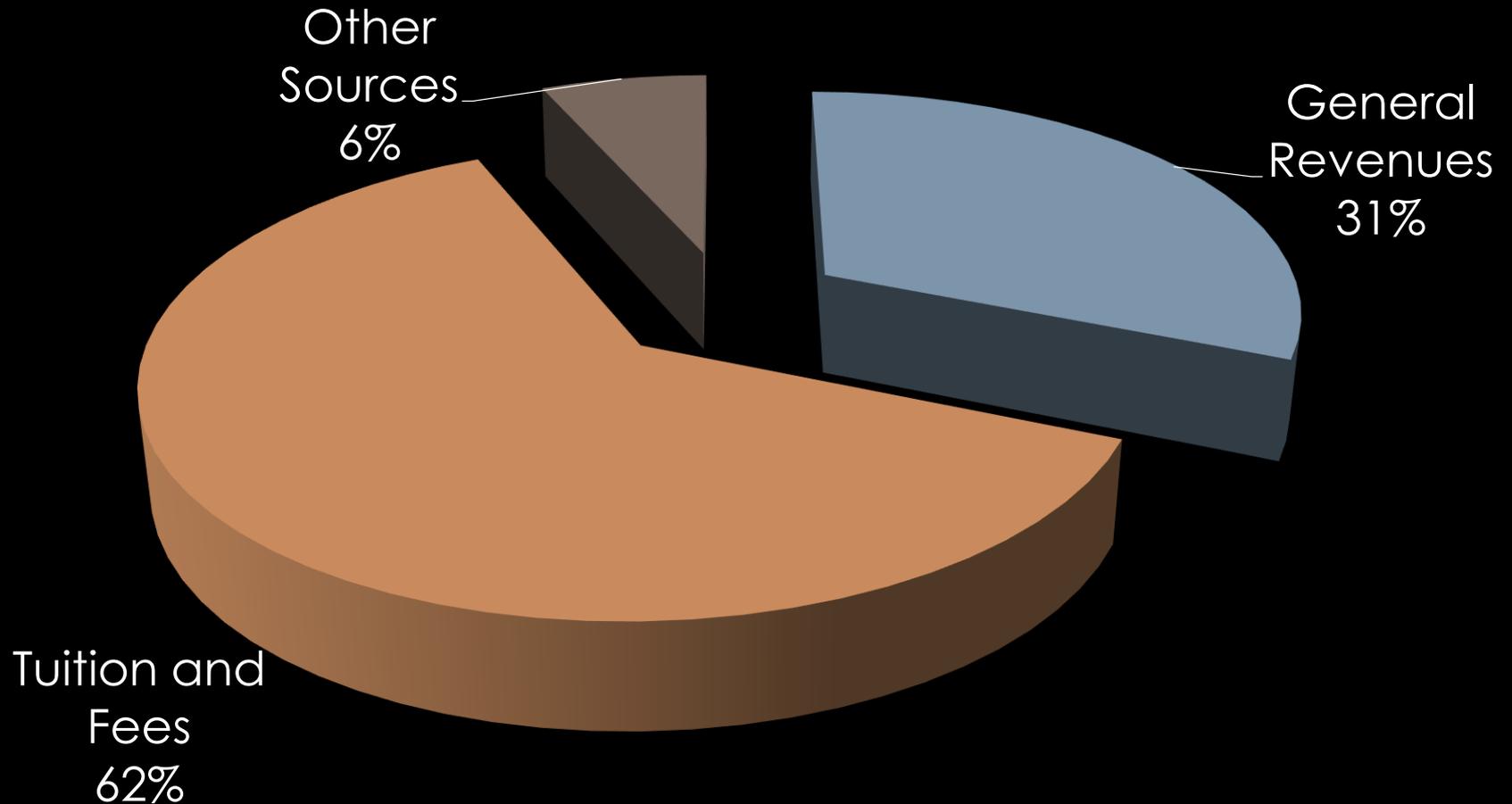
# Unrestricted and Restricted Sources



# Unrestricted Budget

- Funds used for any legitimate purpose: education & general operations
  - State general revenues
  - Tuition & general fees
  - Auxiliary indirect costs
  - Similar to *general revenue* budget of other agencies

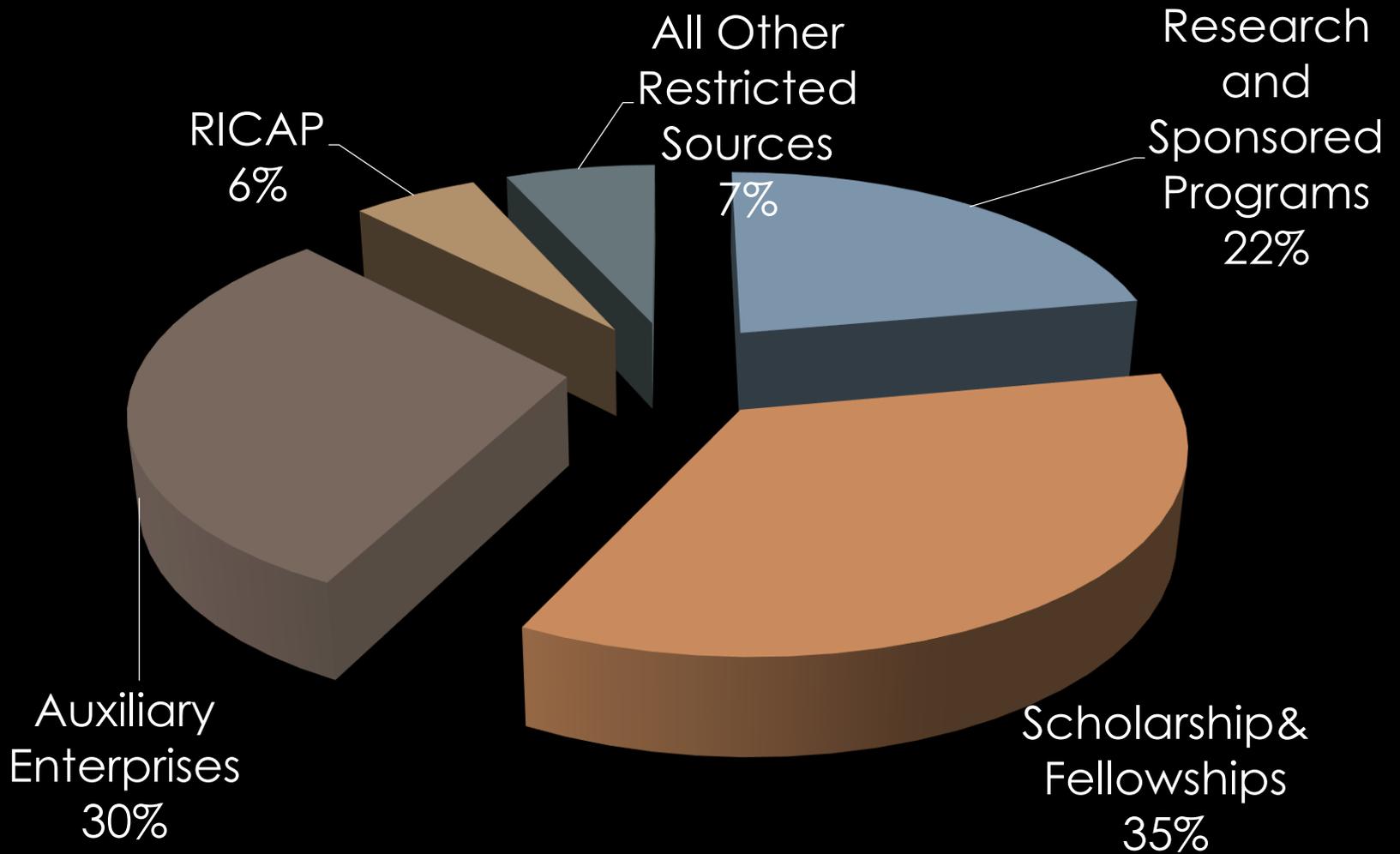
# Unrestricted Sources



# Restricted Budget

- Funds generally considered restricted receipt or enterprise funds
  - Residence hall & dining funds
  - Other fund sources are limited to use for certain purposes
  - Federal funds & RICAP considered restricted

