

## HIGHER EDUCATIONAL AIDS BOARD

### GOVERNOR'S BUDGET RECOMMENDATIONS

Source of Funds	FY09 Adjusted Base	FY10 Recommended	% Change Over FY09	FY11 Recommended	% Change Over FY10
GPR	127,232,500	110,573,900	-13.1	169,945,600	53.7
PR-F	1,354,500	1,433,600	5.8	1,433,600	0.0
PR-O	1,000	1,000	0.0	1,000	0.0
PR-S	1,211,600	26,208,000	2,063.1	1,216,700	-95.4
<b>TOTAL</b>	<b>129,799,600</b>	<b>138,216,500</b>	<b>6.5</b>	<b>172,596,900</b>	<b>24.9</b>

### FULL-TIME EQUIVALENT POSITION SUMMARY

Source of Funds	FY09 Adjusted Base	FY10 Recommended	FTE Change From FY09	FY11 Recommended	FTE Change From FY10
GPR	10.50	10.50	0.00	10.50	0.00
<b>TOTAL</b>	<b>10.50</b>	<b>10.50</b>	<b>0.00</b>	<b>10.50</b>	<b>0.00</b>

### AGENCY DESCRIPTION

The board is a part-time independent policymaking board composed of 11 members consisting of the State Superintendent of Public Instruction and 10 members appointed to serve at the pleasure of the Governor. The Governor appoints one member from the Board of Regents of the University of Wisconsin System; one member from the Wisconsin Technical College System Board; one member who is a trustee of an independent college or university to represent such independent institutions; one student and one financial aid administrator each from within the University of Wisconsin System, Wisconsin Technical College System and independent institutions; and one citizen member to represent the general public.

The executive secretary is appointed by and serves at the pleasure of the Governor. The executive secretary makes policy recommendations to the board; carries out policy directives from the Governor, Legislature and board; and is responsible for initiating and carrying out all administrative direction and responsibilities of the agency. All 12 other permanent agency staff members are in the classified service. The agency is composed of two areas: programs and policy (student support activities), and administration and fiscal services.

The board administers the state programs of student financial aid, including scholarship, grant and loan programs; the Minnesota-Wisconsin reciprocity agreement; a contract for dental education services; and the contracts associated with the Medical College of Wisconsin. The agency's activities are organized into two programs. Program one includes the following subprograms which provide financial support to individuals: Academic Excellence Scholarship, Dental Education Contract (Capitation) Program, Handicapped Student Grant, Indian Student Assistance Grant, Minnesota-Wisconsin Reciprocity Program, Minority Undergraduate Grant, Minority Teacher Loan, Talent Incentive Program Grant, Teacher Education Loan, Teacher of the Visually Impaired Loan Program, Wisconsin Higher Education Grant and Wisconsin Tuition Grant. Program two includes the costs of administering the activities grouped under program one along with costs associated with servicing contracts associated with the Medical College of Wisconsin, Independent Student Grant, Nursing Student Stipend Loan, Paul Douglas Scholarship, Wisconsin Health Education Assistance Loan and Wisconsin Nonguarantee Loan.

## MISSION

The mission of the board is to ensure that all students be provided equal access and diversity in obtaining a higher education and to make certain the funds for each program the board administers are distributed in a fair, equitable and timely manner.

## PROGRAMS, GOALS, OBJECTIVES AND ACTIVITIES

### Program 1: Student Support Activities

Goal: Keep the best and the brightest in the State of Wisconsin.

Objective/Activity: Academic Excellence Scholarships are awarded to Wisconsin high school seniors who have the highest grade point average in each public and private high school throughout the State of Wisconsin. The number of scholarships each high school is eligible for is based on total student enrollment. In order to receive a scholarship, a student must be enrolled on a full-time basis by September 30th of the academic year following the academic year in which he or she was designated a scholar at a participating University of Wisconsin, Wisconsin technical college or independent institution in the state. The value of the scholarship is \$2,250 per year, to be applied towards tuition. Half of the scholarship is funded by the state, while the other half is funded by the institution.

Goal: Increase the number of minority teachers in the State of Wisconsin.

