



SAIPAN HIGHER  
EDUCATION  
FINANCIAL  
ASSISTANCE

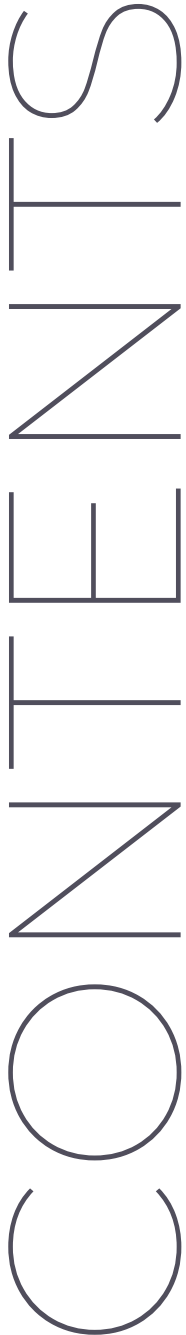
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# SHEFA ANNUAL REPORT

# 2021

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MESSAGE FROM THE MAYOR

Facing the many challenges since the outbreak of the COVID-19 pandemic has put us to the test of developing new or modified methods in how to deal with the negative impacts of the pandemic. Our island's economy was hit hardest when our daily public and private enterprises came to almost a screeching halt, and left many of us to ponder what we had to do to cope with the uncertainties. The Saipan Higher Education Financial Assistance board and its staff admirably navigated a path that kept it going and fulfilling an important part of its purpose, i.e., ensuring that each recipient of the program's financial assistance was not left stranded in the chaos of the pandemic. For its persistence and commitment in constantly being present for the recipients, I must congratulate the SHEFA Board and its dedicated staff for their fortitude in keeping the program intact and for always being present to listen to the recipients.



I am impressed by the board and staff's many accomplishments during the reporting period. Recognizing the financial needs of our island's students pursuing their post-secondary education and our students pursuing certifications in their chosen trade, I am confident the board and its staff will go the length to make sure each receives the financial assistance he or she needs to succeed.

While I am recognizing the board and its staff for their commitment to the financial assistance program here, I must especially acknowledge all recipients, both current and past for making the right choice to do what it takes to excel in life. Education will drive your aspirations beyond your imagination. Reaching many milestones in your life and career of your choice will be of great benefit to you personally and to those that receive the product of your education, skills, and talents.

Congratulations on a very successful year, despite the many challenges, and I wish you more good luck in the years to come.

Sincerely,

A handwritten signature in black ink, appearing to read 'David M. Apatang'. The signature is fluid and cursive.

DAVID M. APATANG  
Mayor, Municipality of Saipan



# MESSAGE FROM THE CHAIRMAN

On behalf of the SHEFA Board of Directors and Administration, I invite you to please take some time to go through our 2021 SHEFA Annual Report. Within these pages, you will find a snapshot of our program, student profiles, our finances, and highlights of what the year brought.

To the leadership of the Saipan Northern Islands Legislative Delegation and Mayor David M. Apatang, I extend a warm and gracious thank you for your continued support of the SHEFA program. You are the reason we are able to provide much needed assistance to our deserving students. Even with the temporary suspension of our merit incentive awards and priority field awards, due to the Covid-19 pandemic, our program continued to provide financial assistance to all eligible students accordingly.

To our recipients, we firmly believe that that your hard work and discipline will determine your success in your chosen field as well as the success of our growing community. With that said, we look forward to your return after graduation.

Lastly, I would like to extend my thanks to the full board for their dedication to our students and their commitment to better our program one year to the next.

Sincerely,

*Oscar M. Babauta*

Oscar M. Babauta



# BOARD OF DIRECTORS



## BOARD OF DIRECTORS

Mr. Oscar M. Babauta  
Chairman

Mr. Juan "Shine" K. Tenorio  
Vice-Chairman

Ms. Kaelani B. Demapan  
Secretary/Treasurer

Mr. Raymond M. Muna  
Member

Mr. Henry Kyle Hofschneider  
Member

## SHEFA STAFF

Mrs. Merissa S. Rasa  
Administrator

Ms. Antonette P. Iglecias  
Compliance Officer

Mrs. Doreen C. Masga  
Administrative Assistant

Ms. Tricia Dela Cruz  
Office Clerk





# About Us

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.