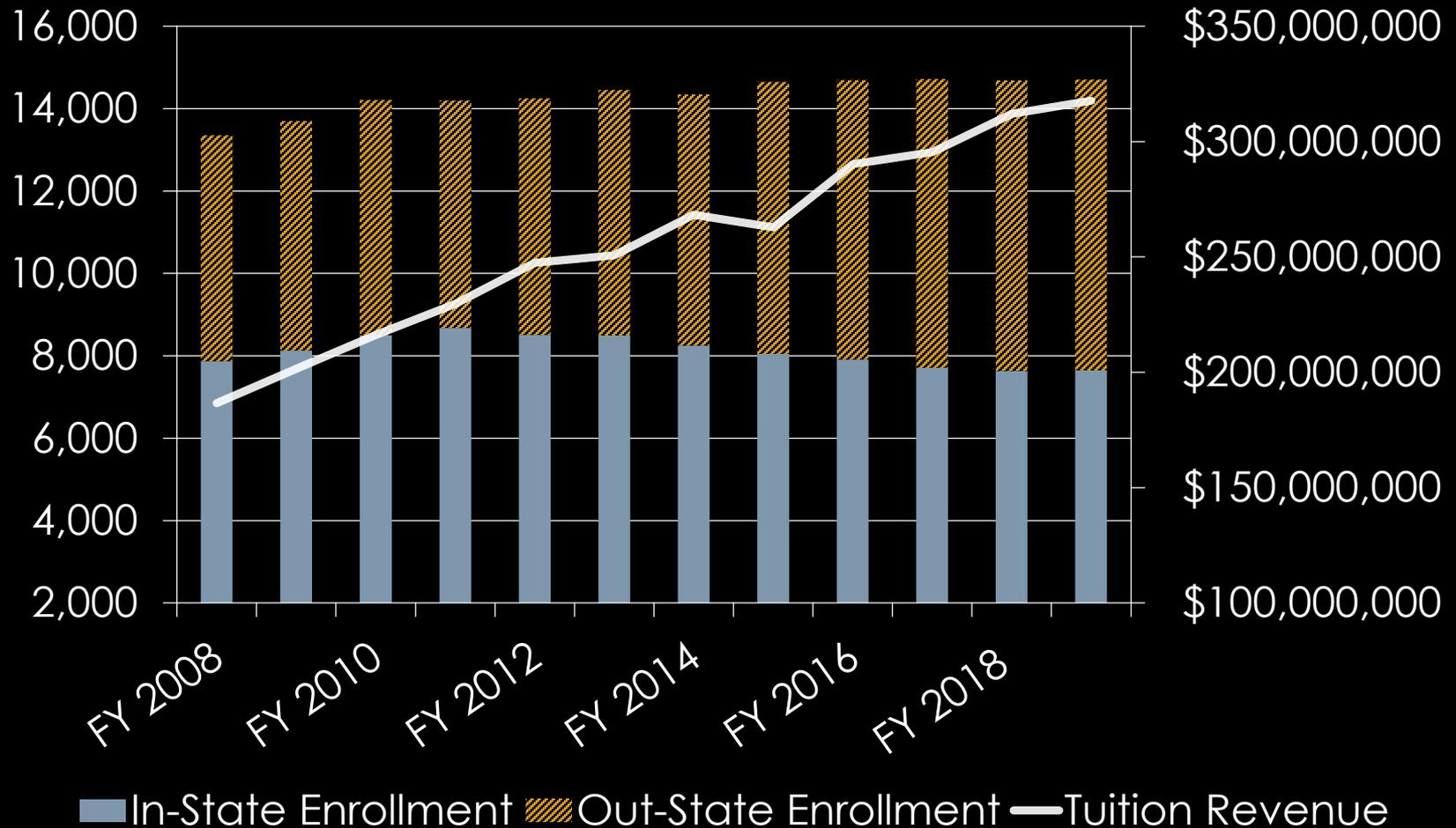
# Restricted Sources



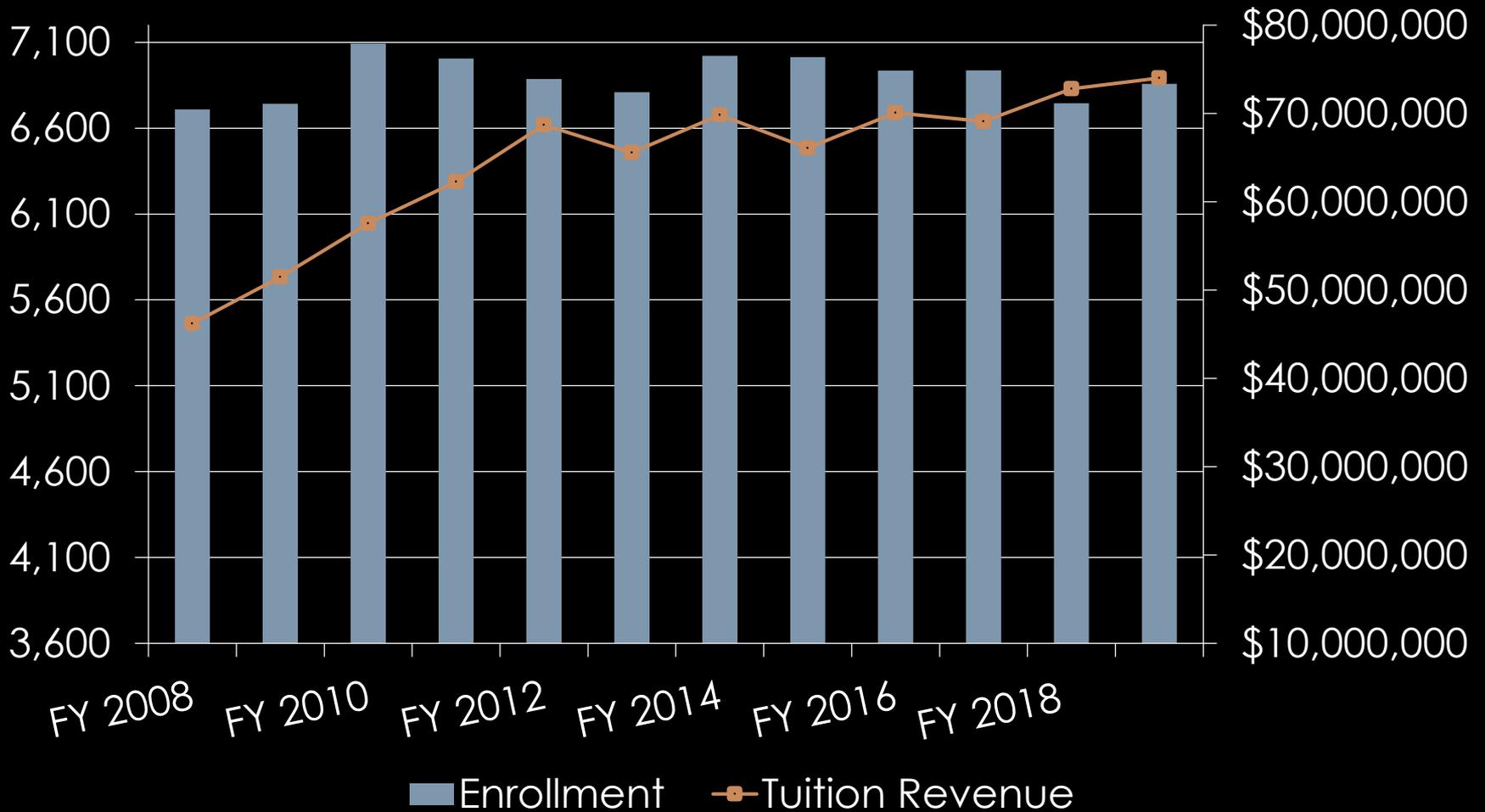
# Enrollment

	URI	RIC	CCRI	Total
FY 2018 Enacted	14,722	6,914	8,857	30,493
FY 2018 Revised	14,683	6,746	8,830	30,259
Change	(39)	(168)	(27)	(234)
% Change	-0.3%	-2.4%	-0.3%	-0.8%
FY 2019 Estimate	14,705	6,859	9,051	30,615
Chg. to FY 2018 Rev.	22	113	221	356
% Chg to FY 2018 Rev.	0.1%	1.7%	2.5%	1.2%

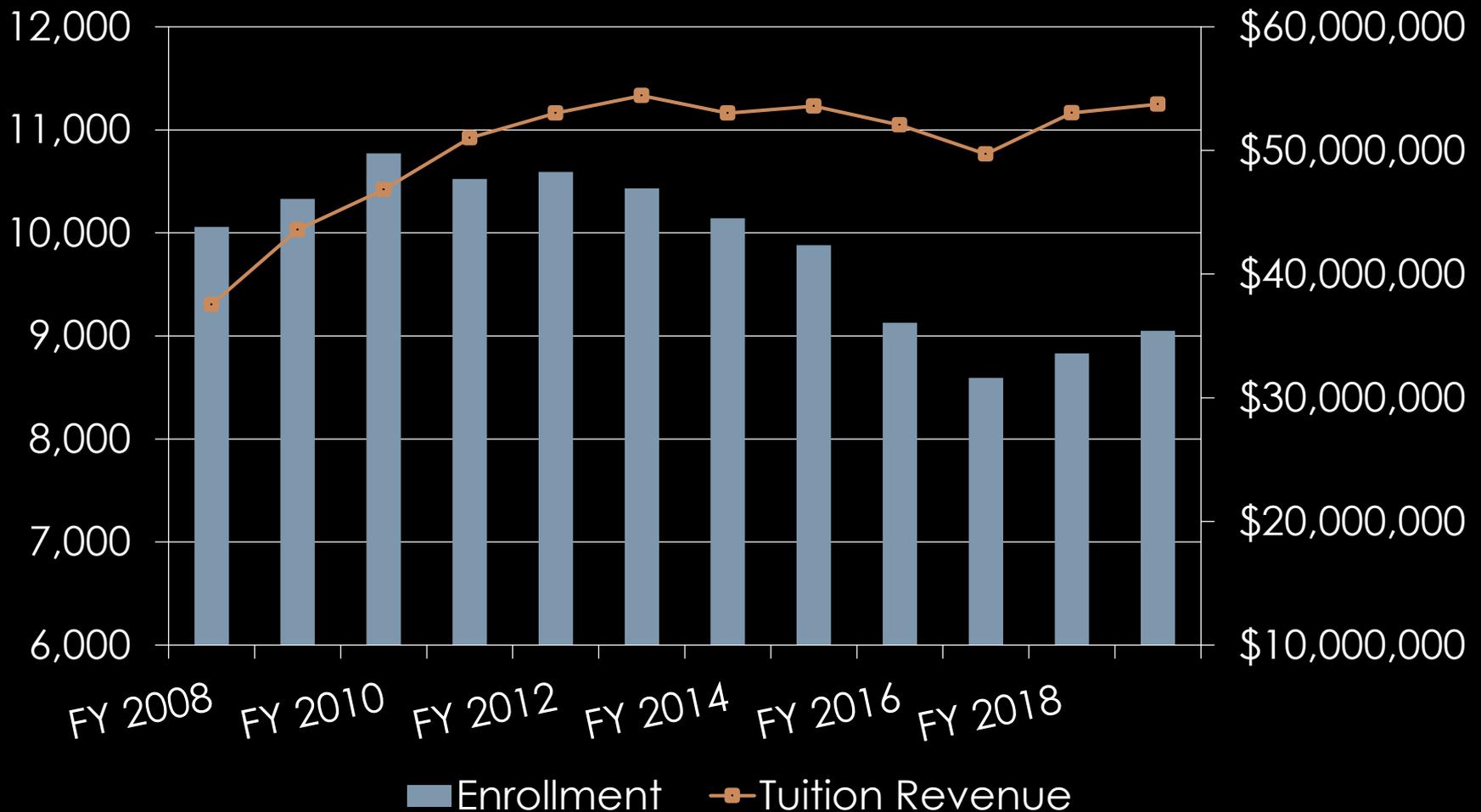
# URI Enrollment/Tuition Revenue



# RIC Enrollment/Tuition Revenue



# CCRI Enrollment/Tuition Revenue



# Council Approved Tuition & Fees

- Tuition rates for FY 2019 approved at November 2017 meeting
  - No undergraduate in-state tuition or fee increases at any institution
  - In keeping with prior practice, it voted to reserve *“the right to readjust tuition and fees as needed upon notification of the Governor’s recommendation and, later, upon the action of the legislature.”*