Objective/Activity: The Minority Teacher Loan Program provides loans to Wisconsin resident, minority, undergraduate juniors or seniors who are enrolled at least half-time in programs leading to teacher licensure at independent or University of Wisconsin institutions. The maximum award per year is \$2,500 with an overall maximum of \$5,000. According to the statutes, a minority student is defined as a student who is either an African American, American Indian, Hispanic, or Southeast Asian from Laos, Cambodia or Vietnam admitted to the United States after December 31, 1975. The student who participates in this program must agree to teach in a Wisconsin school district in which minority students constitute at least 29 percent of total enrollment or in a school district participating in the interdistrict pupil transfer (Chapter 220) program. For each year the student teaches in an eligible school district, 25 percent of the loan is forgiven. If the student does not teach in an eligible district, the loan must be repaid at an interest rate of 5 percent.

## PERFORMANCE MEASURES

### 2007 AND 2008 GOALS AND ACTUALS

Prog. No.	Performance Measure	Goal 2007	Actual 2007	Goal 2008	Actual 2008
1.	Percentage of recipients persuaded by scholarship to attend school in Wisconsin.	50%	49% <sup>1</sup>	51%	48%
1.	Percentage of recipients in repayment	38%	27%	39%	40% <sup>2</sup>
1.	Percentage of recipient awards forgiven or expected to be forgiven.	62%	73%	61%	60%

Note: Based on fiscal year.

<sup>1</sup>This information was based on anecdotal information.

<sup>2</sup>Many in repayment are teaching in Wisconsin schools which do not qualify for forgiveness.

## 2009, 2010 AND 2011 GOALS

<b>Prog. No.</b>	<b>Performance Measure</b>	<b>Goal 2009</b>	<b>Goal 2010</b>	<b>Goal 2011</b>
1.	Percentage of recipients persuaded by scholarship to attend school in Wisconsin.	50%	51%	51%
1.	Percentage of "scholarship recipient graduates" who plan to stay in Wisconsin after graduation.	56%	56%	56%
1.	Percentage of recipients in repayment.	40%	39%	40%
1.	Percentage of recipient awards forgiven or expected to be forgiven.	60%	61%	60%

Note: Based on fiscal year.

## HIGHER EDUCATIONAL AIDS BOARD

### GOVERNOR'S BUDGET RECOMMENDATIONS

#### RECOMMENDATIONS

1. Government Efficiency Measures
2. Across-the-Board 1 Percent Reductions
3. Wisconsin Higher Education Grants – University of Wisconsin Students
4. Tuition Grants – Private College Students
5. Wisconsin Higher Education Grants – Technical College Students
6. Wisconsin Higher Education Grants – Tribal College Students
7. Wisconsin Covenant Grants
8. Minority Undergraduate Retention Grants
9. Federal Aid to Individuals and Organizations
10. Higher Education Grant Maximum Awards
11. Wisconsin Covenant Program Development
12. Post-9/11 GI Bill Veteran Protection
13. Standard Budget Adjustments

#### ITEMS NOT APPROVED

14. High Need Teacher Loan Program

**Table 1**  
**Department Budget Summary by Funding Source (in thousands of dollars)**

	ACTUAL FY08	ADJUSTED	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
		BASE FY09	FY10	FY11	FY10	FY11
GENERAL PURPOSE REVENUE	\$118,110.5	\$127,232.5	\$130,294.4	\$134,010.8	\$110,573.9	\$169,945.6
State Operations	871.0	927.5	964.4	989.4	937.2	937.2
Aids to Ind. & Org.	117,239.5	126,305.0	129,330.0	133,021.4	109,636.7	169,008.4
FEDERAL REVENUE (1)	1,453.9	1,354.5	1,433.6	1,433.6	1,433.6	1,433.6
Aids to Ind. & Org.	1,453.9	1,354.5	1,433.6	1,433.6	1,433.6	1,433.6
PROGRAM REVENUE (2)	1,172.7	1,212.6	1,212.6	1,212.6	26,209.0	1,217.7
Aids to Ind. & Org.	1,172.7	1,212.6	1,212.6	1,212.6	26,209.0	1,217.7
TOTALS-ANNUAL	120,737.1	129,799.6	132,940.6	136,657.0	138,216.5	172,596.9
State Operations	871.0	927.5	964.4	989.4	937.2	937.2
Aids to Ind. & Org.	119,866.1	128,872.1	131,976.2	135,667.6	137,279.3	171,659.7

