

Board of Directors

2020 SHEFA ANNUAL REPORT

PMB 3648 Box 10001, Saipan, MP 96950

TEL: 670-233/5995/235-1020/21 FAX: 670-233-5996 | CTC BUILDING, 2ND FLOOR, SAN JOSE
FACEBOOK PAGE: SAIPAN SHEFA

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David M. Apatang
Mayor of Saipan

COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS
OFFICE OF THE MAYOR

MUNICIPALITY OF SAIPAN
CTC Building, Teer Drive, Oleai
P.O. Box 501457 Saipan, MP 96950

Tel: (670) 234-6208 • Fax: (670) 234-1190 • Email: saipanmayor@mos.gov.mp



MESSAGE FROM DAVID MUNDO APATANG
Mayor, Municipality of Saipan

I am delighted to extend my appreciation to the Board of Saipan Higher Education Financial Assistance and the staff in this annual report. I am very thankful for the time and dedication the SHEFA Board and staff have put into improving the services to applicants and recipients of our local post-secondary education financial assistance.

The SHEFA program has contributed to making the journey to obtaining a college degree less a worry to many recipients. Even with the smallest financial help, our students in colleges and trade schools can rest assured that SHEFA will come to their aid with financial assistance to take care of pressing obligations. As a local financial assistance program, I want to encourage recipients to explore their options and grab the opportunity that enables them to grow and achieve more. Learning has no limits. Higher education offers thousands of choices and purposes to fulfilling aspirations and build long-term careers. Learning is the only way to further personal development, skills, and knowledge necessary to advance in a very competitive world.

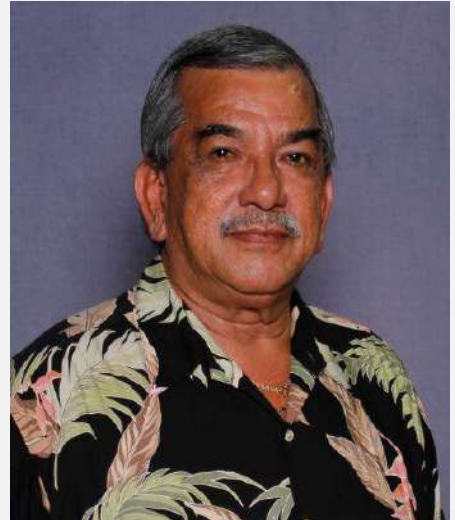
I truly believe that education is not only a tool for self-improvement but a gateway to help figure out how to live our lives. I want to congratulate the Board and staff of Saipan Higher Education Financial Assistance for another year of success in providing the students with the resources to shape their education, professions, and life goals.

By: 

DAVID MUNDO APATANG
Mayor, Municipality of Saipan

February 19, 2021
Date

CHAIRMAN'S MESSAGE



On behalf of the SHEFA Board of Directors and Administration, I am pleased to present the 2020 SHEFA Annual Report.

We will be going into our 17th year since the inception of the program in 2004. Awarding approximately \$37 million to over 4000 students to help defray the cost of tuition and other related school expenses.

We extend our sincerest gratitude to the leadership of the Saipan Northern Islands Legislative Delegation and Mayor David M. Apatang, for continuing to prioritize the education of our people even during these trying times. Also, I want to thank my colleagues on the Board of Directors, for unanimously approving the following to help alleviate the hurdles and stress many of our students are facing by extending the established deadline for supporting documents. To allow students more time to obtain needed documents from institutions that were closed due to the coronavirus pandemic; temporarily suspending student loan collections starting in March until further notice; and temporarily suspending the Priority Field and Merit Incentive awards for the upcoming school year, so that we can provide financial assistance to all eligible applicants.

To all our recipients, we are rooting for you to press onward. To all the upcoming graduates we look forward to your return and being a valuable member of our workforce and community. And until we see you again, stay safe and be well.