# Council Approved Tuition & Fees

URI	FY 2018	FY 2019	Chg. to FY 2018	
<b>Resident</b>				
Tuition	\$12,002	\$12,002	\$-	0.0%
Fees	1,790	1,790	-	0.0%
<b>Total</b>	<b>\$13,792</b>	<b>\$13,792</b>	<b>\$-</b>	<b>0.0%</b>
<b>Nonresident</b>				
Tuition	\$28,252	\$28,972	\$720	2.5%
Fees	1,790	1,790	-	0.0%
<b>Total</b>	<b>\$30,042</b>	<b>\$30,762</b>	<b>\$720</b>	<b>2.4%</b>
Avg. Room/Board	\$12,452	\$12,528	\$76	0.6%
<b>Enrollment</b>				
In-State	7,787	7,646	(141)	-1.8%
Out-of-State	6,935	7,059	124	1.8%
<b>Total</b>	<b>14,722</b>	<b>14,705</b>	<b>(17)</b>	<b>0.1%</b>

# Council Approved Tuition & Fees

RIC	FY 2018	FY 2019	Chg. to FY 2018	
<b>Resident</b>				
Tuition	\$7,637	\$7,637	\$-	0.0%
Fees	1,139	1,139	-	0.0%
<b>Total</b>	<b>\$8,776</b>	<b>\$8,776</b>	<b>\$-</b>	<b>0.0%</b>
<b>Nonresident</b>				
Tuition	\$20,150	\$20,150	\$-	0.0%
Fees	1,139	1,139	-	0.0%
<b>Total</b>	<b>\$21,289</b>	<b>\$21,289</b>	<b>\$-</b>	<b>0.0%</b>
Avg. Room/Board	\$11,695	\$12,046	\$351	3.0
<b>Enrollment</b>				
In-State	5,865	5,797	(68)	-1.2%
Out-of-State	1,049	1,062	13	1.2%
<b>Total</b>	<b>6,914</b>	<b>6,859</b>	<b>(55)</b>	<b>-0.8%</b>

# Council Approved Tuition & Fees

CCRI	FY 2018	FY 2019	Chg. to FY 2018	
<b>Resident</b>				
Tuition	\$4,148	\$4,148	\$-	0.0%
Fees	416	416	-	0.0%
<b>Total</b>	<b>\$4,564</b>	<b>\$4,564</b>	<b>\$-</b>	<b>0.0%</b>
<b>Nonresident</b>				
Tuition	\$11,740	\$11,740	\$-	0.0%
Fees	416	416	-	0.0%
<b>Total</b>	<b>\$12,156</b>	<b>\$12,156</b>	<b>\$-</b>	<b>0.0%</b>
<b>Enrollment</b>	<b>8,857</b>	<b>9,051</b>	<b>194</b>	<b>2.2%</b>

# Council Approved Tuition & Fees

- March 15 meeting, Council approved
  - In-state tuition increase of \$246
  - Technology fee increase of \$100
    - Server expansion, high performance computing, classroom upgrades

URI	FY 2019	Chg. to FY 2018	
In-State Tuition	\$12,248	\$246	2.0%
Fees	1,890	100	5.6%
<b>Total</b>	<b>\$14,138</b>	<b>\$346</b>	<b>2.5%</b>
Gross Revenue		\$2,928,876	
Student Aid		(928,876)	
Net Revenue		\$2,000,000	

# Council Approved Tuition & Fees

- March 15 meeting, Council approved
  - In-state tuition increase of \$153

RIC	FY 2019	Chg. to FY 2018	
In-State Tuition	\$7,790	\$153	2.0%
Fees	1,139	-	0.0%
<b>Total</b>	<b>\$8,929</b>	<b>\$153</b>	<b>2.5%</b>
Gross Revenue		\$800,000	

# Tuition and Fees

- National average: in-state public 4-yr college for FY 2018 is \$9,970
- Rhode Island is 12<sup>th</sup> highest
- Lower than Vermont, New Hampshire, Connecticut and Massachusetts
- Higher than Maine

*Source: <http://trends.collegeboard.org/college-pricing>*

# Tuition and Fees

- New England average: in-state public 2-yr college for FY 2018 is \$5,583
- Rhode Island - \$4,560 which is 3<sup>rd</sup> out of 6 New England states
- Lower than Massachusetts, Vermont and New Hampshire
- Higher than Connecticut and Maine

*Source: <http://trends.collegeboard.org/college-pricing>*

# Waivers

- 4.4% of all tuition will be waived for FY 2019
- Who is eligible for waiver?
  - Unemployed
  - Disabled vets
  - National Guard members
  - Senior citizens
  - Dependents of some employees (in CBAs and Board policy)

# Unrestricted Student Aid and Waivers – FY 2019

(In millions)	URI	RIC	CCRI
Student Aid & Waivers	\$110.5	\$17.5	\$4.0
Tuition and Fees	\$318.4	\$74.2	\$53.7
% of Tuition and Fees	34.7%	23.6%	7.4%

- Includes financial based and academic scholarships and tuition waivers

# Graduation Rates

	6-Year Graduation Rate		3-Year Student Success*
	URI	RIC	CCRI
2012	62.9%	43.1%	29.2%
2013	63.4%	42.9%	27.8%
2014	58.9%	42.6%	32.1%
2015	63.2%	44.0%	36.2%
2016	62.8%	47.4%	35.3%
2017	65.6%	46.2%	35.9%

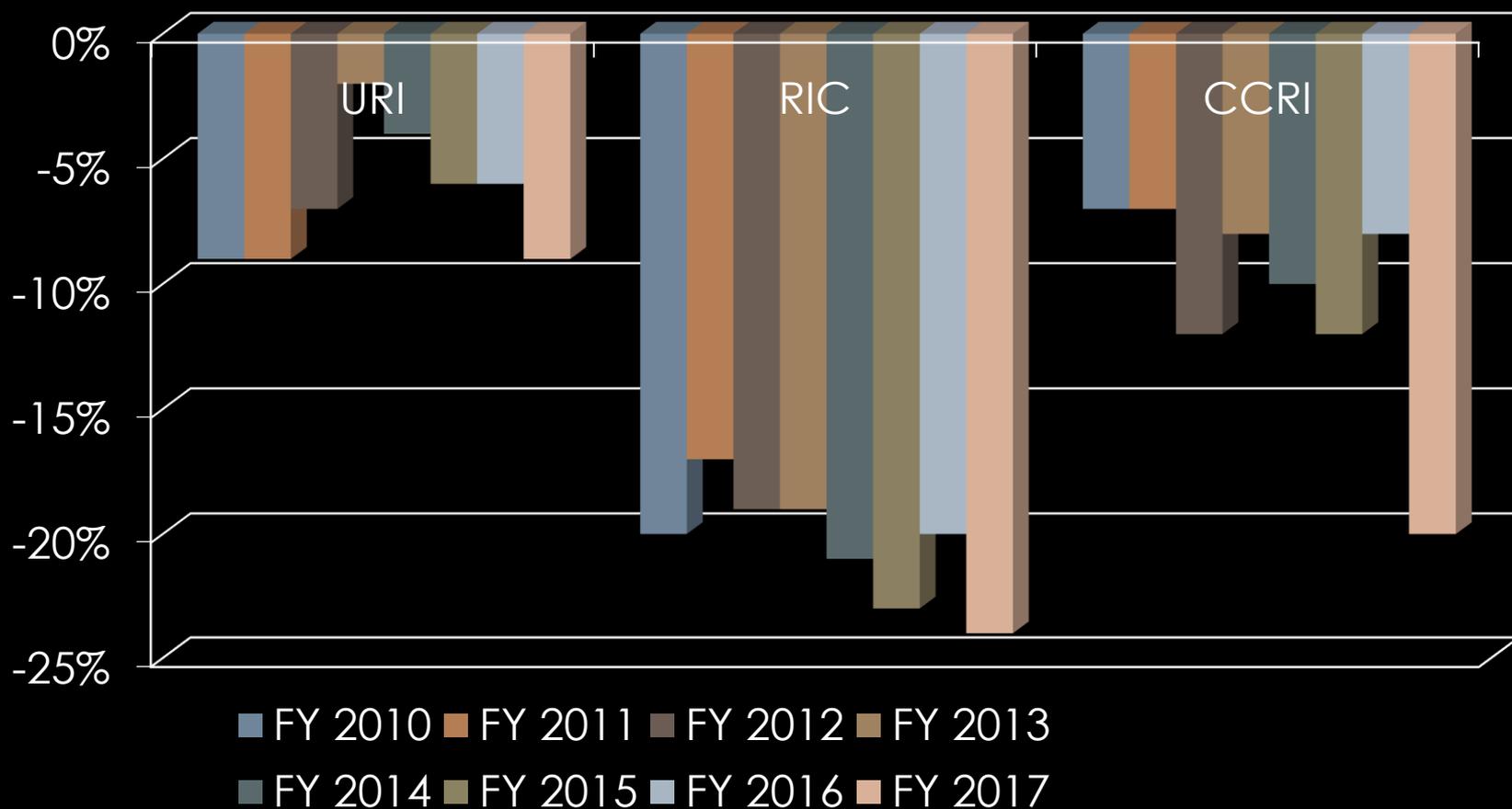
\* First-time, degree-seeking freshmen who graduate or transfer to another institution within three years of enrollment at CCRI

Source: Data provided by each institution

# Peer Comparisons

- Council traditionally provides data that compares costs at each RI school to several comparable, or peer institutions
- Peers include similarly-sized New England and Mid-Atlantic institutions