(1) Includes Program Revenue-Federal and Segregated Revenue-Federal

(2) Includes Program Revenue-Service and Program Revenue-Other

**Table 2**  
**Department Position Summary by Funding Source (in FTE positions) (4)**

	ADJUSTED	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
	BASE FY09	FY10	FY11	FY10	FY11
GENERAL PURPOSE REVENUE	10.50	10.50	11.00	10.50	10.50
TOTALS-ANNUAL	10.50	10.50	11.00	10.50	10.50

(4) All positions are State Operations unless otherwise specified

**Table 3**  
**Department Budget Summary by Program (in thousands of dollars)**

	ACTUAL FY08	ADJUSTED	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
		BASE FY09	FY10	FY11	FY10	FY11
1. Student support activities	\$119,866.1	\$128,871.1	\$131,975.2	\$135,666.6	\$137,278.3	\$171,658.7
2. Administration	871.0	928.5	965.4	990.4	938.2	938.2
TOTALS	120,737.1	129,799.6	132,940.6	136,657.0	138,216.5	172,596.9

**Table 4**  
**Department Position Summary by Program (in FTE positions) (4)**

	ADJUSTED	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
	BASE FY09	FY10	FY11	FY10	FY11
2. Administration	10.50	10.50	11.00	10.50	10.50
TOTALS	10.50	10.50	11.00	10.50	10.50

(4) All positions are State Operations unless otherwise specified

**1. Government Efficiency Measures**

Source of Funds	Agency Request				Governor's Recommendation			
	FY10		FY11		FY10		FY11	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	-18,000	0.00	-18,000	0.00
TOTAL	0	0.00	0	0.00	-18,000	0.00	-18,000	0.00

The Governor recommends reducing funding in the board's state operations appropriation in the amounts shown to create additional operational efficiencies and balance the budget.

**2. Across-the-Board 1 Percent Reductions**

Source of Funds	Agency Request				Governor's Recommendation			
	FY10		FY11		FY10		FY11	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	-590,200	0.00	-590,200	0.00
PR-S	0	0.00	0	0.00	-12,100	0.00	-12,100	0.00
TOTAL	0	0.00	0	0.00	-602,300	0.00	-602,300	0.00

The Governor recommends reducing most nonfederal appropriations by 1 percent to create additional efficiencies and balance the budget.

**3. Wisconsin Higher Education Grants – University of Wisconsin Students**

Source of Funds	Agency Request				Governor's Recommendation			
	FY10		FY11		FY10		FY11	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	3,025,000	0.00	6,216,400	0.00	-16,975,800	0.00	16,489,700	0.00
PR-S	0	0.00	0	0.00	25,000,000	0.00	0	0.00
TOTAL	3,025,000	0.00	6,216,400	0.00	8,024,200	0.00	16,489,700	0.00

The Governor recommends increasing funding for Wisconsin Higher Education Grants to University of Wisconsin System students by creating a WHEG-UW auxiliary enterprises appropriation to reduce the GPR needed to fully fund grants in FY10. The auxiliary enterprises appropriation will supplement the grants provided by the GPR-funded program. The funding provides an overall increase to the WHEG-UW program of \$8,024,200 (15 percent) in FY10 and \$16,489,700 (13.4 percent over FY 10) in FY11. The funding will hold financial aid recipients harmless for projected tuition increases at the University of Wisconsin System.

**4. Tuition Grants – Private College Students**

Source of Funds	Agency Request				Governor's Recommendation			
	FY10		FY11		FY10		FY11	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	521,600	0.00	1,053,600	0.00
TOTAL	0	0.00	0	0.00	521,600	0.00	1,053,600	0.00

The Governor recommends increasing funding for grant assistance to undergraduate Wisconsin residents attending nonprofit, independent colleges or universities based in Wisconsin.

**5. Wisconsin Higher Education Grants – Technical College Students**

Source of Funds	Agency Request				Governor's Recommendation			
	FY10		FY11		FY10		FY11	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	351,000	0.00	709,000	0.00
TOTAL	0	0.00	0	0.00	351,000	0.00	709,000	0.00

The Governor recommends increasing funding for grant assistance that supports undergraduate Wisconsin residents attending Wisconsin technical colleges.