Sincerely,

Oscar M. Babauta

Oscar M. Babauta

PROGRAM OVERVIEW

Board of Directors

Oscar M. Babauta
Chairperson

Juan K. Tenorio
Vice-Chairperson

Francisco D. Cabrera
Secretary/Treasurer

Kaelani B. Demapan
Member

Raymond M. Muna
Member

Michael Evangelista
Legal Counsel

Staff

Merissa S. Rasa
Administrator

Doreen C. Masga
Administrative
Assistant

Antonette P. Iglecias
Compliance Officer

Tricia B. Dela Cruz
Office Clerk

The Mission of the Saipan Higher Education Financial Assistance (SHEFA) under the Municipality of the Saipan, Office of the Mayor, is to expand educational opportunities and provide financial assistance to qualified residents of Saipan (inclusive of the Northern Islands) for the betterment of our workforce.

GOALS

- To expand educational and vocational trade opportunities in the Commonwealth.
- Improve information dissemination to potential scholars and recipients regarding job vacancies, internships, and financial aid opportunities.
- Workforce Development Scholarship that will focus on the long-term buildup of expertise in the post-graduate level or specialize fields.
- To remain data, law, policy and procedure, rules and regulations driven in all decision making.
- Commitment to increase transparency and accountability.
- Improve collection of academic -achievement data.
- Improve collection of graduate and employment data.
- Improve operational efficiency and flexibility.
- To improve compliance, collections, and enforcement efforts.
- Complete scanning of all SHEFA recipient files to digitize all records and go paperless using an online scholarship management program.

SHEFA was created by Saipan Local Law 13-21 to provide supplemental financial assistance to qualified Saipan & Northern Island residents pursuing a post-secondary education on Saipan or abroad. SHEFA is primarily funded through the appropriation of the local license fees for poker and pachinko machine with additional funding assistance through continuous appropriation from PL 20-10 Casino Gross Revenue Tax.

Eligibility Requirements

To obtain funds through SHEFA, applicants must be a U.S. citizen or permanent resident, be enrolled in or accepted at an institution of higher learning, Northern Marianas Trades Institute, or recognized trade institution by the SHEFA board, and be able to prove one-year residency on Saipan before the application date. Applicants must also be full-time students and maintain a 2.5 cumulative grade point average (CGPA) for those pursuing an academic degree and a 2.0 cumulative -grade point average for those pursuing trade/vocational certificates.

Upon certification of eligibility, recipients are required to complete, sign, and notarize a Memorandum of Agreement (MOA) which acknowledges their agreement to return to Saipan to provide services in either the public or private sector. Failure to adhere to the MOA should result in aid received being converted to an interest-bearing loan.

SHEFA currently administers three types of financial assistance: Grant-in-Aid, Field of Study (priority fields), and Merit Incentive Award. Grant amounts vary by the type of financial assistance and whether the study is on Saipan or off-island.

The maximum duration of eligibility for financial assistance per degree type:

- Less than 2 years -Trade/Vocational Certification
- 2 Academic Years - Associate Degree
- 4 Academic Years - Bachelors' Degree*
- 2 Academic Years - Graduate Degree
- 3 Academic Years - Advanced Degree**

Grant-In-Aid mount per term

- Trade/vocational certification amount: \$600
- Online institution award amount: \$800
- On-island institution award amount: \$800
- Off-island institution award amount: \$1200
- Advanced degrees (doctorate program) award amount: \$4500

TYPES OF FINANCIAL ASSISTANCE

1. **Grant-in-aid:** Type of financial assistance available to a student from Saipan pursuing postsecondary education in a U.S. accredited college or university or trade certification at the Northern Marianas Trades Institute or recognized trade institution approved by the SHEFA Board. If a grant recipient does not return to Saipan after completion of his or her studies or non-enrollment, the grant automatically becomes a loan and the recipient must repay the SHEFA fund plus interest under the terms and conditions of the attached promissory note/memorandum of agreement.
2. **Priority Field of Study (temporarily suspended as of fall 2020):** When a student pursues a field of study that has been identified by SHEFA as a priority field of study for the island of Saipan and having met other established criteria. The priority field of study award is granted only to Junior and Senior college-level students and those pursuing advanced degrees.
3. **Merit Incentive Award (temporarily suspended as of fall 2020):** Type of financial assistance that is based on academic performance (3.5 GPA) at the end of every term. Applicants in their first term of college are not eligible to receive the merit incentive award. Students taking remedial courses or developmental courses in fulfillment of full-time status are not eligible for the merit incentive award.

