

HIGHER EDUCATIONAL AIDS BOARD

GOVERNOR'S BUDGET RECOMMENDATIONS

Source of Funds	FY15 Adjusted Base	FY16 Recommended	% Change Over FY15	FY17 Recommended	% Change Over FY16
GPR	142,224,800	146,115,400	2.7	140,796,200	-3.6
PR-F	1,567,700	1,567,700	0.0	1,567,700	0.0
PR-O	900	900	0.0	900	0.0
PR-S	1,233,900	1,233,900	0.0	1,233,900	0.0
TOTAL	145,027,300	148,917,900	2.7	143,598,700	-3.6

FULL-TIME EQUIVALENT POSITION SUMMARY

Source of Funds	FY15 Adjusted Base	FY16 Recommended	FTE Change Over FY15	FY17 Recommended	FTE Change Over FY16
GPR	11.00	7.00	-4.00	7.00	0.00
TOTAL	11.00	7.00	-4.00	7.00	0.00

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 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.

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The board administers the state programs of 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, Nursing Student Loan, Talent Incentive Program Grant, Teacher Education Loan, Teacher of the Visually Impaired Loan Program, Technical Excellence Higher Education Scholarship, Wisconsin Grant programs and Wisconsin Covenant Grant. Program two includes the costs of administering the activities grouped under program one along with servicing contracts with the Medical College of Wisconsin and the John R. Justice Grant.

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 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.

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PERFORMANCE MEASURES

2013 AND 2014 GOALS AND ACTUALS

Prog. No.	Performance Measures	Goal 2013	Actual 2013	Goal 2014	Actual 2014
1.	Percentage of recipients persuaded by scholarship to attend school in Wisconsin.	50%	51%	51%	48%
1.	Percentage of "scholarship recipient graduates" who plan to stay in Wisconsin after graduation.	56%	60%	57%	60%
1.	Percentage of recipients in repayment.	40%	30%	41%	39%
1.	Percentage of recipient awards forgiven or expected to be forgiven.	60%	70%	59%	61%

Note: Based on fiscal year.

2015, 2016 AND 2017 GOALS

Prog. No.	Performance Measures	Goal 2015	Goal 2016	Goal 2017
1.	Percentage of recipients persuaded by scholarship to attend school in Wisconsin.	51%	51%	50%
1.	Percentage of "scholarship recipient graduates" who plan to stay in Wisconsin after graduation.	57%	58%	60%
1.	Percentage of recipients in repayment.	42%	30%	35%
1.	Percentage of recipient awards forgiven or expected to be forgiven.	58%	70%	65%

Note: Based on fiscal year.

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GOVERNOR'S BUDGET RECOMMENDATIONS

RECOMMENDATIONS

1. Minnesota-Wisconsin Student Reciprocity Agreement
2. Shared Agency Services Pilot Program
3. Wisconsin Covenant Scholars Grant
4. Technical Excellence Higher Education Scholarships
5. Standard Budget Adjustments

ITEMS NOT APPROVED

6. Convert Project Position to Permanent Position

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

	ACTUAL FY14	ADJUSTED BASE FY15	AGENCY REQUEST FY16	AGENCY REQUEST FY17	GOVERNOR'S RECOMMENDATION FY16	GOVERNOR'S RECOMMENDATION FY17
GENERAL PURPOSE REVENUE	\$83,772.2	\$142,224.8	\$142,288.8	\$142,289.9	\$146,115.4	\$140,796.2
State Operations	880.2	934.9	998.9	1,000.0	945.7	946.8
Aids to Ind. & Org.	82,892.1	141,289.9	141,289.9	141,289.9	145,169.7	139,849.4
FEDERAL REVENUE (1)	\$0.0	\$1,567.7	\$1,567.7	\$1,567.7	\$1,567.7	\$1,567.7
Aids to Ind. & Org.	0.0	1,567.7	1,567.7	1,567.7	1,567.7	1,567.7
PROGRAM REVENUE (2)	\$59,464.5	\$1,234.8	\$1,234.8	\$1,234.8	\$1,234.8	\$1,234.8
Aids to Ind. & Org.	59,464.5	1,234.8	1,234.8	1,234.8	1,234.8	1,234.8
TOTALS - ANNUAL	\$143,236.7	\$145,027.3	\$145,091.3	\$145,092.4	\$148,917.9	\$143,598.7
State Operations	880.2	934.9	998.9	1,000.0	945.7	946.8
Aids to Ind. & Org.	142,356.5	144,092.4	144,092.4	144,092.4	147,972.2	142,651.9

