

**Strategic Issues:**

- After receiving a 10.8% increase in 1994–1995, colleges in Rhode Island got less than they did in 1989–90.
- In 1996, the General Assembly rejected Gov. Almond's proposal to phase out the Rhode Island Scholarship Program, which provides about \$6.3 million in need-based aid to college students each year.
- The 1996–97 state budget provided a 1.5% increase in spending for higher education. While this was not a large increase in funds, it was welcomed by colleges who had several lean years due to Rhode Island's recession.
- In 1996, voters approved bond measures worth over \$75 million to improve public higher education.
- Due to an improving state economy, the Governor and legislators gave public colleges a 3.8% increase and student financial aid got a 4.2% increase.
- In 1998–99, the Board of Governors for Higher Education received what it asked for from state lawmakers. They received 7.1% more than the previous year. Tuition increased 3.5% at the state flagship and held level at the community college.
- In 1999–2000, the state budget included a 4.1% increase for operations and financial aid, short of the 14.6% increase being sought.

**Summary**

- *Exemplary Access:* Rhode Island's rates for high school graduation and college enrollment exceeded the U.S. average through out the 1990s. While the state can still improve equity in enrollment opportunity, it has an exceptional recent history of ensuring financial access to the majority of students who qualify for college.
- *System Issues:* Rhode Island is a high tuition, moderate grant state with a developed system of private higher education. The state fell behind the national average in funding for state grants, a rate of investment that is below the equity standard.
- *Opportunity:* Had Rhode Island maintained funding for need-based grants at the equity standard in the 1990s, it is estimated there would have been 3,000 more high school graduates and 9,000 more college freshmen among the state's population.

**Access Indicators***High School Graduation Rates* (Table 39.1)

The high school graduation rates in Rhode Island dropped over the decade. At the start of the decade, Rhode Island's high school graduation rate stood at 77% and dropped to 71% by the middle of the decade. By the close of the decade, the high school graduation rate rested at 70%. The high school graduation rate in Rhode Island was six percentage points above the national average but was two percentage points above the national average at the close of the decade.

*College Enrollment Rates* (Table 39.1)

The college enrollment rate in Rhode Island was 62% at the start of the decade. By the middle of the decade, the college enrollment rate climbed to 65% and reached 66% at the end of the decade. Rhode Island was eight percentage points above the national average college enrollment rate at the beginning of the decade. At the end of the decade, Rhode Island was nine percentage points above the national average college enrollment rates.

**State Demographics***State Demographics* (Table 39.2)

The poverty level in Rhode Island stood around 12% in 1992 and dropped slightly to 11% by the middle of the decade. At the close of the decade, the poverty level in Rhode Island stood at 9%. The poverty level in Rhode Island was two percentage points below the

national average in 1992. After the poverty level moved slightly to three percentage points below the national average in 1994, it remained around two percentage points below the national average for the remainder of the decade. Blacks made up 5%, Hispanics 6%, and Other Minorities 3% of the population of Rhode Island over the decade. The percent of the population with a bachelor's degree or higher increased over the decade. In 1992, 22% of Rhode Island's residents held a bachelor's degree or higher. By the middle of the decade, 25% of Rhode Island's residents held a bachelor's degree or higher; and at the end of the decade, the percent holding a bachelor's degree or higher rose to 26%. There was a steady increase in the adjusted per capita income of Rhode Island residents. At the start of the decade, per capita income was \$25,781 and climbed to \$29,113 by the close of the decade. While at the start of the decade, the per capita income in Rhode Island was \$55 above the national average, it was \$356 below the national average at the close of the decade.

#### *State System Composition* (Table 39.3)

The enrollment in sectors of higher education changed slightly over the decade. In 1992, 32% of Rhode Island residents were enrolled in public, four-year institutions. By 1996, the enrollment in the public, four-year sector dipped to 29% and remained there until the close of the decade. Enrollment in the public, four-year sector was 12 percentage points below the national average at the start of the decade. In the public two-year sector, enrollment stood at 16% at the start of the decade and rested at 15% at the end of the decade. In comparison to the national average for enrollment in the public two-year sector, Rhode Island was 15 percentage points below the national average in 1992 and 16 percentage points below the national average at the close of the decade. Over half, 52%, of students in Rhode Island chose to attend private institutions at the beginning of the decade. From the middle to the end of the decade, 57% of students chose to attend private institutions. Rhode Island was well above the national average for enrollment in private institutions. At the start of the decade, Rhode Island was 27 percentage points above the national average, and at the close of the decade, 30 percentage points above the national average.

### **Financial Indicators**

#### *State Financial Capacity* (Table 39.4)

Rhode Island had tax rates of 7% over the course of the decade. For most of the decade, these tax rates were on par with the national average. Rhode Island invested increasingly more dollars into K-12 education over the decade. In 1992, the state invested \$4,992 per student in the K-12 sector. By 1996, Rhode Island invested \$5,337 per student at the K-12 level and by the end of the decade invested \$5,859 per student. Rhode Island invested \$464 more than the national average for K-12 spending at the start of the decade and \$1,665 more at the close of the decade.

#### *Educational Revenue* (Table 39.5)

Revenue gained from state and local appropriations increased over the decade. At the beginning of the decade, Rhode Island appropriated, on average, \$4,633 per FTE and appropriated \$5,686 by the middle of the decade. At the close of the decade, the state appropriated \$6,087 per FTE for students enrolled in higher education. However, this investment was well below the national average for state and local appropriations. In 1992, Rhode Island appropriated \$1,725 less than the national average, and by the end of the decade

appropriated \$1,408 less than the national average. Considering tuition in addition to state and local appropriations, total educational revenue in Rhode Island stood at \$7,735 per FTE at the start of the decade and reached \$9,091 per FTE by the middle of the decade. At the culmination of the decade, total educational revenue was \$9,598 per FTE.

#### *Tuition and Fees* (Table 39.6)

Tuition and fees increased modestly over the decade. In 1992, tuition and fees, on average, were \$3,103 and were \$3,511 at the end of the decade. Rhode Island charged \$770 more than the national average for tuition and fees at the start of the decade. By the middle of the decade, Rhode Island charged \$745 more than the national average for tuition and fees and charged \$782 more than the national average at the end of the decade.

#### *Need-based Grants* (Table 39.6)

While Rhode Island started the decade with a stronger commitment to need-based grants, that investment declined sharply by the end of the decade. At the start of the decade, Rhode Island invested \$261 per FTE in need-based grant programs. In 1996, the investment in need-based grant programs had dropped to \$146 per FTE. At the end of the decade, the state investment in need-based grant programs dropped further to \$115 per FTE. Rhode Island spent \$82 less than the national average on need-based programs at the start of the decade. However, at the end of the decade, the state spent \$251 less than the national average.

#### *Non-need Grants* (Table 39.6)

During the 1990s, Rhode Island made no investment in non-need based grant programs.

### **Projections**

#### *Coordinated System of Grants* (Table 39.7)

Had Rhode Island increased its need-based grant aid, given tuition charges, 300 more students would have graduated from high school, an increase of two percentage points. Of Rhode Island's high school graduates, 900 more students would have attended postsecondary institutions within the state, an eight percentage point increase.

#### *Federal Grant Program Prospectus*

If the federal government had provided incentives for Rhode Island to provide adequate grant aid, equaling one-quarter of the tuition on top of current state aid, 300 additional high school students would have graduated; a three percentage point increase. An additional 1,200 more high school graduates would have enrolled into postsecondary institutions, a ten percentage point increase over the current college continuation rate.