PROGRAM AT A GLANCE



**Total number of graduates in 2020:
205**

Associates degree: 123

Bachelor's degree: 54

Master's degree: 28

Advance/Doctorate: 0

Trades/vocational Certificate: 0

Application submissions per term

Year	Fall	Spring
2015	1164	1078
2016	912	1262
2017	889	1070
2018	1055	1097
2019	1171	1258
2020	929	1344

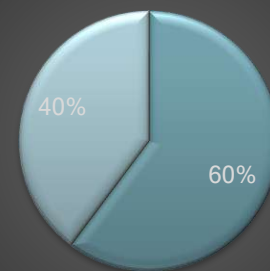
No. of applications approved per term

2015	545	482
2016	627	459
2017	669	569
2018	819	625
2019	871	714
2020	702	767

No. of applications denied per term

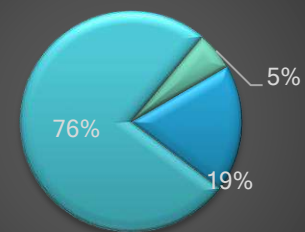
2015	619	596
2016	285	803
2017	220	501
2018	236	472
2019	300	544
2020	227	577

Gender



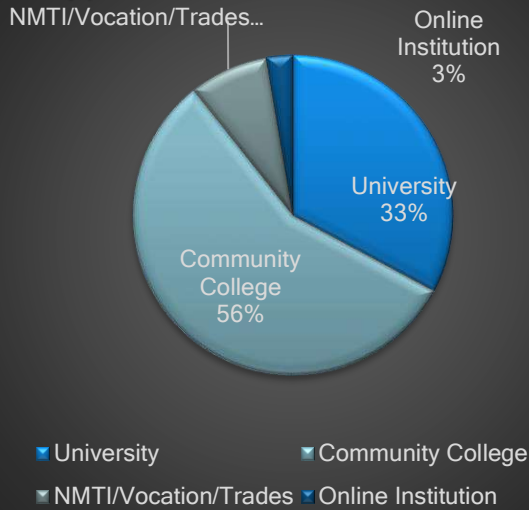
Female Male

Status of Applicants

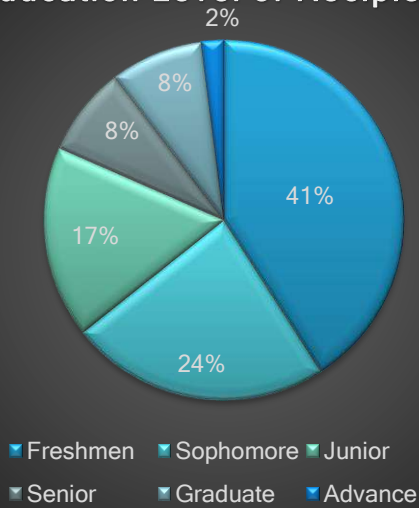


New Ongoing Returning:

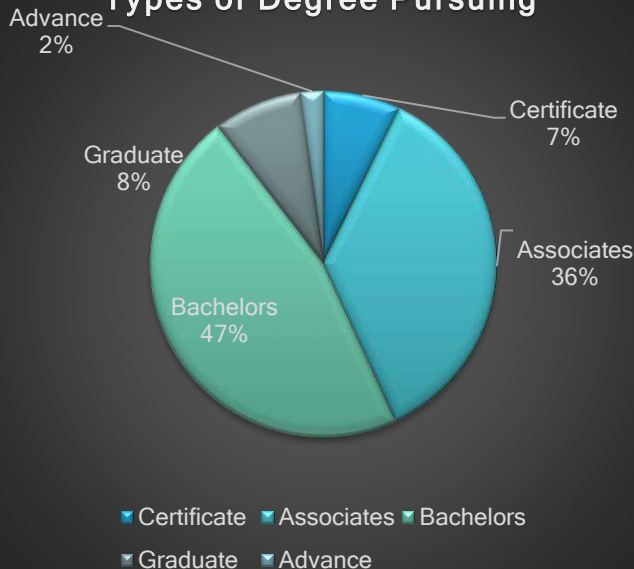
Types of Chosen Institutions



Education Level of Recipients



Types of Degree Pursuing



Number of Students Assisted Per Month

January	954
February	526
March	80
April	43
May	217
June	849
July	656
August	633
September	968
October	262
November	232
December	584