# Percents Above & Below Peers – In-State Tuition and Fees



# Target Budget

- Council submitted a current service budget in addition to target budget required by Budget Office
- Target of \$204.9 million
  - Current service adjustments of \$2.7 million
  - 10.0% reduction, adjusted for certain exclusions, of \$18.7 million
- Target met by additional tuition increases

# Undistributed Savings

- FY 2018 enacted budget includes \$25.0 million of statewide savings
  - Undistributed in DOA's budget
- Governor's revised budget has proposals that total \$25.0 million
  - Not all repeat in FY 2019
- Public Higher Education
  - FY 2018 revised - \$1.4 million
  - FY 2019 - \$1.1 million

# Undistributed Savings

Item	FY 2018	FY 2019
Voluntary Retirement Incentive	\$1.0	\$-
Information Technology Support	0.2	0.7
OPC Turnover	0.2	-
Shepard Building Parking	0.1	0.1
URI State Support	-	0.3
<b>Total</b>	<b>\$1.4</b>	<b>\$1.1</b>
\$ In millions		

# Staffing

Full-Time Positions	FTEs	Chg. To Enacted
Enacted Authorized	4,306.8	-
FY 2019 Request	4,374.3	67.5
FY 2018 Governor	4,399.3	92.5
FY 2019 Funded FTE	4,288.5	(18.3)
FY 2017 Average Filled	4,023.3	(283.5)
Filled as of March 17	4,073.5	(233.3)

# Staffing

FY 2019 Governor Recommendation		
	PHE	Statewide
Gross Salaries (in millions)	\$313.7	\$1,117.1
Turnover (in millions)	(7.9)	(42.9)
Turnover %	2.5%	3.8%
Turnover FTE	110.8	592.2
FY 2019 FTE recommended	4,399.3	15,426.5
Funded FTE	4,288.5	14,834.3
Filled as of March 17	4,073.5	13,875.0
Funded but not filled	215.0	959.3

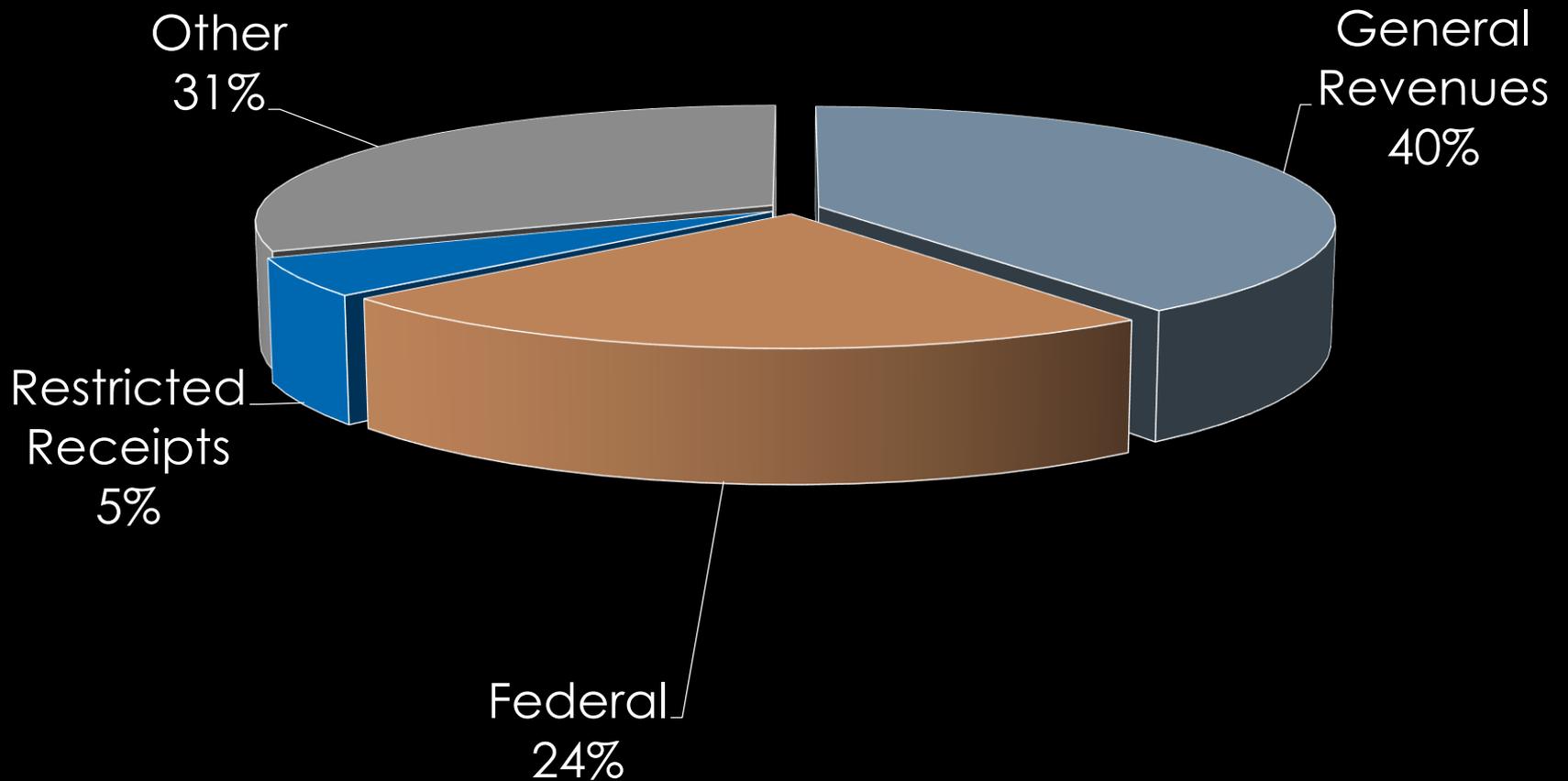
# Office of Postsecondary Commissioner

- Replaced former Office of Higher Education as part of restructuring ordered by 2014 Assembly
  - Same functions & responsibilities
    - With exception of reporting responsibilities & recommending tables of organizations
    - These transfer to presidents
- 2015 Assembly transferred many operations of former Higher Education Assistance Authority to Office

# Office of Postsecondary Commissioner

(In millions)	FY 2018 Enacted	FY 2019 Request	FY 2019 Governor	Gov. Chg. To Request
General Revenue	\$14.6	\$18.6	\$16.8	\$(\$1.8)
Federal Funds	13.9	13.4	9.8	(3.6)
Restricted Receipts	1.5	2.0	2.2	0.2
Other Funds	12.4	11.1	13.1	2.0
<b>Total</b>	<b>\$42.5</b>	<b>\$45.1</b>	<b>\$41.9</b>	<b>(\$3.2)</b>
FTE Authorization	36.0	38.0	37.0	(1.0)
Third Party Limited	1.0	1.0	1.0	-
<b>Total</b>	<b>37.0</b>	<b>39.0</b>	<b>38.0</b>	<b>(1.0)</b>

# OPC Sources of Funds



# OPC – Unrestricted Budget

Change to Enacted	Request	Governor	Difference
RI Promise	\$3,600,000	\$3,368,914	(\$231,086)
IT Support	-	(500,000)	(500,000)
Nursing Center Ops.	621,776	697,606	75,830
Westerly Ed. & Jobs Ctr.	(1,250,000)	(1,250,000)	-
Salaries and Benefits	327,302	380,923	53,621
Shepard Building	(57,175)	(57,175)	-

# RI Promise

- 2017 Assembly established new program
  - 2 years of free tuition & mandatory fees at CCRI for qualifying Rhode Island students
  - “Last dollar scholarship”: after a student exhausts all other sources of aid the program covers remainder of tuition bill
    - Other non-mandatory fees not covered
  - Recipients are required to:
    - Maintain a 2.5 grade point average
    - Must commit to remaining in Rhode Island after graduation

# RI Promise

- 4 cohorts of students starting in FY 2018
  - Last cohort entering in the fall of 2020
- Program evaluation on or before 7/1/20
  - After 2<sup>nd</sup> cohort finishes
- Enacted budget includes \$2.8 million
  - Assumed FY 2019 impact of \$5.9 million
- \$6.4 million for FY 2019
  - \$0.5 million more than assumed
    - Assumed 20% increase in enrollment & no attrition
    - CCRI reports 43% increase in first-time, full-time students

# RI Promise FY 2018

Cohort 1	FY 2018 Enacted	FY 2018 Actuals	Difference
FY 2018 Tuition	\$4,564	\$4,564	\$-
1 <sup>st</sup> Time/FT In-State	1,403	1,454	51
Total Tuition	\$6,402,379	\$7,302,111	\$899,732
Pell Grant Revenue	(3,664,114)	(3,634,782)	(29,332)
Other Scholarships/Waivers	-	622,412	622,412
<b>Total Promise</b>	<b>\$2,738,265</b>	<b>\$3,044,917</b>	<b>\$306,652</b>

# RI Promise

- Issues
  - FY 2019 recommended budget does not contemplate attrition
    - Students drop out
      - Cohort 1 saw a 16% decrease in enrollment between fall and spring semester
    - Students may be enrolled but not “on track to graduate”

# IT Support

- Enacted budget includes \$0.7 million distributed to institutions for upgrades & updates to IT systems
- Part of undistributed savings initiative
  - All funding removed for FY 2019
  - Revised budget removes funding for IT support
    - Provides \$0.5 million for CCRI to use for Promise outreach and support activities

# Nursing Education Center

	OPC	URI	RIC	Total
Operating Costs	\$3.2*	\$1.5	\$1.3	\$6.0
Lease	4.1	1.1	1.1	6.3
Debt Service	1.2	-	-	1.2
Total	\$8.5	\$2.6	\$2.4	\$13.5

\*double counts operating and lease costs in URI and RIC's budgets

New, 120,000 square foot building for URI and RIC nursing programs in downtown Providence;  
Opened for classes in fall of 2017

# Westerly Higher Ed. & Job Skills Center

- \$2.0 million from restricted receipts for operations of center and 2.0 new business manager FTE
  - Revised budget includes 1.0 new FTE
- Center is supported by program fees
  - \$0.4 million more than enacted
- Budget removes \$1.3 million from general revenues in enacted budget for 2<sup>nd</sup> year of 2-year agreement to secure lease

