

Most Rhode Islanders share a vision of what the Ocean State should strive for: great schools for our children, safe roads and bridges, vibrant communities, prosperous families, and access to quality and affordable health care, housing and child care. The primary way we pay for these things is through our taxes.

An Overview of Rhode Island’s Budget Expenditures

This fact sheet provides an overview of Rhode Island’s budget expenditures, enabled by the \$8.9 Billion revenue budget.

Overall Budget Expenditures

Our public dollars are allocated across 6 key functional areas as shown in Figure 1. The two largest areas—Education, and Health & Human Services—account for 70 percent of all expenditures. In Health and Human Services, Medicaid is the largest single budget item. In both Health and Human Services and Transportation, a majority of total expenditures are funded with federal dollars (61 percent and 57 percent, respectively).

A Closer Look at Education

Education spending is primarily undertaken through the Department of Elementary and Secondary Education, and the Council on Post-Secondary Education, which oversees funding to URI, RIC, and CCRI. Of the total of \$2.52 Billion in the FY2017 budget, 54 percent (\$1.35B) is allotted to elementary and secondary education, and 46 percent (\$1.16B) to post-secondary education.

Public Higher Education expenditures support the Office of the Postsecondary Commissioner, the University of Rhode Island (URI), Rhode Island College (RIC), and the Community College of Rhode Island (CCRI), with URI accounting for 70 percent of all expenditures.¹

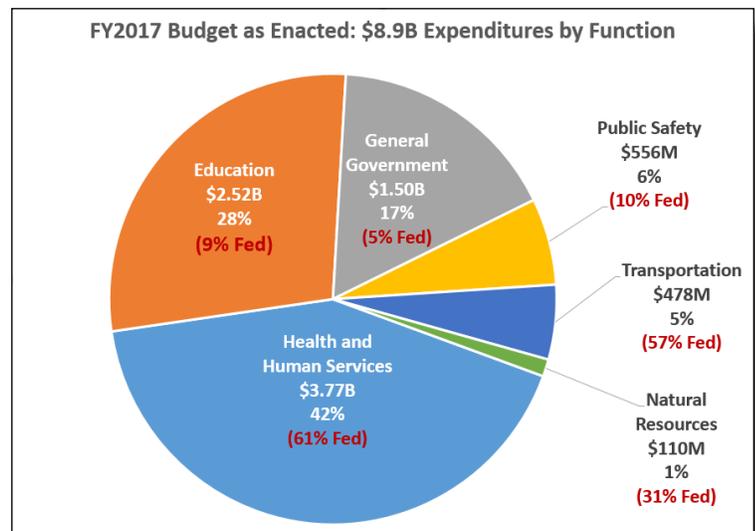


Figure 1

Expenditure Item	Amount (\$M)	Share of Department Expenditure
State Aid	\$867.2	64%
Administration	\$232.2	17%
Teacher’s Retirement	\$99.1	7%
School Housing Aid	\$80.0	6%
Central Falls School District	\$39.1	3%
Davies Career and Technical School	\$18.6	1%
Met Career and Technical School	\$10.4	1%
RI School For the Deaf	\$7.4	1%
Total	\$1,354.0	

As shown in Table 1, the largest budget component for the Department of Elementary and Secondary Education is State Aid which accounts for nearly 2/3 of the Department’s budget. State aid is distributed according to need as determined by a funding formula adopted in 2010.² It is provided to every school district in the state (with the exception of the state-run Central Falls School District). Separate budget allocations fund the Davies and Met schools, and the Rhode Island School for the Deaf.

¹ Higher education in Rhode Island is primarily funded through tuition and fees (which account for 82 percent of all revenues). General Revenue accounts for 17 percent of revenues, and federal aid accounts for 1 percent of revenues.

² In 2017, the General Assembly added two new elements to the funding formula: English language learners, and density aid for districts with large numbers of students attending charter and state schools.