# Mission

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

- Continued commitment to increase transparency and accountability.
- To implement a Workforce Development Scholarship that will focus on long-term buildup of expertise in the post-graduate level or specialized fields to fill highly needed job categories.
- Online student tracking management program to streamline the application process, check disbursements, compliance and collections.
- To improve compliance, collections, and enforcement efforts.
- To improve collection of academic, graduate and employment data.

## Eligibility Requirements

In order to obtain funds through SHEFA, applicants must be U.S. citizens or permanent residents, 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 prior to 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 a 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. 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.

## Types of Financial Assistance

1. Grant-in-aid: Type of financial assistance available to a student from Saipan pursuing their post-secondary 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 since 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. This award is granted only to Junior and Senior college-level students and those pursuing their Master's degree.

3. Merit Incentive Award (temporarily suspended since 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.



# HIGHLIGHTS



- In line with the Covid-19 Emergency Relief and Federal Student Aid, repayment/collections of student loans have been extended to May 1, 2022. This relief was approved by the Board since March 2020 and has been extended twice to help alleviate the stress students are facing with this pandemic.
- Finalized and adopted changes to the regulations that would 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 also 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 was implemented in the fall 2021 term. 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.
- In July 2021, the Board met with NMTI and shared our continued support of their vision and we look forward to the success of the program and their students. As of fall 2021, we are excited to report that the number of applicants and recipients have increased tremendously.







- During these challenging times, the SHEFA board has forgiven the loans of students who returned to Saipan and worked for the number of years needed to complete their service obligation, despite not returning at the required time-frame agreed upon on the Memorandum of Agreement. The review of each student in default is an ongoing process. However, we hope to catch the number of returning students who completed their service obligation, so their loans can be forgiven too. To date, we have forgiven a total of \$613,100.00.
- 2021 SNILD Appropriations for SHEFA- Saipan Local Laws 22-2 and 22-5 passed and full amount has been allotted into our accounts.
- In the process of creating a new SHEFA website that would provide for easier application and document processing, student portal, and up to date SHEFA news, employment and other financial aid opportunities.
- SHEFA is the only local financial institution that provides grants to graduate and post-graduate or doctoral studies. We continue to provide timely award disbursements to applicants who meet all the requirements. The same can be said for the appeals/deferment and forbearance requests that continue to be addressed and resolved promptly. With the new Muniz Financial Management system in place, checks are being printed and disbursed earlier than they were in the previous years.
- 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. For example, SHEFA has provided the CNMI Office of Personnel and Management a complete listing of all graduates to assist with possible current and upcoming job placements opportunities.

*"Learning is the only thing the mind never exhausts.*

*Never fears. And never regrets."*

-Leonardo Da Vinci

- Reappointments of Oscar Babauta, Juan K. Tenorio, Raymond Muna and Kaelani Demapan and newly appointed board member Henry Kyle Hofscheider.
- Completion of Muniz Training for all SHEFA employees
- Completion of 2021 Citizen Centric Report available at [www.saipanshefa.net](http://www.saipanshefa.net) or [www.opacnmi.com](http://www.opacnmi.com).
- Total collections of \$510,010 (\$92,027 for 2021 alone) despite temporary suspension of collections made by the SHEFA Board of Directors.

## SHEFA COMMITTEES

### Committee Chairperson

Juan K. Tenorio

Henry Kyle B. Hofscheider

Kaelani B. Demapan

Raymond M. Muna

Oscar M. Babauta

### Committee

Committee on Awards

Committee on Program and Development

Committee on Policy and Procedure

Committee on Appeals

Committee on Fiscal, Legislative, and  
Community Affairs



# PROGRAM SNAPSHOT

## *Award amount per term*

- \$600-Vocation/Trade Institutions
- \$800 – On-island and Online Institutions
- \$1200-Off-island Institutions
- \$4500-Advanced Degrees

## TYPES OF AWARDS PER ENROLLMENT STATUS

High School: Early Admission Program or 2+2 Program can avail to the Grant-In-Aid



Trades/Vocational School: Grant-In-Aid

Undergraduates: Grand-In-Aid, Priority Field of Awards, and Merit Incentive Awards

Masters Program: Grant-In-Aid, Priority Field of Awards, and Merit Incentive Awards

Advanced/Doctorate Programs: Grant-In-Aid

## COMPLIANCE SECTION



No. of previous recipients currently in the workforce: 836

Total loan collections from 2004 to 2021: \$510,010

Student loan collections for 2021: \$92,027

Total in receivables: \$20,626,860

No. of students in default: 1,938

## CHALLENGES



Student tracking and obtaining graduate data after students meet award duration.