# Salaries and Benefits

- \$2.3 million for 12.0 Office positions
  - \$0.4 million more than enacted
  - \$0.1 million less from general revenues as part of the \$25.0 million undistributed savings initiative
  - Includes \$0.2 million and 2.0 new, unidentified FTE
    - From yet identified grants

# Shepard Building

- \$2.2 million for parking & operating costs for the Shepard Building
  - \$0.1 million less for FY 2018 & FY 2019
    - Part of the effort to achieve \$25.0 million in undistributed savings
  - Assumes URI will begin charging students at Providence Campus a \$115 per semester fee for those that choose to park in the Convention Center
    - 90% of current full-time students & 75% of part-time students will elect to obtain permits

# Office of Postsecondary Commissioner

- Appropriations to community organizations identified in Article 1
  - \$350,000 to the Rhode Island College Crusade
    - Pursuant to RIGL 16-70-5
  - \$30,000 to Best Buddies Rhode Island
    - Support programs for children with developmental & intellectual disabilities
- Consistent with enacted budget

# Division of Higher Education Assistance

- Revenues from federal government for loan default aversion activities
  - Historically generated enough income to support other agency programs
- Congress passed legislation ending subsidies to lenders and originating all loans directly w/ federal government effective July 2010

# Division of Higher Education Assistance

- December 2013, federal budget significantly reduced guaranty agency revenue by approximately 50%
- 2014 Assembly required administration to include a plan to allocate HEAA programs to other agencies as part of the FY 2016 budget because of declining resources

# Division of Higher Education Assistance

- FY 2016 budget dissolved HEAA & transferred its duties, authority & resources
  - Authority & corporate existence ended on July 1, 2015
  - Replaced by new Division of Higher Education Assistance in OPC's budget
- Governor's budget assumes guaranty agency operations are transferred to a successor agency by end of FY 2018
  - On track

# Division of Higher Education Assistance

- Currently 10 FTE supported by Division
  - 3 associated with loan portfolio management work
- FY 2019 budget eliminates those 3 positions based on transfer
- Maintains \$0.5 million for 7 staff who support Office
  - New revenues to support this work stop with the transfer of portfolio management

# Dual Enrollment Program

- Allows qualified high schoolers to earn college credit at no cost
  - Students can take courses in two ways
    - Concurrent enrollment: courses taken at student's high school for college credit
    - Dual enrollment: courses taken at postsecondary institution's campus
- \$1.8 million for FY 2019
  - From tuition savings fees
- \$2.6 million for FY 2018 revised
  - About ½ is for overspending from FY 2017

# Last Dollar Scholarship

- Helps students already receiving financial aid with additional costs
- Funding to all three public institutions
  - \$2.6 million to URI
  - \$2.2 million to RIC
  - \$3.4 million to CCRI
  - Lesser of 20% or \$2.0 million to non-profit private higher education institutions
- Total of \$10.1 million for FY 2019; same as enacted

# Last Dollar Scholarship

Fall 2017 Semester	URI	RIC	CCRI
<b>Eligibility Criteria</b>	*EFC≤\$12,000, enrolled full or part-time	Pell-eligible, full-time enrolled, complete first year of study, 2.74 cumulative GPA	Pell-eligible, *EFC≤\$5,198, minimum 6 credit enrollment, minimum 2.0 cumulative GPA
<b>Number of Award Recipients</b>	3,289	471	2,371
<b>Average Award per Student</b>	\$770	\$2,125	\$707

\*Expected family contribution—measure used to determine need-based financial aid eligibility

# WaytogoRI

- Free, Internet-based program to explore educational and career goals
  - Available to all public & many privates
- Contract with XAP to host site & provide maintenance
  - Current contract expires 8/31/2018
    - Annual cost of \$475,000
  - Office does not plan to renew contract
- Governor's budget removes \$650,000 in enacted budget

# Annual Reporting Requirements

- 2013 Assembly enacted legislation requiring OMB to prepare, review and inventory all reports filed with Assembly
  - Report to be presented to Assembly as part of budget submission annually
- Office is required to submit:
  - 12 annual reports
  - 2 semi-annual reports
- Most submitted on time

# University of Rhode Island

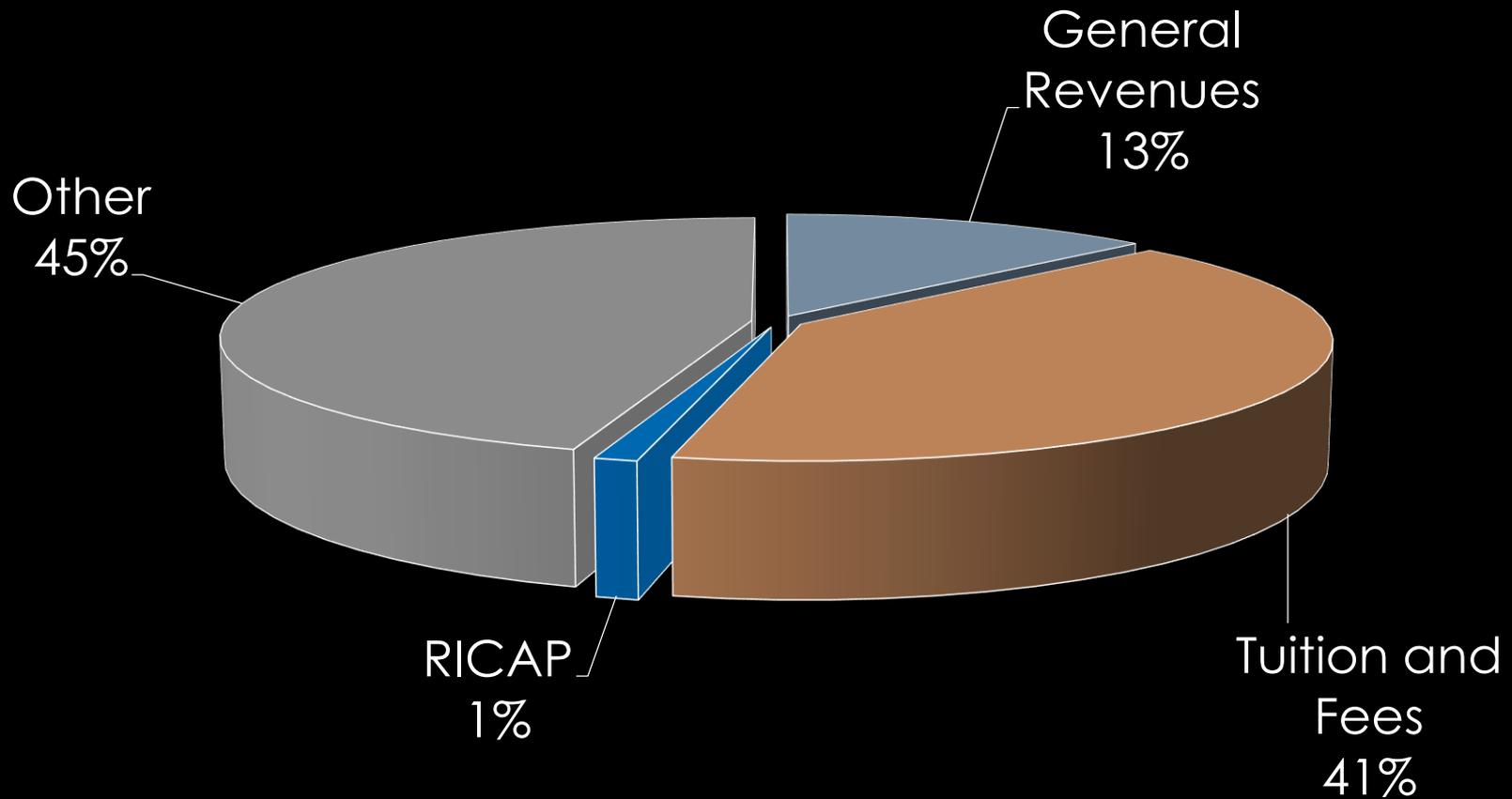
(In millions)	FY 2018 Enacted	FY 2019 Request	FY 2019 Governor	Gov. Chg. to Request
General Revenue	\$101.2	\$105.8	\$102.8	(\$3.0)*
Tuition and Fees	311.5	317.7	321.2	3.5
Other Unrestricted	35.7	34.4	34.4	-
Restricted	328.8	354.6	334.4	(20.3)
<b>Total</b>	<b>\$777.3</b>	<b>\$812.6</b>	<b>\$792.8</b>	<b>(\$19.8)</b>
FTE Authorization	1,915.7	1,932.2	1,935.2	3.0
Third Party Limited	573.8	622.8	622.8	-
<b>Total</b>	<b>2,489.5</b>	<b>2,555.0</b>	<b>2,558.0</b>	<b>3.0</b>

*\*Excluding debt service, general revenues are \$3.8 million less than requested; Governor's budget assumes availability of revenues beyond current projections*

# URI Staffing

Position	FTE	Budget
Tenure Track Faculty	10.0	Unrestricted
Office of Innovation	1.0	
Office for Undergraduate Research & Innovation	1.0	
Assistant Director Veterans Affairs	1.0	
Psychologist	1.0	
Athletics Department	2.5	
Lecturers (excluded from FTE cap)	3.0	
DataSpark	12.0	3 <sup>rd</sup> Party Funded Restricted
Sponsored Research – Natl. Science Foundation	12.0	
Health System Transformation project	25.0	
<b>Total</b>	<b>68.5</b>	

# URI Sources of Funds



# URI – Unrestricted Budget

Change to Enacted	Request	Governor	Difference
Current Year Revisions	\$(785,136)	\$(997,319)	\$(212,183)
New Faculty (10.0 FTE)	1,354,777	1,354,777	-
Office for Innovation (1.0 FTE)	147,083	147,073	-
Office for Undergraduate Research & Innovation (1.0 FTE)	105,857	105,857	-
Asst. Director Veterans Affairs (1.0 FTE)	99,673	99,673	-
Psychologist (1.0 FTE)	106,970	106,970	-
Athletic Positions (2.5 FTE)	231,061	231,061	-
Other Sal & Ben	4,348,434	3,244,789	(1,103,645)
Debt Service	360,277	1,187,123	826,846
Student Aid	-	-	-
State Crime Lab	182,509	67,066	(115,443)