SHEFA Community Outreach

CNMI Project Star
 Northern Marianas College –
 Cash for College
 Northern Marianas Trades
 Institute
 Da'ok Academy
 Department of Fire and
 Emergency Medical Services
 CNMI Public and Private High
 Schools

TOP 6 CHOSEN INSTITUTIONS

1. Northern Marianas College (NMC)
2. University of Guam
3. University of Hawaii
4. University of Las Vegas, Nevada
5. Boise State University
6. Portland State University

TOP 6 CHOSEN MAJORS

1. Education
2. Business
3. Liberal Arts
4. Nursing
5. Rehabilitation and Human Services
6. Criminal Justice



Award amount per term

On-island students and Online students (\$800-2800 max)

- \$800 for Grant-in-aid
- \$1000 for Priority field of study
- \$1000 for the Merit incentive award

Off-island students (\$1200-\$3700 max)

- \$1200 for Grant-in-aid
- \$1000 for Priority field of study
- \$1500 for the Merit incentive award

NMTI students: \$600

Advance degrees (doctoral programs) \$4500

Total no. of students that received financial assistance as of January 2020: 4338

Total no. of Green Card holders/US Permanent Resident applicants: 12

How many previous recipients owe SHEFA as of February 8, 2021? 2081

How much is owed by recipients that failed to work in Saipan (public/private sector)? \$16,963,650

FINANCE

Academic Year	No. Of Recipients	Total Disbursement
Fall 2013	527	\$863,400
Spring 2014	444	\$827,800
Total for AY 13-14	971	\$1,691,200
Fall 2014	519	\$859,300
Spring 2015	482	\$829,800
Total for AY 14-15	1001	\$1,689,100
Fall 2015	545	\$844,200
Spring 2016	459	\$787,100
Total for AY 15-16	1004	\$1,631,300
Fall 2016	627	\$985,100
Spring 2017	563	\$1,002,200
Total for AY 16-17	1190	\$1,987,300
Fall 2017	585	\$962,100
Spring 2018	625	\$1,146,800
Total for AY 17-18	1210	\$2,108,900
Fall 2018	819	\$1,409,500
Spring 2019	714	\$1,405,200
Total for AY 18-19	1533	\$2,814,700
Fall 2019	871	\$1,409,500
Spring 2020	767	1,508,100
Total for AY 19-20	1,638	\$2,917,600
Fall 2020	709	758,500
Spring 2021 (as of 2/26/21 CR 1-5)	503	\$553,800
Total for AY 20-21	1212	\$1,312,300

Funds Status of Grants/Awards (as of 2/26/2021)			
Awards Account	SLL / PLL	Appropriation	Available Balance
3359	SLL 21-5	\$ 220,001	\$ 527,121
7190 W	PL 20-10	\$ 1,500,000	\$ 60,900
7192 U	SLL 21-10	\$ 500,000	\$ 243,500
		Total:	\$ 831,521
Operations Account	SLL / PLL	Appropriation	Available Balance
3386	SLL 21-16	\$ 250,000	\$ 228,018
		Total:	\$ 228,018

Annual Operational Expense

Year	Operations Expense	Year	Personnel Expense
2013	\$ 33,236	2013	\$ 66,765
2014	\$ 24,958	2014	\$ 75,042
2015	\$ 27,319	2015	\$ 77,253
2016	\$ 51,358	2016	\$ 108,455
2017	\$ 41,784	2017	\$ 122,386
2018	\$ 46,060	2018	\$ 142,013
2019	\$ 21,181	2019	\$ 155,740
2020	\$ 21,422	2020	\$ 128,105
	\$ 267,318		\$ 875,759

