
R I S L A – Strategic Plan Update

2019/20 Updates for the Board’s Consideration

Mission Statement:

Consistent with the authority granted by the General Assembly of the State of Rhode Island, it is the mission of the Rhode Island Student Loan Authority to provide a system of financial aid and counseling to help make post-secondary education more accessible and affordable for students and families.

Just providing loans is not fulfilling RISLA's mission statement or even its enabling legislation:

16-62-2 *The purpose of this chapter is to authorize a system of financial assistance, consisting of grants, loans, and other aids, for qualified inhabitants of the state to enable them to obtain a postsecondary education by attending public or private educational institutions both within and without the state.*

To fulfill our mission RISLA must focus on student success. To be successful, a student needs to find the right higher education institution and program for them, obtain the maximum amount of grant aid they are eligible for, not over borrow relative to their prospective career, complete their degree, and be financially literate. Years of history have shown that these students are less likely to default on their loans and a low default rate helps RISLA obtain high bond ratings and thus lower borrowing costs which are passed on to next generations of students and families.

RISLA will continue to provide and enhance the following interconnected and complementary services, all of which are focused on helping students succeed.

Career exploration;

College loan debt counseling to prevent over borrowing;

College selection;

College Application;

Financial aid;

Scholarship searches;

Online calculator for career salaries and suggested maximum debt levels;

Safe, fixed rate loans;

Exit counseling at colleges — helping graduates understand repayment options, budgeting, etc.;

Default prevention; and

Refinancing of education loans post-graduation.

Long Term Initiatives

- Continue to provide some of the lowest cost education loans in the country;
- Provide innovative loan programs and application processes that provide the best customer experience possible;
- Respond to changing student characteristics;
- Design programs that are appropriate to the anticipated changes in higher education; and
- Research additional online resources for the College Planning web site including career counseling.

Short Term Objectives

Prepare for potential changes coming from Washington, DC

- Continue working closely with Members of Congress and the Education Finance Council on administrative and legislative initiatives; and
- Evaluate taxable funding sources.

Cyber Security:

- Continue to strengthen RISLA's cyber security measures;
- Regular best practices training for all staff;
- Train RISLA IT personnel on cyber security practices (courses and consultants); and
- Engage third party firms to regularly test RISLA for vulnerabilities.

Compliance:

- Continue to review and update procedures for all functional areas to meet expected CFPB and other regulatory requirements; and
- Continue to engage third parties to conduct annual reviews of RISLA's procedures and make recommendations as regulatory oversight continues to evolve.

Technology:

- Enhanced image/data capture technology to streamline the loan application process for students and families; and
- Investigate the benefits of customer contact software such as salesforce.

College Planning Center:

- Research additional resources that can provide early career exploration and aptitude insight to high school and college students;
- Develop strategic relationships through joint ventures or other types of agency/organizational agreements to help enhance RISLA's mission; and

- Expand RISLA services that focus on the underserved and first-generation higher education aspirants.

Personnel:

- Encourage employee education and professional development;
- Encourage each employee to expand their horizons by attending at least one outside event or taking one course of interest to employee that is pertinent to their job responsibilities or to RISLA's mission; and
- In-house training on topics including regulatory requirements and cyber security as noted above.

Marketing:

- Increase public awareness of RISLA's low cost programs so that students and families do not take out as many high cost private and federal loans. This effort will be considered a success if the number of individuals utilizing our loan programs increases by approximately 5 to 10%;
- Continue to engage colleges in educating students and families on smart and prudent borrowing options;
- Increase social media presence; and
- Obtain additional customer testimonials that demonstrate the benefits of our loan programs and services. We hear every day from people who benefit from our services, however the challenge is convincing them to allow RISLA to use their testimonials.

Metrics of success

Loan programs:

- Lower interest rates and fees than federal parent PLUS loans and other private loan programs;
- Cumulative default rates of less than 5% for fixed rate loans;
- Increase the number of individuals who use our loan programs by 5 to 10% over last year (not including refinancing loans); and
- A stable non-federal loan portfolio.

College Planning Center:

Maintain approximately the same number of high school students, college students, and families that we now serve, which is currently 13,000+. That number may increase or decrease based on changes in the student population.

PROPOSED GOALS AND OBJECTIVES FOR 2019/2020

- 1) Continue the successful partnership and efforts to increase the FAFSA completion rates for RI, especially for underserved populations.
- 2) Have the RISLA College Planning Center support the mentoring and outreach efforts of the Rhode 2 College group (R2C).
- 3) Work closely with area colleges and universities to assist them with the demographic challenges they are facing.
- 4) Prepare for very aggressive challenges from for-profit education loan lenders in both the school channel and direct consumer space.
- 5) Anticipate and prepare to launch products that will meet or exceed what the competition is offering so families do not get lured into taking higher cost loans because of “fancy features”.
- 6) Respond to out of state non-profits marketing to RI schools.
- 7) With the coming retirement of a long-time employee who handled outreach to employers, high schools, colleges, and the community, recruit and train a suitable replacement and refocus RISLA’s efforts.