- (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 BASE FY15	AGENCY REQUEST FY16	AGENCY REQUEST FY17	GOVERNOR'S RECOMMENDATION FY16	GOVERNOR'S RECOMMENDATION FY17
GENERAL PURPOSE REVENUE	11.00	11.00	11.00	7.00	7.00
TOTALS - ANNUAL	11.00	11.00	11.00	7.00	7.00

- (1) Includes Program Revenue-Federal and Segregated Revenue-Federal
(2) Includes Program Revenue-Service and Program Revenue-Other
(4) All positions are State Operations unless otherwise specified

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

	ACTUAL FY14	ADJUSTED BASE FY15	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
			FY16	FY17	FY16	FY17
1. Student support activities	\$142,356.5	\$144,091.5	\$144,091.5	\$144,091.5	\$147,971.3	\$142,651.0
2. Administration	\$880.2	\$935.8	\$999.8	\$1,000.9	\$946.6	\$947.7
TOTALS	\$143,236.7	\$145,027.3	\$145,091.3	\$145,092.4	\$148,917.9	\$143,598.7

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

	ADJUSTED BASE FY15	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
		FY16	FY17	FY16	FY17
2. Administration	11.00	11.00	11.00	7.00	7.00
TOTALS	11.00	11.00	11.00	7.00	7.00

(4) All positions are State Operations unless otherwise specified

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1. Minnesota-Wisconsin Student Reciprocity Agreement

Source of Funds	Agency Request				Governor's Recommendations			
	FY16		FY17		FY16		FY17	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	0	0.00	-7,200,000	0.00
TOTAL	0	0.00	0	0.00	0	0.00	-7,200,000	0.00

The Governor recommends transferring responsibility for the Minnesota-Wisconsin student reciprocity agreement to the Board of Regents of the University of Wisconsin System beginning July 1, 2016, and adjusting the board's base budget for FY17 accordingly. See University of Wisconsin System, Item #1.

2. Shared Agency Services Pilot Program

Source of Funds	Agency Request				Governor's Recommendations			
	FY16		FY17		FY16		FY17	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	0	-3.00	0	-3.00
TOTAL	0	0.00	0	0.00	0	-3.00	0	-3.00

The Governor recommends creating a shared agency services pilot program within the Department of Administration to consolidate the administrative functions (including budget, finance, human resources, payroll, procurement and information technology) of agencies with less than 150.0 FTE positions and the Department of Safety and Professional Services and its successor agency. See Department of Administration, Item #9.

3. Wisconsin Covenant Scholars Grant

Source of Funds	Agency Request				Governor's Recommendations			
	FY16		FY17		FY16		FY17	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	3,000,000	0.00	4,000,000	0.00
TOTAL	0	0.00	0	0.00	3,000,000	0.00	4,000,000	0.00

The Governor recommends providing funding for grants to qualified Wisconsin Covenant Scholars based on participation estimates.

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4. Technical Excellence Higher Education Scholarships

Source of Funds	Agency Request				Governor's Recommendations			
	FY16		FY17		FY16		FY17	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	879,800	0.00	1,759,500	0.00
TOTAL	0	0.00	0	0.00	879,800	0.00	1,759,500	0.00

The Governor recommends providing funding for scholarships to qualified recipients based on participation estimates.

5. Standard Budget Adjustments

Source of Funds	Agency Request				Governor's Recommendations			
	FY16		FY17		FY16		FY17	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	64,000	0.00	65,100	0.00	10,800	-1.00	11,900	-1.00
TOTAL	64,000	0.00	65,100	0.00	10,800	-1.00	11,900	-1.00

The Governor recommends adjusting the board's base budget for: (a) removal of noncontinuing elements from the base (-1.0 FTE position in each year); (b) full funding of continuing position salaries and fringe benefits (\$9,300 in each year); and (c) full funding of lease and directed moves costs (\$1,500 in FY16 and \$2,600 in FY17).

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	FY16		FY17	
		Dollars	Positions	Dollars	Positions
6. Convert Project Position to Permanent Position	GPR	0	0.00	0	0.00
TOTAL OF ITEMS NOT APPROVED	GPR	0	0.00	0	0.00