- Total appropriations for awards to SHEFA account no. 3359/7190W/7121U - \$42,675,001 (awards only)
- Total actual allotments for awards to SHEFA account no. 3359/7190W/7121U - \$37,860,566
- Total appropriations for operations/personnel from 2004-2020 - \$2,390,000
- Total actual allotment for operations/personnel from 2004-2020 - \$1,899,084

Annual Appropriations

Fiscal Year	Award Appropriation	Public/Saipan Local Law
FY 2004	\$ 1,200,000	SLL 14-13
FY 2005	\$ 2,400,000	SLL 14-28
FY 2006	\$ 3,000,000	SLL 15-5
FY 2007	\$ 3,000,000	SLL 15-5
FY 2008	\$ 3,000,000	SLL 15-26
FY 2009	\$ 3,000,000	SLL 16-4
FY 2010	\$ 3,000,000	SLL 16-10
FY 2011	\$ 3,000,000	SLL 17-9
FY 2012	\$ 3,000,000	SLL 17-14
FY 2013	\$ 3,000,000	SLL 18-3
FY 2014	\$ 3,000,000	SLL 18-7
FY 2015	\$ 3,000,000	SLL 18-24
FY 2016		SLL 19-6
FY 2016	\$ 3,000,000	SLL 19-11
FY 2017	\$ 3,000,000	SLL 19-27
FY 2018	\$ 500,000	PL 20-10 Continuous
FY 2018	\$ 1,500,000	SLL 20-24
FY 2019	\$220,001 (personnel and operations) and \$450,001 for grants	SLL 21-05
FY 2019	\$ 500,000	SLL 21-10
FY 2020	\$875,000 (\$250,000 for operations and \$625,000 for awards)	SLL 21-16



HIGHLIGHTS

- FY 2020 Citizen-Centric Report is available for viewing or download at www.saipanshefa.net or www.opacnmi.com.
- The Saipan Higher Education Financial Assistance Board has adopted Board Resolution No. 2021-001, authorizing and directing legal counsel to prepare amendments to SHEFA regulations for publication in the Commonwealth Register to allow active duty in the armed forces of the United States to satisfy both the obligation to return to Saipan and work and the required service contribution to work in the private or public sector in Saipan imposed by the current regulations and contractual obligations binding all SHEFA recipients.
- The Saipan Higher Education Financial Assistance Board has adopted Board Resolution No. 2021-002, which requires new applicants to complete two years of post-secondary studies at Saipan-based educational institutions such as the Northern Marianas College and the Northern Marianas Technical Institute. This is set to begin in fall 2021. The limited resources available and the urgent need for an increased local workforce necessitate measures to conserve resources and focus on maximizing support to the widest student population and the most fundamental educational needs in support of the development of the on-island workforce.
- SHEFA is the only local financial institution that provides grants to graduate and post-graduate or doctoral studies. The SHEFA Office continues to provide timely award disbursements to applicants who meet all the requirements and timeline. The same can be said of the appeals/deferment and forbearance requests that continue to be addressed and resolved promptly. SHEFA readily distributes its financial awards before the startup of classes or within a few weeks before classes begin to those who complete their application package early for review.
- The SHEFA Office continues to maintain collaboration with both the public and private sector on how to assist recipients with internship referrals and/or job opportunities. SHEFA has connected many of our recipients with positions or internship opportunities with agencies such as the Bureau of Environmental and Coastal Quality, Department of Land and Natural Resources, the Northern Marianas College, CNMI Public School System, Commonwealth Health Center Corp., Department of Public Health, Department of Fish and Wildlife to name a few and other private sectors upon request.
- The 80-hour work schedule was restored for administrative staff in December 2020 after austerity measures were implemented reducing hours from 80 to 64 hours beginning on March 20, 2020.
- Through the use of social media, our students are kept informed about upcoming financial assistance opportunities, job vacancies, internships, and training/workshops. On-site presentations are given at both public and private high schools, Northern Marianas College, and other private agencies upon request; annual participation at on-island job fairs and career-day activities; continuous dissemination of information regarding financial aid programs, application requirements, eligibility criteria, award procedures, recipient responsibilities, important deadlines, and other pertinent information are published or posted on our website, social media outlets, and newspapers.