# University of Rhode Island

- Current Year Revisions
  - Governor recommends \$0.2 million less than requested for adjustments to debt service
  - General revenues are \$0.3 million less than requested
    - Savings from voluntary retirement incentive
      - Part of \$25 million undistributed savings initiative
      - Governor's budget assumes URI will have other unrestricted sources available to backfill reduction
    - Savings in FY 2019 of \$0.3 million is reduced state support not targeted to a specific initiative

# University of Rhode Island

- New Faculty (10.0 FTE)
  - \$1.4 million for 10.0 new tenure track positions
    - Initiative to hire 55.0 new faculty through FY 2019
    - FY 2017 & FY 2018 budgets each added 10.0 faculty positions
- New Office for Innovation (1.0 FTE)
  - \$0.1 million
  - Office is related to curriculum & continued implementation to general education program
    - Approved by faculty senate in March 2014

# University of Rhode Island

- New Office for Undergraduate Research & Innovation(1.0 FTE)
  - \$0.1 million
  - Targeted to younger students, those from under-represented, 1<sup>st</sup> generation, & low income populations
  - Support research/projects across all disciplines
    - Includes areas that do not typically involve students

# University of Rhode Island

- Assistant Director Veterans Affairs (1.0 FTE)
  - \$0.1 million
  - Support veterans, eligible dependents & military connected students
  - In FY 2015 Student Veterans Committee proposed plan to address needs of this population on Kingston Campus
  - In spring of 2016 there were:
    - 232 veterans
    - 98 veteran dependents
    - 143 military connected students

# University of Rhode Island

- New Psychologist (1.0 FTE)
  - \$0.1 million
  - Nationwide increase in mental health needs
    - URI has seen a 20% increase since 2011
  - New position will increase service capacity, add to targeted outreach and provide training to faculty & staff
  - Will put URI in line with International Association of Counseling Services recommendation staff to student ratio of 1 to every 1,000 or 1,500 students

# University of Rhode Island

- New Athletic Positions (2.5 FTE)
  - \$0.2 million
    - 1.0 strengthening and conditioning coach
    - 2.0 part time associate athletic therapists
  - Support students with training and recovery
  - Allow staff to partner with academic departments for research and grants
  - Anticipated public relations benefits as student athlete performance improves

# University of Rhode Island

- Other Salaries and Benefits
  - \$232.4 million
    - \$3.2 million more than enacted
    - Updated benefits and step increases
    - Funding set aside pending contract resolution
- Debt Service
  - \$29.2 million
    - \$1.2 million more than FY 2018
      - Includes \$0.7 million more for general obligation bond debt service for the engineering building renovations project

# URI Debt Service

	GO	RIHEBC	ESCO	Total
FY 2015	\$19.2	\$3.2	\$1.7	\$24.0
FY 2016	\$8.5	\$3.0	\$1.7	\$13.3
FY 2017	\$15.5	\$3.4	\$2.0	\$20.9
FY 2018	\$22.8	\$3.5	\$1.8	\$28.0
FY 2019	\$23.4	\$3.8	\$2.0	\$29.2

- GO debt paid solely from general revenues
- RIHEBC debt paid from general revenues, tuition and fees
- ESCO – form of debt where energy savings are used to pay back capital investment
  - General revenues, tuition, fees

# University of Rhode Island

- Student Aid – \$99.3 million
  - Same as FY 2018; 9.8% more than FY 2017
  - March 22 Council approved in-state tuition and fee increases
    - Additional \$0.9 million
- Crime Lab - \$1.3 million, 10.0 FTE
  - \$0.1 million more than enacted
  - \$0.1 million less than requested
    - Funding for new equipment not included in recommendation

# University of Rhode Island

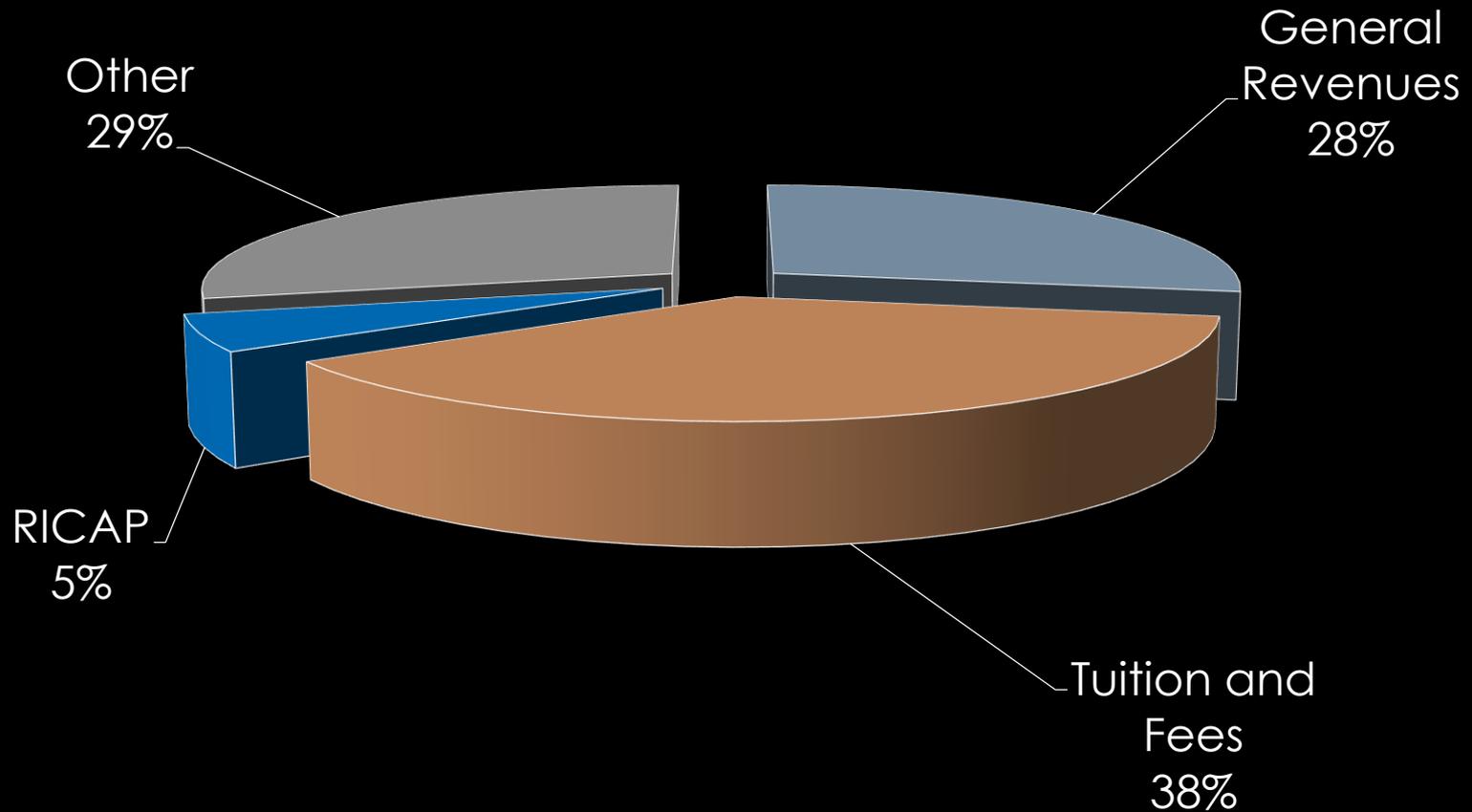
- Appropriations to community organizations identified in Article 1
  - \$350,000 to the Small Business Development Center
    - In order to leverage federal funding & support economic development
  - \$50,000 to Special Olympics Rhode Island
    - Provide athletic opportunities for individuals with intellectual & developmental disabilities
- Consistent with enacted budget

# Rhode Island College

(In millions)	FY 2018 Enacted	FY 2019 Request	FY 2019 Governor	Gov. Chg. to Request
General Revenue	\$53.1	\$53.1	\$55.6	\$2.6*
Tuition and Fees	75.0	74.0	75.3	1.3
Other Unrestricted	12.2	8.1	8.1	-
Restricted	58.8	68.7	60.7	(8.0)
<b>Total</b>	<b>\$199.1</b>	<b>\$203.9</b>	<b>\$199.7</b>	<b>(\$4.1)</b>
FTE Authorized	850.2	850.2	873.2	23.0
Third Party	76.0	76.0	76.0	-
<b>Total</b>	<b>926.2</b>	<b>926.2</b>	<b>949.2</b>	<b>23.0</b>

*\*Excluding debt service, general revenues are \$1.3 million less than requested; Governor's budget assumes availability of \$1.3 million in revenues beyond current projections*

# RIC Sources of Funds



# RIC - Unrestricted Budget

Change to Enacted	Request	Governor	Difference
Current Year Revisions	\$ (8,829,268)	\$ (5,186,233)	\$3,643,036
Salaries & Benefits	2,711,297	2,988,330	277,033
Student Aid	-	-	-
Professional Advising	420,000	420,000	-
Computer Refresh	180,000	180,000	-
Vehicles	105,000	105,000	-
Debt Service	35,702	(241,331)	(277,033)

# Rhode Island College

- Current Year Revisions
  - Governor's budget is \$3.3 million more than requested from general revenues
    - \$3.6 million more to correctly show GO bond debt service
    - \$0.3 million in savings from voluntary retirement incentive program
      - Part of \$25 million undistributed savings initiative
      - Savings do not repeat in FY 2019

# Rhode Island College

- Salaries and benefits - \$94.2 million
  - \$3.0 million more than revised allocations
    - Restores \$0.3 million reduction in FY 2018 for voluntary retirement incentive
  - Governor also adds authorization for 23.0 new full-time equivalent positions
    - To provide flexibility & capacity as part of effort to
      - Expand use of full-time faculty
      - Rely less on adjunct faculty

