

DISCUSSION/ACTION
August 8, 2008

HIGHER EDUCATIONAL AIDS BOARD

BOARD REPORT #09-04

2009-2011 BIENNIAL BUDGET ISSUES

UNIVERSITY OF WISCONSIN SYSTEM



Office of the President

1720 Van Hise Hall
1220 Linden Drive
Madison, Wisconsin 53706-1559
(608) 262-2321 (608) 262-3985 Fax
e-mail: kreilly@uwsa.edu
website: <http://www.wisconsin.edu>

June 20, 2008

Mary Jo Green, Chair
Connie Hutchison, Executive Secretary
Higher Educational Aids Board
131 W. Wilson Street, Suite 902
PO Box 7885
Madison, WI 53707-7885

Dear Board Chair Green and Executive Secretary Hutchison:

Enclosed with this letter please find two resolutions that were unanimously adopted by the Board of Regents of the University of Wisconsin System at the June 2008 meeting. These resolutions contain the Board of Regents' request that changes to the Wisconsin Higher Education Grant program for students attending the University of Wisconsin (WHEG-UW) and the Wisconsin GI Bill be included in the Higher Educational Aids Board's (HEAB) 2009-11 Budget.

The Board of Regents supports a request to fund the WHEG-UW program to ensure each WHEG recipient's award grows by at least the same dollar amount as the increase in undergraduate academic student fees. This funding will allow the WHEG-UW program to provide a "dollar-for-dollar" hold harmless increase to eligible University of Wisconsin students.

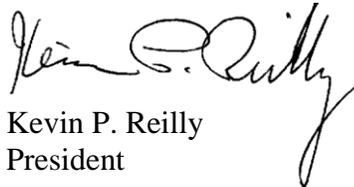
It is also important to note that the maximum WHEG award during the 2008-09 academic year will be \$2,980, which is slightly less than the statutory maximum award of \$3,000. The Board of Regents therefore also supports a modification of the statutory language of the WHEG program to remove the specific dollar maximum for the WHEG-UW award. The statutory maximum award limit for the Wisconsin Tuition Grant program was removed by Act 16 of 2001, and removal of the maximum award limit for the WHEG-UW program would provide enhanced flexibility in addressing students' financial needs.

In addition, the Board of Regents supports full state General Program Revenue (GPR) funding of all remissions granted through the Wisconsin GI Bill. While \$6.56 million in GPR funding will be provided in 2008-09 to reimburse University of Wisconsin and Wisconsin Technical College System institutions for the cost of remissions provided through the Wisconsin GI Bill, it is estimated that over \$23 million in remissions will be granted at University of Wisconsin System institutions alone in 2008-09. Full GPR funding for these remissions will ensure that all Wisconsin students continue to have access to, and receive, a high quality University of Wisconsin education.

Finally, the Board of Regents has expressed support for a statutory revision to the Wisconsin GI Bill to require veterans and their families, if the federal government enacts legislation providing veterans' educational benefits that are payable directly to educational institutions for tuition and fees, as opposed to providing lump sum benefits directly to veterans that may be used for all educational expenses including housing and books, to utilize such federal support before accessing tuition and fee remissions under the Wisconsin GI Bill. Such a revision should be sought in cooperation with the appropriate state and federal agencies and should not result in a decrease of benefits to veterans.

Thank you considering these proposals for inclusion in HEAB's 2009-11 biennial budget submission. If you have any questions regarding these requests, please do not hesitate to contact my office.

Sincerely,

A handwritten signature in black ink, appearing to read "Kevin P. Reilly". The signature is written in a cursive style with a large, sweeping "K" and "R".