- As for loan collections from defaulted accounts, many continue to pay despite the hold on collections that the SHEFA Board of Directors approved in March of 2020 to lessen the financial burden of struggling students and families during this time.



STUDENT LOAN COLLECTIONS

2006	\$1,246.16
2007	\$3,891.50
2008	\$2,379.36
2009	\$1,695.70
2010	\$4,300.04
2011	\$2,000.04
2012	\$5,578.70
2013	\$6,945.35
2014	\$22,557.74
2015	\$34,573.24
2016	\$34,296.48
2017	\$46,468.37
2018	\$61,666.18
2019	\$101,738.97
2020	\$69,763.73
Total:	\$399,101.56

Challenges

- ❖ Due to the unprecedented economic circumstances within the CNMI due to the Covid-19 pandemic, the Priority Field of Study and Merit Incentive awards were temporarily suspended beginning fall 2020 until further notice. This leaves just the Grant-In-Aid award which is \$800 for online and on-island students and \$1200 for off-island students.
- ❖ Collection of graduate data after students meet award duration.
- ❖ Limited funding due to the CNMI's economic shortfall as a result of the Covid-19 pandemic. Primary funding sources continue to come from poker and gaming establishments.
- ❖ Timely annual appropriation and release of SHEFA allotments.
- ❖ Student tracking of previous recipients in default.
- ❖ Gradual increase of graduate return rate and retainment. Most especially those in the medical profession.

V. KEY INITIATIVES FOR 2021

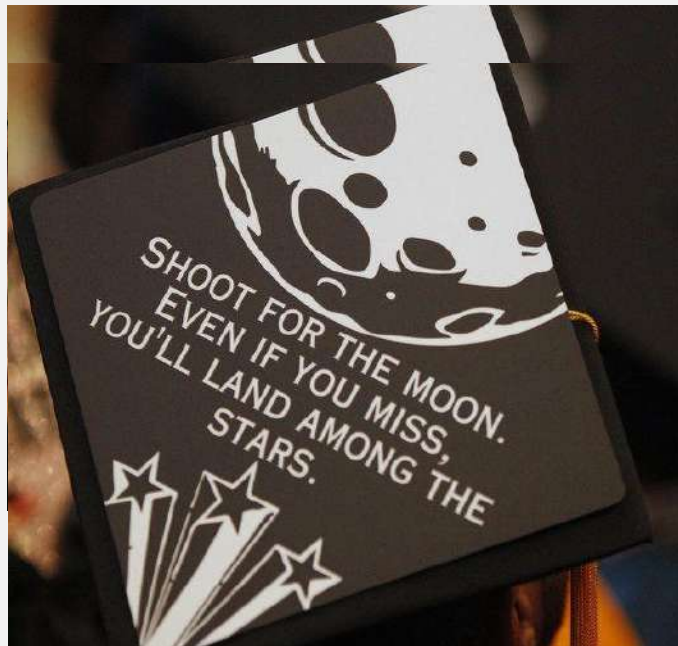
1. Identify and support key driving sectors for attracting/retaining educated and highly skilled workers.
2. Continue to work on amending/new regulations to reflect current laws.
3. Identify possible incentives to increase return rate and retainment of graduates.



VI. IMPORTANT DEADLINES

- Fall term application deadline: July 1st
- Fall term supporting documents deadline: September 30th
- Winter/Spring application deadline: December 1st
- Winter/Spring supporting documents deadline: February 28th

↪ For updates on awards, disbursement dates, financial assistance, internship and employment opportunities, please visit our Facebook page: Saipan SHEFA



If you have any recommendations on what you would like to see included in our annual reports, please contact Mrs. Doreen Masga at (670) 233-5995 or send us an email at saipanshefa@gmail.com.