Limited funding due to the CNMI's economic shortfall as a result of the Covid-19 pandemic.

Timely annual appropriation and release of funds.

# STUDENT DEMOGRAPHICS

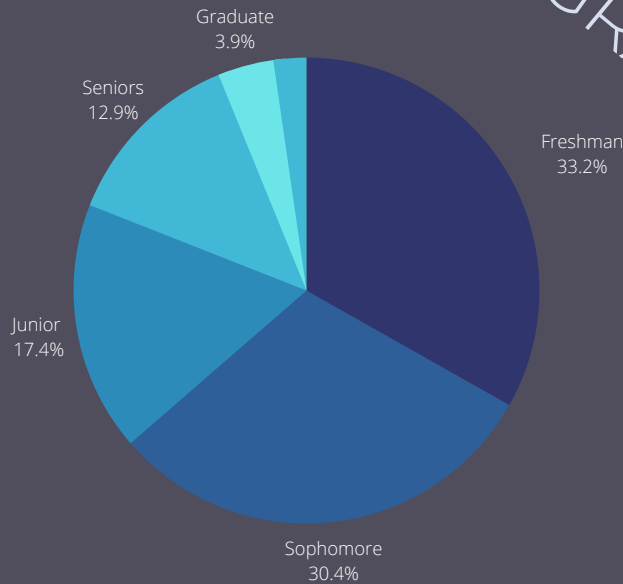


**392 682**



No. of graduates this year: **120**

Associates degree: 84  
 Bachelors degree: 49  
 Master's degree: 5  
 Advance/Doctorate degree: 1  
 Trades/Vocational Certificate: 0



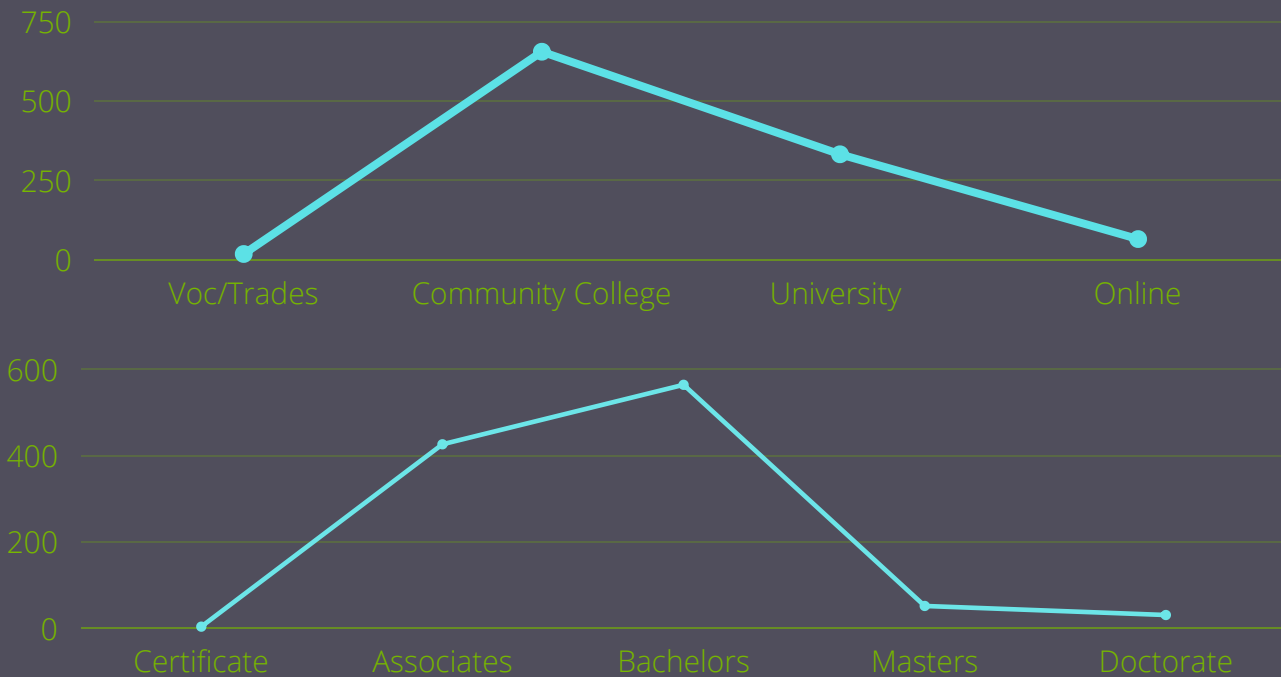
Total no. of applicants for 2021: **1314**  
 New: 221  
 Ongoing: 1027  
 Returning: 66