# Rhode Island College

- Student Aid - \$16.7 million
  - Same as FY 2018; \$1.3 million more than FY 2017
  - Should increase based on tuition increases approved at March 22 Council meeting
- Professional Advising - \$0.4 million
  - New hybrid professional advising program
    - Uses both professional advisors and faculty
      - Professional academic advisor for first 2 years to help plot path to graduation
      - Faculty advisor within chosen field of study in year 3

# Rhode Island College

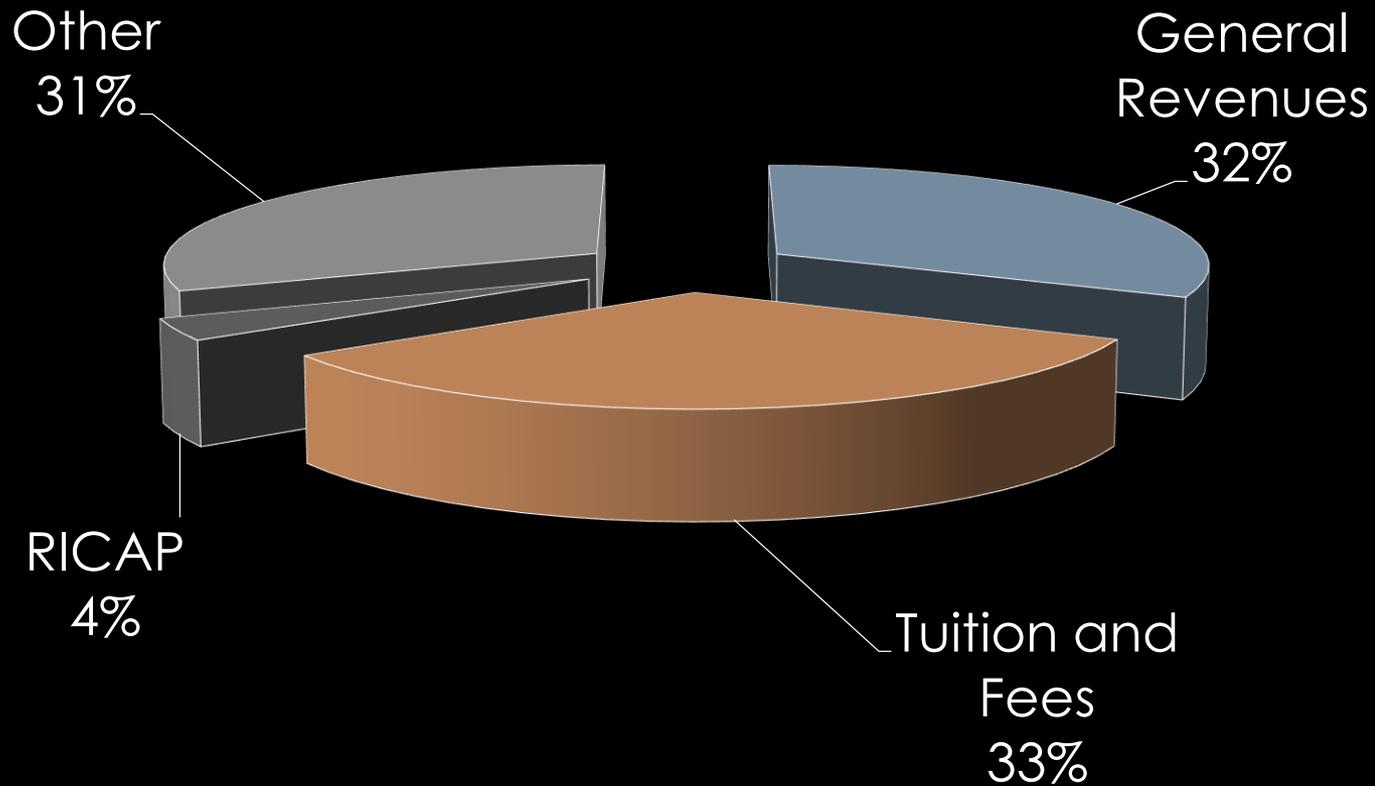
- Computer Refresh- \$0.2 million
  - 6-year computer replacement cycle
  - Funding removed in FY 2018 based on resources
- Vehicles- \$0.1 million
  - Facilities division dump truck, police vehicle, service vans
- Debt Service - \$7.9 million
  - \$0.2 million more than FY 2018 for GO bonds



(In millions)	FY 2018 Enacted	FY 2019 Request	FY 2019 Governor	Gov. Chg. to Request
General Revenue	\$52.0	\$54.3	\$52.8	(\$1.5)*
Tuition and Fees	53.4	53.7	55.0	1.3
Other Unrestricted	6.6	5.6	5.6	-
Restricted	49.3	52.4	51.4	(1.0)
<b>Total</b>	<b>\$161.3</b>	<b>\$166.1</b>	<b>\$164.9</b>	<b>(\$1.8)</b>
FTE Authorized	765.1	765.1	765.1	-
Third Party	89.0	89.0	89.0	-
<b>Total</b>	<b>854.1</b>	<b>854.1</b>	<b>854.1</b>	<b>-</b>

*\*Excluding debt service, general revenues are \$1.3 million less than requested; Governor's budget assumes availability of \$1.3 million in revenues beyond current projections*

# CCRI Sources of Funds



# CCRI - Unrestricted Budget

Change to Enacted	Request	Governor	Difference
Current Year Revisions	\$(2,029,543)	\$(1,999,615)	\$29,931
Salaries & Benefits	3,395,221	3,395,211	-
Student Aid	-	-	-
Debt Service	244,918	244,918	-

# Community College of Rhode Island

- Current Year Revisions
  - \$0.3 million less from general revenues from voluntary retirement incentive
    - Part of effort to achieve \$25 million in undistributed savings
- Salaries and Benefits - \$87.7 million
  - \$3.4 million more than FY 2018
- Student Aid - \$4.0 million
  - Same as FY 2018; 6.9% more than FY 2017
- Debt Service - \$2.7 million

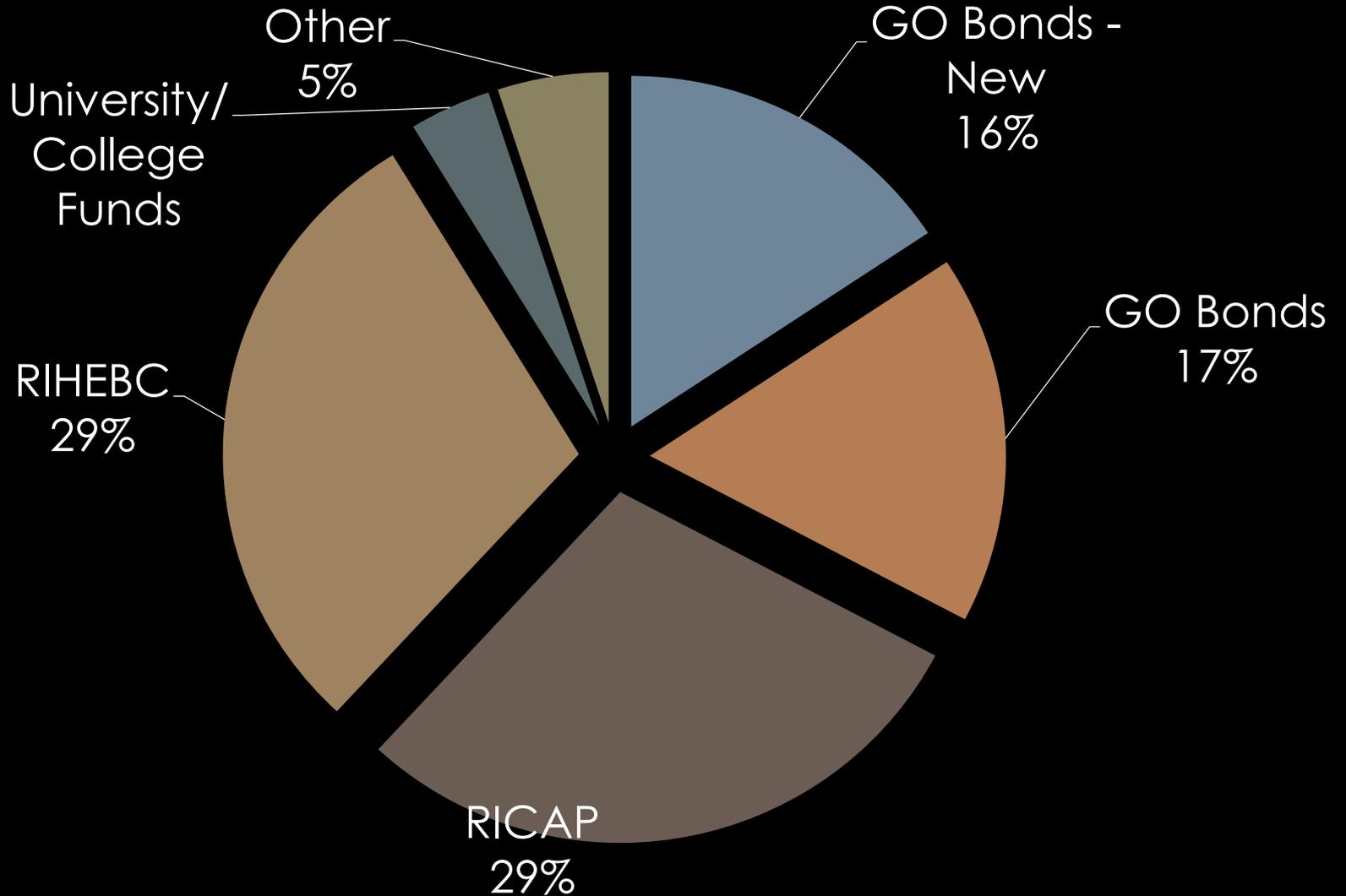
# Community College of Rhode Island

- RI Promise – FY 2018 revisions
  - \$0.2 million more for scholarships
  - \$0.5 million of general revenues in enacted budget for IT support at all institutions redirected to CCRI for outreach & student service activities related to program
    - New student counselors
    - Additional tutoring
    - Marketing and outreach
      - High school counselors
      - Meet and greets

