

**State of Wisconsin
Higher Educational Aids Board**

**Meeting Minutes
February 14, 2014**

Board Members Present: Mary Jo Green, Mike Bormett, Randall McCready, Timothy Rindahl, Laramie Wieseman, James Palmer, Tracy Hribar, Steve Midthun, and Stephen Willett.

HEAB Staff Present: John Reinemann, Sherrie Nelson, Cindy Cooley, Peter Zammuto, and Deanna Schulz

Others Present: Rolf Wegenke, WAICU; Wendy Wink, WAICU; Bob Jokish, UW System Administration; Cody Loew, UW System Administration; Nicole Fish; COMN; Stephanie Mealy, Marquette University; Emily Pope, Legislative Fiscal Bureau; Mary Czech-Mrochinski, Marquette University; Carla Smith Liebich, Marquette University; Tim Jacobson, Waukesha County Technical College; and Tom Heffron, WTCS

Chair Mary Jo Green called the meeting to order at 9:00 a.m.

APPROVAL OF MINUTES:

Moved by Mike Bromett, seconded by Randall McCready to approve the minutes of the November 1, 2013 Board Meeting.

ELECTION OF 2014-15 BOARD OFFICERS:

Elections were held for the three board positions: Chair, Vice-Chair, and Secretary.

Mary Jo Green opened the floor for nominations. James Palmer nominated Mary Jo Green for Chair. Mike Bormett moved to close nominations and it was seconded by James Palmer. Randall McCready nominated Randall McCready for Vice-Chair. Steve Willet moved to close nominations and it was seconded by Steve Midthun. Randall McCready nominated James Palmer for Secretary. Randall McCready moved to close nominations and it was seconded by Steve Willet. Steve Willet moved for vote to elect all officers and it was seconded by Mike Bromett. All of the officers were elected by unanimous consent of the Board.

REPORT OF THE EXECUTIVE SECRETARY

Executive Secretary John Reinemann provided an update on current proposed legislation affecting HEAB:

AB260/SB 229: Provides for discontinuous enrollment under the Talent Incentive Program (TIP) and extends eligibility to five years. This was a recommendation of the 2012 Commission on Financial Aid Consolidation and Modernization. HEAB testified in support at Assembly hearing on 8/15/2013. It was approved on a 12-0 vote by the Assembly Committee on 10/22/2013. No further action has been taken in the Senate.

AB 337-Converts WHEG-Tech to sum-sufficient appropriation and fully funds WHEG-Tech for the biennium. The proposal is based on an Assembly Democrat amendment to the biennial budget bill. No action has been taken to date.

AB 398/SB334: Creates a new technical excellence higher education scholarship program to be administered by HEAB. HEAB testified for information only at Assembly hearing on 10/3/2013 and at the Senate hearing on 10/10/2013. The Senate bill was signed into law as 2013 Act 60. John indicated that he will establish a working group to set the guidelines as to what constitutes technical excellence.

AB 454/SB 366: Creates a grant program for primary care physicians and psychiatry professionals and exempts from taxation amounts received from said grant program. HEAB testified for information only at Assembly hearing on 10/22/2013 and at Senate hearing on 1/9/2014. The Senate bill was signed into law as 2013 Act 60.

AB 498/SB 376: Creates a new state entity to refinance student loans. It expands current state income tax deductions and establishes other requirements for HEAB, DFI, and DOR. HEAB testified for information only at an Assembly hearing on 2/10/2014 and at a Senate hearing on 2/5/2014. No further action has been taken to date.

AB 532/SB 406: Changes the name of the Wisconsin Higher Education Grant and Wisconsin Tuition Grant to Wisconsin Grant with sector suffixes. This was a recommendation made by the 2012 Commission on Financial Aid Consolidation and Modernization. HEAB testified in support at an Assembly hearing on 12/19/2013 and at a Senate hearing on 2/5/2014. No further action has been taken.

AB697: Increases amount of Academic Excellence Scholarship (AES) and ties the amount to the tuition rate at the University of Wisconsin-Madison. It also reduces the number of scholarships awarded and creates an AES tax credit. HEAB testified for information only at an Assembly hearing on 2/10/14. No further action has been taken.

John asked Sherrie Nelson to provide an update to the Board on HEAB staffing and other happenings. Sherrie explained that the Grant Specialist position that was vacated by Collette Brown will now be a website/database administrator position. The position has been posted, and, if there are qualified applicants, interviews will be forthcoming. Sherrie announced that Cassie Weisensel is now the program coordinator for TIP. In other happenings, Sherrie explained that the high school guidance counselors are now able to submit their Academic Excellence Scholarship designations on-line. In the past, guidance counselors had to mail the designation paperwork to the HEAB office.