A Closer Look at Health and Human Services Spending

As shown in Figure 2, there are 5 agencies included in the Health and Human Services budget. The Executive Office of Health and Human Services (EOHHS) has the largest share of spending, at about \$2.4B. This includes the largest share of Rhode Island's Medicaid spending, the state's largest budget component. The next largest departments include the Department of Human Services (DHS, \$602M), the Department of Behavioral Health and Developmental Disabilities (BHDDH, \$386M), the Department of Children, Youth and Families (DCYF, \$216M), and the Department of Health (DOH, \$163M). Both BHDDH and DCYF include significant Medicaid components.

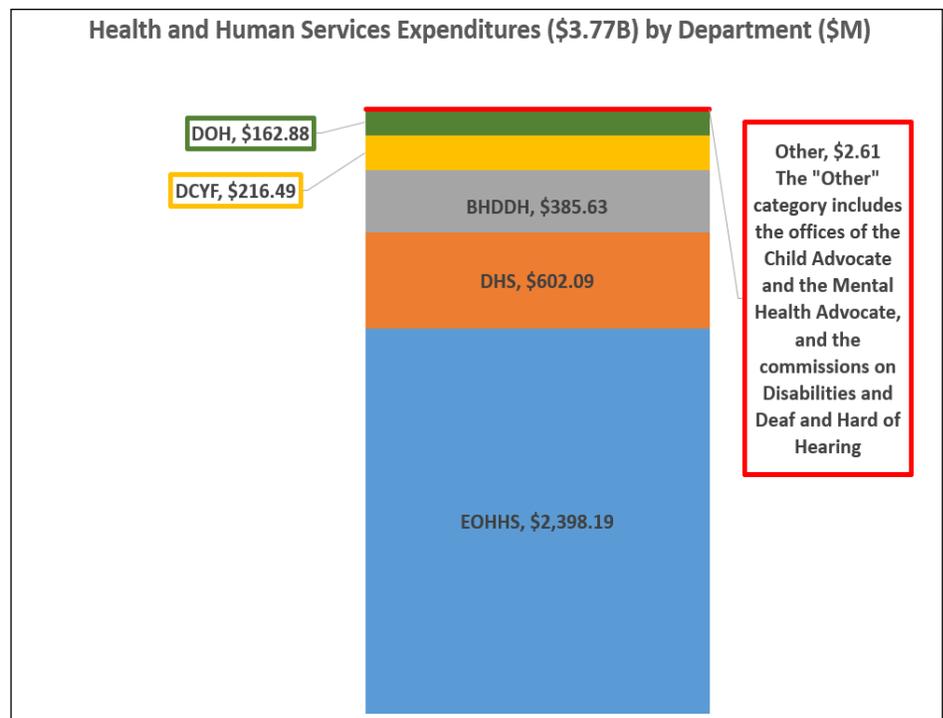


Figure 2

Some of the programs and services in these agencies include:

- **Executive Office of Health and Human Services:** Health insurance for children, adults, pregnant women, seniors and people with disabilities, including people with physical and behavioral disabilities (and excluding people with intellectual and developmental disabilities). Long-term services and supports for seniors and people with disabilities. These services are funded through the Medicaid program, with the federal government paying a minimum of 51% of expenditures.
- **Department of Human Service:** Close to 50% of expenditures are for SNAP benefits paid by the federal government. Other expenditures are for the RI Works cash assistance program, a small state-funded supplemental payment to the federal SSI benefit for low income elderly and disabled Rhode Islanders, child care assistance for working families and services provided by the Department of Elderly Affairs such as Meals on Wheels.
- **Department of Behavioral Health, Disabilities and Hospitals:** The majority of expenditures (63%), are for residential, home-based services and employment support for people with intellectual and developmental disabilities. The Medicaid Program funds most of these services. BHDDH also provides services for people with behavioral health needs, primarily services funded through a federal block grant for mental health and substance use treatment.
- **Department of Children, Youth and Families:** Close to 80% of expenditures are to provide services that protect children from abuse and neglect. The budget also includes funding for juvenile corrections (the Training School) and for Children's Behavioral Health services.
- **Department of Health:** We've included only the DOH expenditures for "Community Health and Equity" in this chart. These include: WIC, immunizations, family home visiting services, family planning and the women's cancer screening program.