**6. Wisconsin Higher Education Grants – Tribal College Students**

Source of Funds	Agency Request				Governor's Recommendation			
	FY10		FY11		FY10		FY11	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-S	0	0.00	0	0.00	8,500	0.00	17,200	0.00
TOTAL	0	0.00	0	0.00	8,500	0.00	17,200	0.00

The Governor recommends increasing funding for grant assistance that supports undergraduate, Wisconsin residents attending tribal colleges. The program revenue funding will come from tribal gaming revenues. See Department of Administration, Item #21.

**7. Wisconsin Covenant Grants**

Source of Funds	Agency Request				Governor's Recommendation			
	FY10		FY11		FY10		FY11	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	0	0.00	25,000,000	0.00
TOTAL	0	0.00	0	0.00	0	0.00	25,000,000	0.00

The Governor recommends providing funding to establish a base level of support for grants to qualified Wisconsin Covenant Scholars beginning in FY12. Establishing this base now will help students, parents and financial aid offices with planning for the first class of Covenant Scholars in the 2011-12 school year. The FY11 appropriation of \$25 million will be lapsed to the general fund.

**8. Minority Undergraduate Retention Grants**

Source of Funds	Agency Request				Governor's Recommendation			
	FY10		FY11		FY10		FY11	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	15,900	0.00	32,100	0.00
TOTAL	0	0.00	0	0.00	15,900	0.00	32,100	0.00

The Governor recommends increasing funding for grants that support resident minority undergraduates at independent, tribal, or Wisconsin technical college institutions.

**9. Federal Aid to Individuals and Organizations**

Source of Funds	Agency Request				Governor's Recommendation			
	FY10		FY11		FY10		FY11	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-F	79,100	0.00	79,100	0.00	79,100	0.00	79,100	0.00
TOTAL	79,100	0.00	79,100	0.00	79,100	0.00	79,100	0.00

The Governor recommends increasing the board's expenditure authority for federal appropriations based on a reestimate of available funding.

**10. Higher Education Grant Maximum Awards**

The Governor recommends authorizing the board to establish a maximum grant under the Wisconsin Higher Education Grant program so that larger grants may be awarded to the neediest students. The Governor further recommends that the board take action to ensure that as many students will be awarded grants in the current academic year as in the previous academic year.

**11. Wisconsin Covenant Program Development**

The Governor recommends transferring responsibility for promulgating administrative rules for the Wisconsin Covenant from the board to the Department of Administration to reflect the location of the Office of the Wisconsin Covenant. The Governor also recommends eligibility for Wisconsin Covenant grants be limited to students designated as Wisconsin Covenant Scholars by the Department of Administration. The Governor further recommends requiring the Department of Public Instruction to share with the Department of Administration student information which is needed to manage the Covenant grant program efficiently and effectively.

**12. Post-9/11 GI Bill Veteran Protection**

The Governor recommends requiring veterans who are eligible for federal education benefits under both the Post-9/11 GI Bill and the Montgomery GI Bill to access Post-9/11 GI Bill benefits before accessing benefits available under the Wisconsin GI Bill. This will enable the state to take full advantage of federal funding available under the Post-9/11 GI Bill. The Governor also recommends holding harmless any veteran put at a financial disadvantage under the Post-9/11 GI Bill when compared to the Montgomery GI Bill.

**13. Standard Budget Adjustments**

Source of Funds	Agency Request				Governor's Recommendation			
	FY10		FY11		FY10		FY11	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	36,900	0.00	36,900	0.00	36,900	0.00	36,900	0.00
TOTAL	36,900	0.00	36,900	0.00	36,900	0.00	36,900	0.00

The Governor recommends adjusting the board's base budget for: (a) full funding of continuing position salaries and fringe benefits (\$33,400 in each year); and (b) full funding of lease and directed moves costs (\$3,500 in each year).

**ITEMS NOT APPROVED**

The following requests are not included in the Governor's budget recommendations for the Higher Educational Aids Board.

Decision Item	Source of Funds	FY10		FY11	
		Dollars	Positions	Dollars	Positions
14. High Need Teacher Loan Program	GPR	0	0.00	525,000	0.50
TOTAL OF ITEMS NOT APPROVED	GPR	0	0.00	525,000	0.50