# FY 2019 - FY 2023 Capital Budget

- \$446.3 million of new & ongoing projects
- Plus dozens of asset protection projects at each institution
- Campuses contain majority of state's physical property

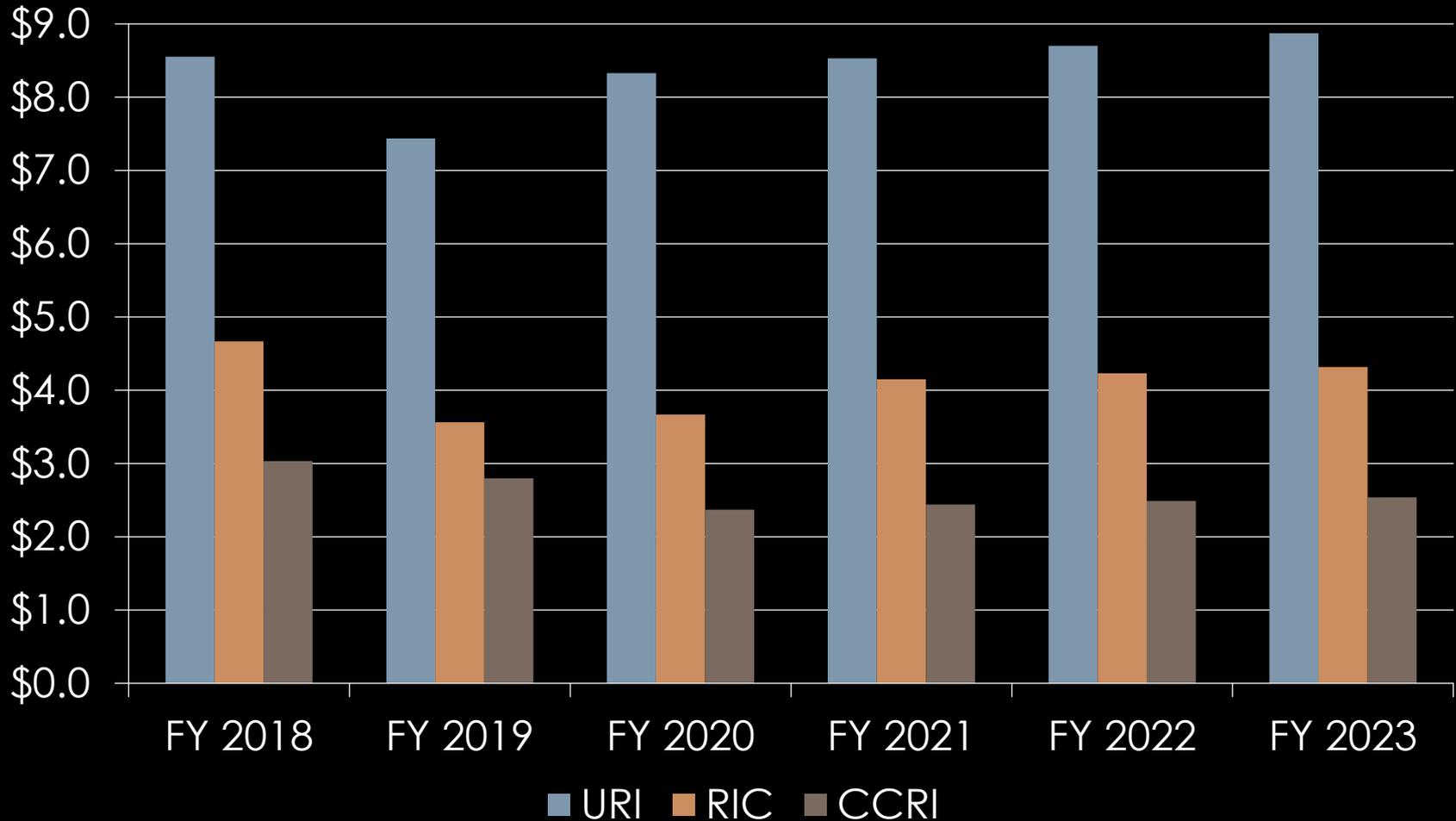
# FY 2019 - FY 2023 Capital Budget



# FY 2019 - FY 2023 Capital Budget

	OPC	URI	RIC	CCRI	Total
New Projects	1	5	-	-	6
Approved Projects	-	18	5	4	27
<b>Total Projects</b>	<b>1</b>	<b>23</b>	<b>5</b>	<b>4</b>	<b>33</b>
<b>Cost (In millions)</b>	<b>\$4.0</b>	<b>\$294.5</b>	<b>\$53.3</b>	<b>\$20.3</b>	<b>\$372.1</b>

# Asset Protection by Fiscal Year



# RICAP Projects of Note

- \$4.0 million from RICAP to replicate public-private model being used at Westerly Center in northern RI
  - RICAP would be used over FY 2019 & FY 2020 to construct 1 or more centers
    - Unclear if there are private funds available as there were for Westerly Center
    - Or if private funding is a condition of pursuing the second site

# RICAP Projects of Note

- \$2.0 million from general revenues in FY 2017 & FY 2018 as part of lease agreement
- \$2.0 million from RICAP to outfit facility
- GO bonds for brownfield remediation

Amount in millions	
Royce Family Fund	\$1.8
Washington Trust	0.1
Westerly Comm. Credit Union	0.1
Roberts Foundation	0.1
Town of Westerly	0.3
<b>State Brownfield Grant-DEM</b>	<b>0.7</b>
Other Private	0.0
<b>General Revenues</b>	<b>2.0</b>
<b>RICAP</b>	<b>2.0</b>
Total	\$7.0

# RICAP Projects of Note

- URI request: \$68.7 million from RICAP & \$4.5 million from private funding for renovations to Fine Arts Center
  - Enacted budget includes \$1.0 million from RICAP for initial work
- Governor recommended \$12.0 million from RICAP
  - \$56.7 million less than requested
    - Intended to fund first phase of HVAC system replacements and exterior envelope repairs

# New Requested Debt – GO November 2018

Project	Amount	Annual Debt
URI Narragansett Bay Campus	45.0	3.6
RIC Horace Mann Hall	25.0	2.0
<b>Higher Ed Total</b>	<b>\$70.0</b>	<b>\$5.6</b>

*Assumes 5% rate and 20 year term  
Data in millions*

- Heard in Committee on February 14

# Article 5, Question 2

- URI Narragansett Bay Campus
  - \$45.0 million for the 1<sup>st</sup> phase of a comprehensive renewal of the campus
    - Based on planning study done in FY 2016
  - Renovate or replace buildings, laboratories, & infrastructure
  - Improvements to waterfront research vessel dock, roadways, & walkways
  - Request included \$85.0 million

# Article 5, Question 2

- URI Narragansett Bay Campus
  - Annual debt service - \$3.6 million
    - Total cost - \$73.5 million
      - Assuming 5% and 20-year term
    - Supported by general revenues
  - Called “initial” phase but no additional phases contemplated in Governor’s five year plan

# Article 5, Question 2

- RIC Horace Mann Hall
  - \$25.0 million to renovate Hall
    - Part of the College's Academic Building Renovations Phase II
  - Request for \$45.0 million for new student services building, campus roadway & walkway improvements, & Horace Mann Hall
  - Voters approved \$50.0 million in November 2012 for phase I
    - Renovation of Craig Lee, Gaige, Fogarty Life Sciences Building, repurposing of Adams Library

# Article 5, Question 2

- RIC Horace Mann Hall
  - Annual debt service - \$2.0 million
    - Total cost - \$40.9 million
      - Assuming 5% and 20-year term
    - Supported by general revenues

# Article 16 – Debt Management Act Joint Resolution

Project	Amount	Annual Debt	Source
URI Repaving, Hardscape, Landscape	\$11.0	\$0.9	Gen. Rev., tuition, fees
URI Utility Infrastructure Phase I	6.5	0.5	Gen. Rev., tuition, fees
URI Fire Safety Auxiliary Phase II	2.3	0.2	Fees
<b>Total</b>	<b>\$19.8</b>	<b>\$1.6</b>	
<i>Assumes 5% rate and 20 year term Data in millions</i>			

- Heard in Committee on February 14

# Article 16, Section 2

- URI Repaving, Hardscape, & Landscape
  - Authorizes borrowing \$11.0 million
    - Repave & reconstruct
      - Major parking facilities
      - Internal roadways
      - Walkways
  - Annual debt service of \$0.9 million
    - Total cost of \$18.0 million
      - Assumes 20 years and 5% interest
    - Supported by general revenues, tuition, mandatory student fees & parking fees

# Article 16, Section 3

- URI Utility Infrastructure Upgrade Phase I
  - Authorizes borrowing \$6.5 million
  - Upgrade utility infrastructure systems
    - Steam/condensate
    - Water
    - Electrical
    - Sanitary Sewer
    - Storm Water
  - Based on 1997 condition and adequacy study

# Article 16, Section 3

- URI Utility Infrastructure Upgrade Phase I
  - Annual debt service of \$0.5 million
    - Total cost of \$10.6 million
      - Assumes 20 years and 5% interest
    - Supported by general revenues, tuition & mandatory fees
  - Phase II is recommended at \$18.4 million
    - Programmed to begin in FY 2021

# Article 16, Section 4

- URI Fire Safety Auxiliary Enterprise Phase II
  - Authorizes borrowing \$2.3 million
    - Upgrade existing fire alarm systems
    - Install fire-suppressing sprinkler systems
  - Annual debt service of \$0.2 million
    - Total cost of \$3.8 million
      - Assumes 20 years and 5% interest
    - Supported by student fees

# Article 16, Section 4

- URI Fire Safety Auxiliary Enterprise Phase II
  - 2008 Assembly authorized \$19.4 million for first phase
    - Projected to be completed during FY 2019
    - Remaining work includes electrical upgrades in the Roger Williams Complex residence halls

# Public Higher Education and Higher Education Assistance Authority

FY 2018 Revised and  
FY 2019 Budgets, Capital Budget  
Staff Presentation  
April 5, 2018