HIGHER EDUCATIONAL AIDS BOARD

BOARD REPORT #21-13

2021-22 WISCONSIN GRANT-PNP PROGRAM FORMULA

<div align="center">

PROPOSED 2021-22 FORMULA
WISCONSIN GRANT-PRIVATE, NON-PROFIT (PNP)

October 30, 2020
Board Report #21-13

</div>

WISCONSIN GRANT-PNP

Introduction

HEAB administers the Wisconsin Grant-PNP which provides grants to students attending Wisconsin private, independent non-profit colleges and universities. Grants are awarded based on the economic needs of students. Grant recipients apply through the Federal Department of Education using the FAFSA (Free Application for Federal Student Aid). The Higher Educational Aids Board reviews and will approve the Wisconsin Grant-PNP formula for the upcoming school year at its November meeting because of the change in FAFSA filing.

The structure of the WG-PNP formula is outlined in Wisconsin State Statutes (39.30). There are six steps in the formula and grants are calculated differently for dependent and independent students.

Recommendation:
Recommendation of Wisconsin Association of Independent Colleges and Universities (WAICU) President Dr. Rolf Wegenke:
> Maximum award: $3,650
> Minimum award: $1,000
> Inflation Factors: Dependent 620%   Independent 340%
> UW-Madison Tuition: $10,725
> Base Maintenance: $11,500
> The proposed formula is outlined in Dr. Rolf Wegenke's letter which is attached.

Other Information:
> **2021-2022 Appropriation: $28,504,600**
> 2020-2021 Appropriation: $28,504,600
> 2019-2020 Appropriation: $28,504,600
> 2018-2019 Appropriation: $28,504,600
> 2017-2018 Appropriation: $27,856,800
> 2016-2017 Appropriation: $26,870,300
> 2015-2016 Appropriation: $26,870,300
> 2014-2015 Appropriation: $26,870,300

Current Year Spending: All of the 2020-21 funds will be spent.

Other Provisions: WG-PNP is pro-rated: 50% award for 6-8 credits; 75% award for 9-11 credits; full award for 12 or more credits. WG-PNP is also tuition specific and has a statutory over-committed maximum of 122%.

ALVERNO COLLEGE
BELLIN COLLEGE
BELOIT COLLEGE
CARDINAL STRITCH UNIVERSITY
CARROLL UNIVERSITY
CARTHAGE COLLEGE
CONCORDIA UNIVERSITY
EDGEWOOD COLLEGE
HERZING UNIVERSITY
LAKELAND UNIVERSITY
LAWRENCE UNIVERSITY
MARIAN UNIVERSITY

WAICU

WISCONSIN ASSOCIATION OF INDEPENDENT
COLLEGES AND UNIVERSITIES
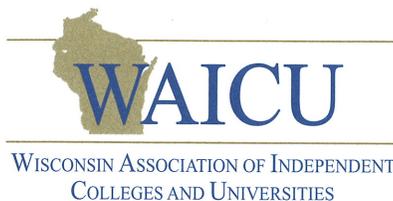
WISCONSIN'S PRIVATE, NONPROFIT COLLEGES AND UNIVERSITIES
WORKING TOGETHER FOR EDUCATIONAL OPPORTUNITY

MARQUETTE UNIVERSITY
MEDICAL COLLEGE OF WISCONSIN
MILWAUKEE INSTITUTE OF ART & DESIGN
MILWAUKEE SCHOOL OF ENGINEERING
MOUNT MARY UNIVERSITY
NASHOTAH HOUSE
NORTHLAND COLLEGE
RIPON COLLEGE
ST. NORBERT COLLEGE
VITERBO UNIVERSITY
WISCONSIN LUTHERAN COLLEGE

October 30, 2020

Connie Hutchison, Ph.D., Executive Secretary
Higher Educational Aids Board
4822 Madison Yards Way, Seventh Floor
P.O. Box 7885
Madison, WI 53707-7885

Dear Dr. Hutchison,

As directed by Wisconsin statute, I am submitting my recommendation for the Wisconsin Grants funding formula for low-income Wisconsin students attending private, nonprofit colleges and universities. The Wisconsin Grant is designed to assist Wisconsin's neediest students and allow them the opportunity to choose the institution that is best suited for them. WAICU's mission is "working together for educational opportunity." We believe that all Wisconsin students who are academically qualified deserve the opportunity to get a quality education. Wisconsin's workforce also depends on increasing educational attainment. It is estimated that 62 percent of all jobs will require a postsecondary credential. Unfortunately, we are lagging behind with only 53 percent of Wisconsinites having such a credential.

For the 2021-22 academic year, I recommend the maximum grant be set at $3,650 and the minimum award continue to be set at $1,000. This change provides a boost, especially those students with the greatest financial need, a top priority of the WAICU Presidents. Financial need is only increasing as a result of the economic consequences of the pandemic. The inflation factor in our recommended formula with continue to be the same for dependent students at 620 percent and independent students at 340 percent.

WAICU members do not receive direct operating support from the state as do public institutions. WAICU members do, however, provide over $600 million. WAICU members educate more than 56,000 students each year and graduate 23 percent of the state's bachelor's degrees and 35 percent of the state's graduate degrees. The Wisconsin Grant program for the private, nonprofit sector provides a significant return on investment for the State of Wisconsin.

WAICU remains committed to the long-held principles that the Wisconsin Grants should contribute a meaningful portion of a student's overall financial aid package; that the neediest students should receive the greatest share of benefits under the program; and that the total allocation of the Wisconsin Grants appropriation should be distributed equitably among independent and dependent students. The need of students and their families remain great not only for our most needy students but for students who are now experiencing economic hardship through parental job loss combined with their own inability to

122 W. Washington Avenue, Suite 700
Madison, WI 53703-2723
www.waicu.org

ROLF WEGENKE, Ph.D.
President

Telephone 608.256.7761
mail@waicu.org
www.wisconsinsprivatecolleges.org

acquire employment. As always, should anything change with the appropriation amount going forward, I reserve the right to again recommend modification in the formula.

I want to thank you and the HEAB staff, particularly Sherrie Nelson and Joy Dyer, for working with WAICU staff and WAICU Financial Aid Directors in developing the formula and examining the possible results. HEAB staff consistently promote a positive and constructive working relationship as they work with limited agency budget resources. WAICU will continue to support additional resources for HEAB to carry out their important work. WAICU staff, WAICU-member financial aid directors, and I sincerely appreciate their responsiveness and professionalism.

Should you have questions or concerns regarding this WAICU recommendation, please contact me or Ms. Rebecca Larson, WAICU Senior Vice President for Advocacy.

Sincerely,

Rolf Wegenke, Ph.D.
President

C: WAICU Presidents
   WAICU Financial Aid Directors Group