

DISCUSSION/ACTION
February 1, 2008

HIGHER EDUCATIONAL AIDS BOARD

BOARD REPORT #08-08

2008-09 WHEG - TRIBAL PROGRAM FORMULA

WISCONSIN HIGHER EDUCATION GRANT (WHEG)

Introduction

HEAB administers three WHEG programs; 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. The Higher Educational Aids Board reviews and approves the formulas for the upcoming school year at its February meeting. There are three components in the formula:

$$(\text{Student Budget} - \text{Expected Family Contribution}) \times \text{Student Award Percentage} = \text{Award}$$

Student Budget: The cost of education for the student. It can include tuition, room, board, and other expenses. It is different for all three WHEG programs. However, within each program, the student budget is the same for all students. The Student Budgets are set by the HEAB board as part of the formula approval process.

Expected Family Contribution (EFC): Amount that student or student's family is expected to contribute. The EFC is calculated by the Federal Government when the student applies for Financial Aid using the FAFSA¹. It is an individually calculated amount based on the financial information provided by each student during the application process.

Student Award Percentage: Percent of **student budget** (less **EFC**) used to calculate individual financial aid awards. It is also used to determine the maximum grant that can be awarded to any student. It is different for all three WHEG programs. However, within each program (Tribal Colleges, Wisconsin Technical Colleges and University of Wisconsin Institutions) the Student Award Percentage is the same for all students. The Student Award Percentage is set by the HEAB board as part of the formula approval process.

To calculate individual financial aid awards:

$$(\text{Student Budget} - \text{Expected Family Contribution}) \times \text{Student Award Percentage} = \text{Award}$$

To calculate the maximum award in any of the WHEG programs:

$$\text{Student Budget} \times \text{Student Award Percentage} = \text{Maximum Award}$$

Factors That Affect the WHEG Programs

Appropriation: There are separate appropriations for each of the WHEG programs – Tribal Colleges, Wisconsin Technical Colleges and University of Wisconsin Campuses. These appropriations are determined during the state's biennial budget process. The appropriations are not sum sufficient, meaning that when all funds are obligated to the remaining eligible students do not receive awards. The date the application is received by HEAB determines which eligible students will or will not receive awards.

Changing the Student Budget: If increased, the grant awarded to each student is increased

Changing the Student Award Percentage: If increased, the amount awarded to each student increases

¹ Students apply for financial aid on-line through the Federal Government's Webpage or complete a paper copy. A copy of this application, called the Free Application for Federal Student Aid (FAFSA), can be found at www.fafsa.ed.gov.

**PROPOSED 2008-2009 FORMULAS
WISCONSIN HIGHER EDUCATION GRANT
TRIBAL COLLEGES**

**February 1, 2008
BOARD REPORT #08-08**

Recommendation of the Tribal College Presidents:

Formula recommendation from College of Menominee Nation President Verna Fowler, PhD as provided by Katie Klaus, Financial Aid Director (See attached):

$(\$6,560 - \text{EFC}) \times 27.44\% = \text{Award}$
 $(\text{Student Budget} - \text{Expected Family Contribution}) \times \text{Student Award Percentage} = \text{Award}$
Maximum Award: \$1,800 Minimum Award: \$250
This reflects no change from the current year's formula.

Recommendation of the Executive Secretary

Agrees with the recommendation of Tribal College President Fowler
(There was no recommendation from the Lac Courte Oreilles Ojibwa Community College)

Other Information

2008-2009 Appropriation: \$424,000
0708 Appropriation \$414,000
0607 Appropriation \$404,000

Current Formula:

$(\$6,650 - \text{EFC}) \times 27.44\% = \text{Award}$
 $(\text{Student Budget} - \text{Expected Family Contribution}) \times \text{Student Award Percentage} = \text{Award}$
Maximum Award: \$1,800 Minimum Award: \$250

Proposed Formula:

Current Year Spending: All of the 2007-2008 funds will be spent. Awards were suspended **August 8th, 2007.**

Applicants: As of January 15, 2008 there are 965 applicants compared to 967 at this time last year.

January 22, 2008

Ms Connie Hutchison
Executive Secretary
Higher Education Aids Board
P.O. Box 7885
Madison, WI 53707-7885

Dear Ms. Hutchinson:

Thank you for the opportunity to make a recommendation to the HEAB Board relative to the formula for 2008-2009 Tribal Wisconsin Higher Education Grant (WHEG). I recommend the formula remain the same as the 2007-2008 funding year.

As in the past year this is based on the current financial situation of the state and the fact that there would not likely be any additional funding for Tribal WHEG. Once again the gap between student need and available funds continues to widen the Tribal WHEG has seen only a slight increase in funding since 2003- 2004.

I look forward to hearing the final decision following the meeting of the Higher Educational Aids Boards. If you have any additional questions please feel free to contact me.

Sincerely,

Katie Klaus
Financial Aid Director
College Of Menominee Nation

cc: Dr. Verna Fowler – CMN President

cc: Jeffrey Mursau – Representative - WI State Legislature