Top 5 Majors  
 1. Business  
 2. Education  
 3. Liberal Arts  
 4. Nursing  
 5. Criminal Justice



Overall no. of SHEFA recipients since inception: **4660**





# SHEFA

## Financial Summary

### SHEFA BUSINESS UNITS

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3386-OPERATIONS	\$21,000
PERSONNEL	\$192,150

### AWARDS/GRANTS/SCHOLARSHIPS

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3359 (REVOLVING ACCOUNT)	\$439,320
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7192U	\$0
7190W	\$200
7193Y	\$3700

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Total available for remaining  
awards (as of 2/18/2022):  
\$443,220



# AWARD BREAKDOWN BY TERM AND INSTITUTION

Term	Awardees and Amount	NMTI	Northern Marianas College	Off-island Institutions	On-line Institutions	Total
Spring 2015	No of Recipients	0	272	193	24	489
	Amount	\$-	\$354,200.00	\$454,200.00	\$41,900.00	\$850,300.00
2015 Fall	No of Recipients	0	306	187	28	521
	Amount	\$-	\$372,600.00	\$405,400.00	\$57,700.00	\$835,700.00
2016 Spring	No of Recipients	1	270	159	29	459
	Amount	\$600.00	\$357,300.00	\$348,400.00	\$72,500.00	\$778,800.00
2016 Fall	No of Recipients	16	323	236	51	626
	Amount	\$9,600.00	\$393,300.00	\$480,200.00	\$99,500.00	\$982,600.00
2017 Spring	No of Recipients	2	297	221	44	564
	Amount	\$1,200.00	\$314,000.00	\$499,000.00	\$96,500.00	\$910,700.00
2017 Fall	No of Recipients	0	370	250	50	670
	Amount	\$-	\$442,900.00	\$523,900.00	\$110,000.00	\$1,076,800.00
2018 Spring	No of Recipients	12	311	227	77	627
	Amount	\$7,200.00	\$437,400.00	\$519,300.00	\$189,800.00	\$1,153,700.00
2018 Fall	No of Recipients	5	428	276	100	809
	Amount	\$3,000.00	\$554,500.00	\$582,800.00	\$244,400.00	\$1,384,700.00
2019 Spring	No of Recipients	2	380	239	98	719
	Amount	\$1,200.00	\$583,000.00	\$569,800.00	\$250,600.00	\$1,404,600.00
2019 Fall	No of Recipients	10	437	298	128	873
	Amount	\$6,000.00	\$596,400.00	\$660,200.00	\$312,200.00	\$1,574,800.00
Spring 2020	No of Recipients	0	379	280	97	756
	Amount	\$-	\$574,200.00	\$678,000.00	\$253,000.00	\$1,505,200.00
Fall 2020	No of Recipients	0	391	259	55	705
	Amount	\$-	\$314,200.00	\$339,400.00	\$99,500.00	\$753,100.00
Spring 2021	No of Recipients	2	329	225	53	609
	Amount	\$-	\$263,600.00	\$304,400.00	\$101,600.00	\$669,600.00

# 2021 Budget Appropriation

- Saipan Local Law 22-2: \$1,200,000 (\$950,000 for awards and \$250,000 for personnel/operations)
- Saipan Local Law 22-5: \$100,000 (personnel/operations)



Operations Expense \$19,842.35

Personnel Expense \$140,336.49

Awards Expense \$1,422,700

# Important Deadlines

**Fall Term:** July 1st-Application  
September 30th-Supporting documents

**Spring Term:** December 1st-Application  
February 28th-Supporting documents



670-233-5995/235-1020/21



saipanshefa@gmail.com



PMB 3648 Box 10001, Saipan, MP 96950



CTC Building, Teer Drive, 2nd floor of the Mayor of Saipan Office, Oleai



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