BOARD REPORT #14-07 2014-15 WTG Program Formula

Recommendation of Wisconsin Association of Independent Colleges and Universities (WAICU) President Dr. Rolf Wegenke and concurred by Executive Secretary Reinemann:

Continue with the current maximum award of \$2900 and the current minimum award of \$1000.

Moved by James Palmer, seconded by Randall McCready, to accept the recommendation as written. The motion passed unanimously.

BOARD REPORT #14-08 WHEG FORMULA DESCRIPTION

HEAB administers three WHEG program; Wisconsin Technical College System, Wisconsin Tribal Colleges, and University of Wisconsin System. The general structure for the WHEG formulas is outlined in the State Statutes. HEAB reviews and approves the formulas for the upcoming school year at its February meeting. There are three formula components:
(Student Budget-Expected Family Contribution) x Student Award Percentage=Award

BOARD REPORT #14-09 2014-15 WHEG-TRIBAL Program Formula

Recommendation of Dr. Verna Fowler and concurred by Executive Secretary Reinemann:
 $(\$6,560\text{-EFC}) \times 27.44\% = \text{Award}$ with a maximum award of \$1,800 and a minimum award of \$250. This reflects no change from the current year's formula.

Moved by Steve Midthun, seconded by Steve Willett, to accept the recommendation as written. The motion passed unanimously.

BOARD REPORT #14-10 2014-15 WHEG-UWS Program Formula

Recommendation of the University of Wisconsin System Interim President Richard Telfer and concurred by Executive Secretary Reinemann:
 $(\$5960\text{-EFC}) \times 39\% = \text{Award}$, with a maximum award of \$2,324 and a minimum award of \$764. This new formula includes changes in the maximum and minimum awards along with the percentage factor.

Moved by Timothy Rindahl, seconded by James Palmer, to accept the recommendation as written. The motion passed unanimously.

BOARD REPORT #14-11 2014-15 WHEG-WTCS Program Formula

Recommendation of the Wisconsin Technical College System President Morna Foy and concurred by Executive Secretary Reinemann:
 $(\$9,270\text{-EFC}) \times 11.70\% = \text{Award}$, with a maximum award of \$1,084 and a minimum award of \$500. This reflects no change from the current year's formula.

Moved by Mike Bromett, seconded by Steve Willett, to accept the recommendation as written. The motion passed unanimously.

BOARD REPORT #14-12 WHEAL Program Status Report for Fiscal Year 2013

During the fiscal year 2013, WHEAL borrowers paid HEAB a total of \$16,200.00. As of December 31, 2013, 4 borrowers remained in repayment.

BOARD REPORT #14-13 Status of 2013-14 Applicants and Programs

The number of applicants (first-time FAFSA filers who listed Wisconsin as their state of legal residence) for 2013-14 through February 11, 2014 is 338,858. Last year at this time there were 354,245 applicants.

In 2013-14, WHEG - UW has committed 148.63% (\$86,716,445) of its appropriation with 43,808 calculated awards. This is 1,805 less calculated awards and 9.67% less committed than at this time last year. WHEG - WTC committed 177.84% (\$36,986,394) of its appropriation with 36,895 calculated awards. This is 6,726 more awards and 20.77% more committed than at this time last year. WTG has committed 148.32 % (\$41,336,667) of its appropriation with 14,643 awards. This is 981 more awards and 5.94% more committed than at this time last year. WHEG-Tribal has committed 162.62% (\$738,640) of its appropriation with 441 awards. This is 66 more awards and 23.26% more committed than at this time last year.

BOARD REPORT #14-14 Wisconsin State Student Financial Aid Data for 2012-13

Each year HEAB goes out to the aid community with a survey to collect information about need based and non-need based student financial aid for Wisconsin resident undergraduates. The colleges and universities within the four different Wisconsin Higher Education Sectors provided the majority of the information reflected in this report. The four sectors of colleges and universities include the Independent Colleges and Universities, the Tribal Colleges, the University of Wisconsin System, and the Wisconsin Technical College System. The majority of the cost of education is met by assistance that is based on financial need. The majority of need based and non-need based assistance combined is funded by federal loan assistance.

Moved by Mike Bornett, seconded by Tracy Hribar, to adjourn the meeting. Motion carried and Chair Mary Jo Green adjourned the meeting at 11:15am.

Respectfully submitted by James Palmer, Secretary