

## HIGHER EDUCATIONAL AIDS BOARD

### GOVERNOR'S BUDGET RECOMMENDATIONS

Source of Funds	FY07 Adjusted Base	FY08 Recommended	% Change Over FY07	FY09 Recommended	% Change Over FY08
GPR	99,244,900	117,336,600	18.2	124,948,700	6.5
PR-F	1,707,900	1,354,500	-20.7	1,354,500	0.0
PR-O	1,000	1,000	0.0	1,000	0.0
PR-S	1,191,600	1,191,600	0.0	1,191,600	0.0
<b>TOTAL</b>	<b>102,145,400</b>	<b>119,883,700</b>	<b>17.4</b>	<b>127,495,800</b>	<b>6.3</b>

### FULL-TIME EQUIVALENT POSITION SUMMARY

Source of Funds	FY07 Adjusted Base	FY08 Recommended	FTE Change From FY07	FY09 Recommended	FTE Change From FY08
GPR	11.86	10.50	-1.36	10.50	0.00
<b>TOTAL</b>	<b>11.86</b>	<b>10.50</b>	<b>-1.36</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 five percent.

## PERFORMANCE MEASURES

### 2005 AND 2006 GOALS AND ACTUALS

Prog. No.	Performance Measure	Goal 2005	Actual 2005	Goal 2006	Actual 2006
1.	Percentage of recipients persuaded by scholarship to attend school in Wisconsin.	53%	49% <sup>1</sup>	53%	49% <sup>1</sup>
1.	Percentage of "scholarship recipient graduates" who plan to stay in Wisconsin after graduation.	56%	N/A <sup>2</sup>	56%	N/A <sup>2</sup>
1.	Percentage of recipients in repayment.	26%	39% <sup>3</sup>	25%	40% <sup>3</sup>
1.	Percentage of recipient awards forgiven or expected to be forgiven.	74%	61%	75%	60%

Note: Based on fiscal year.

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

<sup>2</sup>Student responses were insufficient to accurately report the data. This performance measure is therefore being dropped.

<sup>3</sup>Many in repayment are teaching in Wisconsin schools which do not qualify for forgiveness.

### 2007, 2008 AND 2009 GOALS

Prog. No.	Performance Measure	Goal 2007	Goal 2008	Goal 2009
1.	Percentage of recipients persuaded by scholarship to attend school in Wisconsin.	50%	51%	51%
1.	Percentage of recipients in repayment.	38%	39%	40%
1.	Percentage of recipient awards forgiven or expected to be forgiven.	62%	61%	60%

Note: Based on fiscal year.

## HIGHER EDUCATIONAL AIDS BOARD

### GOVERNOR'S BUDGET RECOMMENDATIONS

#### RECOMMENDATIONS

1. Wisconsin Covenant Scholars Grant Program
2. Wisconsin Higher Education Grants – University of Wisconsin Students
3. Wisconsin Higher Education Grants – Technical College Students
4. Veterans' Tuition Remission Reimbursement
5. Tuition Grants
6. Minority Undergraduate Retention Grants
7. Minnesota-Wisconsin Tuition Reciprocity
8. Academic Excellence Scholarship
9. Additional Administrative Support
10. Federal Aid: Aids to Individuals and Organizations
11. Standard Budget Adjustments

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

	ACTUAL FY06	ADJUSTED BASE FY07	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
			FY08	FY09	FY08	FY09
GENERAL PURPOSE REVENUE	\$104,489.2	\$99,244.9	\$128,977.1	\$133,950.1	\$117,336.6	\$124,948.7
State Operations	775.6	897.7	946.4	964.5	904.6	910.4
Aids to Ind. & Org.	103,713.6	98,347.2	128,030.7	132,985.6	116,432.0	124,038.3
FEDERAL REVENUE (1)	1,667.7	1,707.9	1,354.5	1,354.5	1,354.5	1,354.5
Aids to Ind. & Org.	1,667.7	1,707.9	1,354.5	1,354.5	1,354.5	1,354.5
PROGRAM REVENUE (2)	1,177.8	1,192.6	1,192.6	1,192.6	1,192.6	1,192.6
Aids to Ind. & Org.	1,177.8	1,192.6	1,192.6	1,192.6	1,192.6	1,192.6
TOTALS-ANNUAL	107,334.7	102,145.4	131,524.2	136,497.2	119,883.7	127,495.8
State Operations	775.6	897.7	946.4	964.5	904.6	910.4
Aids to Ind. & Org.	106,559.1	101,247.7	130,577.8	135,532.7	118,979.1	126,585.4

(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 FY07	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
		FY08	FY09	FY08	FY09
GENERAL PURPOSE REVENUE	11.86	11.50	11.50	10.50	10.50
TOTALS-ANNUAL	11.86	11.50	11.50	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 FY06	ADJUSTED BASE FY07	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
			FY08	FY09	FY08	FY09
1. Student support activities	\$106,559.1	\$101,246.7	\$130,576.8	\$135,531.7	\$118,978.1	\$126,584.4
2. Administration	775.6	898.7	947.4	965.5	905.6	911.4
TOTALS	107,334.7	102,145.4	131,524.2	136,497.2	119,883.7	127,495.8

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

	ADJUSTED BASE FY07	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
		FY08	FY09	FY08	FY09
2. Administration	11.86	11.50	11.50	10.50	10.50
TOTALS	11.86	11.50	11.50	10.50	10.50

(4) All positions are State Operations unless otherwise specified

**1. Wisconsin Covenant Scholars Grant Program**

Source of Funds	Agency Request				Governor's Recommendation			
	FY08		FY09		FY08		FY09	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	9,659,500	1.00	11,673,100	1.00	0	0.00	0	0.00
TOTAL	9,659,500	1.00	11,673,100	1.00	0	0.00	0	0.00

The Governor recommends creating the Wisconsin Covenant Scholars Grant Program which will be used to provide additional financial assistance beginning in FY12 to economically disadvantaged students attending one of the state's nonprofit institutions of higher education that have successfully completed the terms of the Wisconsin Covenant. See Department of Administration, Item #3.

