

DISCUSSION/ACTION
February 17, 2012

HIGHER EDUCATIONAL AIDS BOARD

BOARD REPORT #12-11

2012-13 WHEG - WTCS PROGRAM FORMULA

**PROPOSED 2012-2013 FORMULA
WISCONSIN HIGHER EDUCATION GRANT
WISCONSIN TECHNICAL COLLEGE SYSTEM**

**February 17, 2012
BOARD REPORT #12-11**

Recommendation of the Wisconsin Technical College System President Dan Clancy:

$(\$9,270 - \text{EFC}) \times 11.70\% = \text{Award}$

$(\text{Student Budget} - \text{Expected Family Contribution}) \times \text{Student Award Percentage} = \text{Award}$

Maximum Award: \$1,084 Minimum Award: \$500

(See attached letter.)

Other Information

2012-2013 Appropriation: \$18,797,900
2011-2012 Appropriation: \$18,797,900
2010-2011 Appropriation: \$18,797,900
2009-2010 Appropriation: \$18,162,200
2008-2009 Appropriation: \$17,548,000
2007-2008 Appropriation: \$17,130,200

Current Formula:

$(\$9,270 - \text{EFC}) \times 13\% = \text{Award}$

$(\text{Student Budget} - \text{Expected Family Contribution}) \times \text{Student Award Percentage} = \text{Award}$

Maximum Award: \$1,205 Minimum Award: \$529

Current Year Spending: All of the 2011-2012 funds will be spent. Awards were suspended April 7, 2011. No new awards have been processed since that time.

Applicants: As of February 7, 2012 there were 101,101 applicants compared to 98,419 at this time last year.



January 13, 2012

John Reinemann
Executive Secretary
Higher Educational Aids Board
131 West Wilson Street, Suite 902
P.O. Box 7885
Madison, WI 53707-7885

Dear Executive Secretary Reinemann:

I am submitting to you the Wisconsin Technical College System's (WTCS) recommendation for the 2012-2013 Wisconsin Higher Education Grant (WHEG) formula. The formula was developed with the input of technical college financial aid administrators.

2012-2013 WTCS WHEG FORMULA

Single Formula—Independent/Dependent Students

Student Budget	\$9,270
Award Percentage	11.70%
Maximum Award	\$1,084
Minimum Award	\$500
EFC Range	\$0-\$5,000

Should additional funds become available, I would request the opportunity to modify this recommendation.

For 2012-2013, we recommend the same student budget used for the WHEG formula. We recommend a small decrease in the maximum (\$1,084) and minimum (\$500) awards for the neediest students. This is necessary to address the high unmet financial need of technical college students, which continues to be higher than for students in other Wisconsin higher education sectors. Without additional FY2013 WTCS WHEG funds, we anticipate The Higher Educational Aids Board (HEAB) placing W/Z Codes on our students in March or April 2012, which is the earliest date in WTCS history. At the present level of WHEG funds, we still anticipate that up to 50 percent of eligible WTCS students would not receive WHEG funds in FY2013.

I would also like to make you aware of the WTCS WHEG goals that were developed with the technical college financial aid directors. These goals reflect a level of support for the WTCS WHEG program that would allow us to reasonably meet the needs of technical college students.

- Serve the same or a greater number of technical college students
- Continue to serve technical college students with a high financial need



Daniel Clancy, President
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- Increase the maximum award amount to at least \$1,850 in order to meet at least 20 percent of a student's calculated financial need
- Have the ability to make awards in the second semester for January starters, in recognition of the non-traditional enrollment patterns of many technical college students
- Tie the WTCS WHEG allocation to WTCS tuition levels over the past three years, in the same way that statute links the University of Wisconsin's WHEG allocation to tuition
- Fully expend the WTCS's WHEG allocation each year
- Maintain student eligibility requirements at six credits and Wisconsin residency, the same as for University of Wisconsin students
- Keep one WHEG formula that applies to both dependent and independent students
- Continue to use the federal methodology to calculate student financial need

While many of these goals are not achievable under the current WHEG appropriation level, they set the direction in which we must work to offer adequate financial aid support to our technical college students. I appreciate the Higher Education Aids Board's efforts to increase the appropriation for the WTCS WHEG, and I look forward to continuing to work with you in the future to secure a better level of support for our students.

Thank you for your staff's assistance in providing vital information for developing our recommendation. We are pleased to offer this recommendation for your consideration.

Sincerely,


Daniel Clancy
President

cc: Kathy Cullen
Morna Foy
Jim Zylstra
Willa Panzer
Tom Heffron