

DISCUSSION/ACTION
July 30, 2014

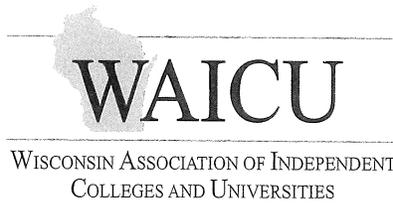
HIGHER EDUCATIONAL AIDS BOARD

BOARD REPORT #15-03

2015-2017 BIENNIAL BUDGET ISSUES

**WISCONSIN ASSOCIATION OF INDEPENDENT COLLEGES AND
UNIVERSITIES**

ALVERNO COLLEGE
BELLIN COLLEGE
BELCH COLLEGE
CARDINAL STRITCH UNIVERSITY
CARROLL UNIVERSITY
CARTHAGE COLLEGE
COLUMBIA COLLEGE OF NURSING
CONCORDIA UNIVERSITY
EDGEWOOD COLLEGE
LAKELAND COLLEGE
LAWRENCE UNIVERSITY
MARIAN UNIVERSITY



MARQUETTE UNIVERSITY
MEDICAL COLLEGE OF WISCONSIN
MILWAUKEE INSTITUTE OF ART & DESIGN
MILWAUKEE SCHOOL OF ENGINEERING
MOUNT MARY UNIVERSITY
NORTHLAND COLLEGE
RIPON COLLEGE
ST. NORBERT COLLEGE
SILVER LAKE COLLEGE OF THE HOLY FAMILY
WISCONSIN LUTHERAN COLLEGE

WISCONSIN'S PRIVATE, NONPROFIT COLLEGES AND UNIVERSITIES
WORKING TOGETHER TO ADVANCE EDUCATIONAL OPPORTUNITY

July 16, 2014

John Reinemann
Executive Director
Higher Educational Aids Board
131 W. Wilson Street, Suite 902
Madison, Wisconsin

-HAND DELIVERED-

Dear Mr. Reinemann:

Thank you for including WAICU's recommendation for student aid funding in HEAB's 2015–2017 state biennial budget request.

Principles

WAICU embraces HEAB's long-standing policy that taxpayer-funded student aid should be equitably allocated to Wisconsin students with documented need attending a Wisconsin public or private nonprofit college or university. Wisconsin's competitiveness in the "Knowledge Economy" is dependent on growing the educational attainment of our workforce. WAICU also supports the long-standing consensus of the Legislature—unanimously affirmed by the legislatively-chartered, bipartisan Commission on Financial Aid Consolidation and Modernization—that the eligibility for HEAB-administered aid programs should not be expanded beyond the student populations eligible under current state law.

Dependable and equitable treatment for students over their college careers

The Commission on Financial Aid Consolidation and Modernization recommended, the Legislature enacted, and the Governor signed into law, legislation changing the names of the major student grant programs (WHEG-UW, WHEG-WTCS, WHEG-Tribal, and WTG) to "Wisconsin Grants". The name change to "Wisconsin Grants" for all sectors, public, private nonprofit, and tribal, was explicitly undertaken in support of the equitable treatment of all Wisconsin students.

WAICU renews its support for language in the HEAB budget establishing a statutory link between tuition increases and student aid appropriations and for sum sufficient appropriations for all Wisconsin Grants. As students increasingly transfer among 2- and 4-year public, private nonprofit, and tribal institutions, equitable funding is essential for increasing degree completion. Such a link also provides a degree of predictability because students and their families can plan their postsecondary pathway. This

link also was unanimously endorsed by the Commission on Financial Aid Consolidation and Modernization.

A note on the process

I am deeply grateful to the HEAB staff and board for their courtesy and for their insightful advice as WAICU formulates our budget recommendation. WAICU also has benefited from the advice of our colleagues in the UW System and the Wisconsin Technical College System. Equitable treatment of all eligible Wisconsin students requires coordination and cooperation and both have been forthcoming. The WAICU recommendation was prepared after the UW System submitted their request and before the WTCS submitted theirs. To the extent possible—and in service of the goal of equitable treatment—WAICU’s request builds from the same factors and the other sectors’ requests and, to the extent possible, mirrors them.

Building blocks for WAICU’s budget recommendations

As the first building block of our recommendation, WAICU addresses the \$1 million added by the Legislature to the Governor’s request for the Wisconsin Tuition Grant (now Wisconsin Grants-private, nonprofit students). This appropriation allowed approximately 400 additional students to receive grants for the first year of the biennium. Because the \$1 million was “one time” money, our students had \$1 million less available in the second year of the biennium. Student aid is intended not only to enable students to enroll, but also to graduate in four years. Consistency and dependability in state policy, coupled with growing enrollment, leads us to include an additional \$1 million in the base year (2015 – 16).

The second building block recognizes that Wisconsin lags the country in the amount of aid provided to its students, ranking 27th in the nation in grant aid to students according to the National Association of State Student Aid and Grant Programs’ survey. At the same time, the financial need of Wisconsin students has grown by nearly 146 percent (zero [0] Expected Family Contribution [EFC]).

Recommendation for Wisconsin Grant (private, nonprofit students) and MURG

Therefore, WAICU requests the same increase in each year of the biennium as that requested by the UW, plus restoration of the \$1 million described above. The total recommended appropriation request is:

2015 – 16
\$34,252,996

2016 – 17
\$36,476,202

WAICU also recommends an increase in the Minority Undergraduate Retention Grants program (MURG) for WAICU and WTCS students because that appropriation was not increased over the prior two biennia which means that the appropriation has not increased in over 4 years. WAICU proposes an increase of \$45,000 in 2015–16 and \$92,500 in 2016–17. Total funding for the MURG would increase from \$819,000 in 2013–14 (and 2014–15) to \$864,000 in 2015–16 and \$911,500 in 2016–17.

Mr. John Reinemann

July 16, 2014

Page 3

The 23 nonprofit private colleges and universities in WAICU and their 61,000 students are united in support of this recommendation and are committed to working with our colleagues in UW and WTCS in support of all qualified Wisconsin students attending a Wisconsin college or university.

If I can answer any questions or be of further assistance, please contact me.

Sincerely,



Rolf Wegenke, Ph.D.
President

c: WAICU presidents
WAICU financial aid offices
Ray Cross
Morna Foy
Verna Fowler