

DISCUSSION/ACTION
February 27, 2009

HIGHER EDUCATIONAL AIDS BOARD

BOARD REPORT #09-12

2009-10 WHEG - UWS PROGRAM FORMULA



Office of the President

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February 24, 2009

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

A handwritten signature in cursive script that reads "Connie".

Dear Executive Secretary Hutchison:

Thank you for the opportunity to comment on the Wisconsin Higher Education Grant (WHEG) formula. UW System's WHEG Advisory Committee met to discuss the current WHEG formula and to forward a recommendation for the 2009-10 funding formula for my approval.

Based on the Committee's advice and the Governor's 2009-11 budget, my recommendation is that the 2009-10 formula distribute the grant funds using a maximum expected family contribution of \$4,612, an equity level of \$6,560, and a rationing factor of 50% to increase student awards by \$300, effectively providing a hold harmless against the average projected increase in tuition for 2009-10. The maximum award will increase from \$2,980 to \$3,280, with a minimum award of \$974. Please note that this maximum grant will now exceed the \$3,000 statutory maximum for the program. Therefore, consistent with the Governor's 2009-11 proposed budget, it is essential that the statutory maximum be increased.

Thank you for working with UW System staff to develop this recommendation. I look forward to hearing your final decision following the meeting of the Higher Educational Aids Board on February 27, 2009.

Sincerely,

A handwritten signature in cursive script that reads "Kevin P. Reilly".

Kevin P. Reilly
President

**PROPOSED 2009-2010 FORMULA
WISCONSIN HIGHER EDUCATION GRANT
UNIVERSITY OF WISCONSIN SYSTEM**

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Recommendation of the University of Wisconsin System President Kevin Reilly:

(\$6,560 – EFC) x 50% = Award

(Student Budget – Expected Family Contribution) x Student Award Percentage = Award

Maximum Award: \$3,280 Minimum Award: \$974

Recommendation of Executive Secretary Connie Hutchison:

Agrees with recommendation of President Reilly

Other Information

2009-2010 Appropriation: \$63,024,200¹ per Governor's budget and subject to change

2008-2009 Appropriation: \$55,000,000

2007-2008 Appropriation: \$50,000,000

2006-2007 Appropriation: \$39,280,600

Current Formula - 0809:

(\$5,960 – EFC) x 50% = Award

(Student Budget – Expected Family Contribution) x Student Award Percentage = Award

Maximum Award: \$2,980 Minimum Award: \$674

Current Year Spending: All of the 2008-2009 funds will be spent.

Applicants: As of February 10, 2009 there were 89,476 applicants compared to 86,624 at the same time last year.

¹ The 2009 – 2010 appropriation is not final until the budget bill goes through the legislative process and is signed by the Governor.