Kevin P. Reilly
President

Enclosures

Copy: Board of Regents
Chancellors
Cabinet
Sharon Wilhelm

Resolution:

WHEREAS, the Board of Regents is greatly concerned that children from lower- and middle-income backgrounds are facing a future with fewer opportunities and, therefore, has made it a priority to increase the possibility for low- and middle-income students to participate in public higher education in Wisconsin; and

WHEREAS, the Wisconsin Higher Education Grant program for University of Wisconsin students (WHEG-UW) is the primary state need-based financial aid program to assist low-income students in attaining a college education; and,

WHEREAS, despite an average 12.9% annual increase in WHEG-UW funding over the past decade, Wisconsin ranks below the peer average in state grant awards per full time equivalent (FTE) student and many students are increasingly relying on loans and personal debt to finance their college education; and

WHEREAS, section 39.435(3) of the Wisconsin Statutes establishes a maximum WHEG award of \$3,000, and the maximum award in 2008-09 will be \$2,980; and,

WHEREAS, the statutory maximum award limit for the state-funded Wisconsin Tuition Grant for students attending private institutions was removed by Act 16 of 2001; and,

WHEREAS, additional funding that increases each student's WHEG-UW award to match the change in academic fees will assure that students are not be priced out of college due to increases in tuition; and,

WHEREAS, the Board of Regents has identified increased need-based financial aid as critical to Wisconsin's economic future and the success of the Growth Agenda.

THEREFORE, BE IT RESOLVED that the Board of Regents of the University of Wisconsin System requests that the statutory language of the WHEG program be modified to remove the specific maximum for the WHEG-UW award, which would provide greater flexibility in reducing the financial barriers faced by the neediest students while continuing to provide financial assistance to at least as many students as received an award in the previous academic year; and,

BE IT FURTHER RESOLVED that the Board requests that the statutory language of the WHEG-UW program be modified to provide that each student's WHEG-UW award will increase by at least the same dollar amount as the dollar increase in undergraduate academic student fees, thereby granting a "dollar-for-dollar" hold harmless increase to eligible University of Wisconsin students.

Resolution:

WHEREAS, all Wisconsin citizens benefit from the sacrifice of veterans and their families.

WHEREAS, the Wisconsin GI Bill (2006 Wisconsin Act 468) recognizes those sacrifices and furthers the state's educational investment and opportunity for economic development by providing a 100 percent tuition remission for veterans and eligible family members; and

WHEREAS, funding in the amount of \$5,013,700 in 2007-08 and \$6,562,300 in 2008-09 was provided through the Higher Educational Aids Board to cover the cost of Wisconsin GI Bill remissions at University of Wisconsin System and Wisconsin Technical College System institutions;

WHEREAS, \$17.5 million in remissions for University of Wisconsin System institutions alone were granted during 2007-08;

WHEREAS, and the cost of these remissions has created a significant and increasing fiscal burden on University of Wisconsin institutions, and access and quality concerns for students.

THEREFORE, BE IT RESOLVED that the Board of Regents and the institutions of the University of Wisconsin System strongly support full state General Program Revenue (GPR) funding of all remissions granted through the Wisconsin GI Bill as essential for increasing access to higher education for Wisconsin's veterans and their families, as well as for other Wisconsin students and their families, and ensuring that all students will continue to receive a high quality University of Wisconsin education; and,

BE IT FURTHER RESOLVED that the Board of Regents remains supportive of the Wisconsin GI Bill; that if the federal government enacts legislation providing veterans' educational benefits that are payable directly to educational institutions for tuition and fees, as opposed to providing lump sum benefits directly to veterans that may be used for all educational expenses including housing and books, then the Board would further support a statutory revision to the Wisconsin GI Bill to require veterans and their families to utilize such federal support before accessing tuition and fee remissions under the Wisconsin GI Bill; that such revision would not result in a decrease of benefits to any veteran and would avoid losing millions of federal dollars that would otherwise be available to support Wisconsin veterans; and that a revision would be sought in cooperation with the appropriate state and federal agencies, as a means of ensuring coordination of services and benefits to veterans as well as the long-term fiscal stability of the programs.