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

Source of Funds	Agency Request				Governor's Recommendation			
	FY08		FY09		FY08		FY09	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	7,556,100	0.00	8,961,200	0.00	10,719,400	0.00	15,719,400	0.00
TOTAL	7,556,100	0.00	8,961,200	0.00	10,719,400	0.00	15,719,400	0.00

The Governor recommends adjusting funding for Wisconsin Higher Education Grants to University of Wisconsin students by providing: (a) \$7,775,400 in FY08 and \$9,940,000 in FY09 to reflect a reestimate of the sum sufficient appropriation; and (b) \$2,944,000 in FY08 and \$5,779,400 in FY09 to help offset the cost of estimated tuition increases for resident undergraduate students, increasing the total appropriation for the program to \$50,000,000 in FY08 and \$55,000,000 in FY09.

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

Source of Funds	Agency Request				Governor's Recommendation			
	FY08		FY09		FY08		FY09	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	417,800	0.00	835,600	0.00
TOTAL	0	0.00	0	0.00	417,800	0.00	835,600	0.00

The Governor recommends providing funding for a five percent increase for the program by the end of the biennium.

**4. Veterans' Tuition Remission Reimbursement**

Source of Funds	Agency Request				Governor's Recommendation			
	FY08		FY09		FY08		FY09	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	11,563,900	0.00	13,112,400	0.00	5,013,700	0.00	6,562,300	0.00
TOTAL	11,563,900	0.00	13,112,400	0.00	5,013,700	0.00	6,562,300	0.00

The Governor recommends providing funding to partially reimburse the University of Wisconsin System and the Wisconsin Technical College System campuses for the cost of tuition remission for veterans and their eligible spouses and dependents, as required under 2005 Wisconsin Act 468, and expanded in this budget. See Department of Veterans Affairs, Item #23.

**5. Tuition Grants**

Source of Funds	Agency Request				Governor's Recommendation			
	FY08		FY09		FY08		FY09	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	620,900	0.00	1,241,800	0.00
TOTAL	0	0.00	0	0.00	620,900	0.00	1,241,800	0.00

The Governor recommends providing funding for a five percent increase for the program by the end of the biennium.

**6. Minority Undergraduate Retention Grants**

Source of Funds	Agency Request				Governor's Recommendation			
	FY08		FY09		FY08		FY09	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	19,000	0.00	38,000	0.00
TOTAL	0	0.00	0	0.00	19,000	0.00	38,000	0.00

The Governor recommends providing funding for a five percent increase for the program by the end of the biennium.

**7. Minnesota-Wisconsin Tuition Reciprocity**

Source of Funds	Agency Request				Governor's Recommendation			
	FY08		FY09		FY08		FY09	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	1,270,500	0.00	1,270,500	0.00
TOTAL	0	0.00	0	0.00	1,270,500	0.00	1,270,500	0.00

The Governor recommends adjusting funding to reflect a reestimate of projected costs for the Minnesota-Wisconsin tuition reciprocity program.

**8. Academic Excellence Scholarship**

Source of Funds	Agency Request				Governor's Recommendation			
	FY08		FY09		FY08		FY09	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	945,800	0.00	945,800	0.00	23,500	0.00	23,500	0.00
TOTAL	945,800	0.00	945,800	0.00	23,500	0.00	23,500	0.00

The Governor recommends adjusting funding to reflect a reestimate of projected costs for the Academic Excellence Scholarship program.

**9. Additional Administrative Support**

Source of Funds	Agency Request				Governor's Recommendation			
	FY08		FY09		FY08		FY09	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	27,200	0.64	33,000	0.64	27,200	0.64	33,000	0.64
TOTAL	27,200	0.64	33,000	0.64	27,200	0.64	33,000	0.64

The Governor recommends increasing funding and position authority to accommodate the work load increase related to veterans tuition remissions and the Wisconsin Covenant.

**10. Federal Aid: Aids to Individuals and Organizations**

Source of Funds	Agency Request				Governor's Recommendation			
	FY08		FY09		FY08		FY09	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-F	-353,400	0.00	-353,400	0.00	-353,400	0.00	-353,400	0.00
TOTAL	-353,400	0.00	-353,400	0.00	-353,400	0.00	-353,400	0.00

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

**11. Standard Budget Adjustments**

Source of Funds	Agency Request				Governor's Recommendation			
	FY08		FY09		FY08		FY09	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	-20,300	-2.00	-20,300	-2.00	-20,300	-2.00	-20,300	-2.00
TOTAL	-20,300	-2.00	-20,300	-2.00	-20,300	-2.00	-20,300	-2.00

The Governor recommends adjusting the board's base budget for: (a) removal of noncontinuing elements from the base (-\$45,800 and -2.0 FTE project positions in each year); (b) full funding of continuing position salaries and fringe benefits (\$22,000 in each year); and (c) reclassifications and semiautomatic pay progression (\$3,500 in each year).