

DISCUSSION/ACTION
February 13, 2015

HIGHER EDUCATIONAL AIDS BOARD

BOARD REPORT #15-11

2015-16 WISCONSIN GRANT-PNP PROGRAM FORMULA

**PROPOSED 2015-2016 FORMULA
WISCONSIN GRANT-PRIVATE, NON-PROFIT (PNP)**

**February 13, 2015
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WISCONSIN GRANT-PNP

Introduction

HEAB administers the Wisconsin Grant-PNP which provides grants to students attending Wisconsin private, independent non-profit colleges and universities. Grants are awarded based on the economic needs of students. Grant recipients apply through the Federal Department of Education using the FAFSA (Free Application for Federal Student Aid). The Higher Educational Aids Board reviews and approves the Wisconsin Grant-PNP formula for the upcoming school year at its February/March meeting.

The structure of the WG-PNP formula is outlined in Wisconsin State Statutes (39.30). There are six steps in the formula and grants are calculated differently for dependent and independent students. The current formula is included for review (see Table 2).

Recommendations:

Recommendation of Wisconsin Association of Independent Colleges and Universities (WAICU) President Dr. Rolf Wegenke:

Maximum award: \$2,900

Minimum award: \$1,000

Inflation Factors: Dependent 340% Independent 740%

UW-Madison Tuition: \$10,410

Base Maintenance: \$8,500

The proposed formula is outlined in Dr. Rolf Wegenke's letter which is attached and is illustrated in Table 1 of this document.

Other Information:

2015-2016 Appropriation: \$26,870,300

2014-2015 Appropriation: \$26,870,300

2013-2014 Appropriation: \$27,870,300

2012-2013 Appropriation: \$26,870,300

2011-2012 Appropriation: \$26,870,300

2010-2011 Appropriation: \$26,870,300

Current Year Spending: All of the 2014-15 funds will be spent. Awards were suspended August 20, 2014.

Other Provisions: WTG is pro-rated: 50% award for 6-8 credits; 75% award for 9-11 credits; full award for 12 or more credits. WG-PNP is also tuition specific and has a statutory over-committed maximum of 122%.

**Wisconsin Grant-PNP
Recommended 2014-2015 Formula
Table 1**

		DEPENDENT	INDEPENDENT
STEP ONE	TUITION	14,000	14,000
(Tuition is set by each school: \$14,000 is used as an example.)			
	- UW MADISON TUITION¹	10,410	10,410
	NET TUITION	3,590	3,590
STEP TWO	TUITION	14,000	14,000
(insert actual tuition charged)			
	+ BASE MAINTENANCE²	8,500	8,500
	TOTAL COST	22,500	22,500
STEP THREE	NET TUITION	3,590	3,590
	DIVIDED BY TOTAL COST	22,500	22,500
	FAMILY CONTRIBUTION PERCENTAGE	.1596	.1596
STEP FOUR	EXPECTED FAMILY CONTRIBUTION	1500	1500
(Insert actual EFC ³)			
	X INFLATION FACTOR⁴	340	740
	ADJUSTED FAMILY CONTRIBUTION	5,100	11,100
STEP FIVE	ADJUSTED FAMILY CONTRIBUTION	5,100	11,100
	X FAMILY CONTRIBUTION PERCENTAGE	.1596	.1596
	TUITION OFFSET	814	1772
STEP SIX	NET TUITION	3,590	3,590
	- TUITION OFFSET	814	1,772
	GRANT AMOUNT	2,776	1,818
	ACTUAL GRANT (MAXIMUM)⁵	2,776	1,818
	MAXIMUM GRANT ⁶	2,900	2,900
	MINIMUM GRANT ⁷	1,000	1,000

¹ Previous year tuition at UW – Madison determined for WG-PNP purposes.

² **Base Maintenance** is a number that is determined during the formula approval process.

³ **EFC** is the individual student data retrieved from the FAFSA.

⁴ **Inflation Factor** is similar to the Student Award Percentage in the other Wisconsin Grant sector formulas. This number can be manipulated during the formula approval process.

⁵ **Actual Grant**: This number will increase or decrease for each school when actual tuitions are used for calculations. \$14,000 is used as an example tuition to show how Wisconsin Grant-PNP awards are calculated.

⁶ **Maximum Grant** is set during the formula approval process.

⁷ **Minimum Grant** is set during the formula approval process

**Wisconsin Grant-PNP
2014-2015 Formula
Table 2**

		DEPENDENT	INDEPENDENT
STEP ONE	TUITION	14,000	14,000
	(Tuition is set by each school: \$14,000 is used as an example.)		
	- UW MADISON TUITION¹	10,402	10,402
	NET TUITION	3,598	3,598
STEP TWO	TUITION	14,000	14,000
	(insert actual tuition charged)		
	+ BASE MAINTENANCE²	8,500	8,500
	TOTAL COST	22,500	22,500
STEP THREE	NET TUITION	3,598	3,598
	DIVIDED BY TOTAL COST	22,500	22,500
	FAMILY CONTRIBUTION PERCENTAGE	.1599	.1599
STEP FOUR	EXPECTED FAMILY CONTRIBUTION	1500	1500
	(Insert actual EFC ³)		
	X INFLATION FACTOR⁴	340	740
	ADJUSTED FAMILY CONTRIBUTION	5,100	11,100
STEP FIVE	ADJUSTED FAMILY CONTRIBUTION	5,100	11,100
	X FAMILY CONTRIBUTION PERCENTAGE	.1599	.1599
	TUITION OFFSET	815	1,775
STEP SIX	NET TUITION	3,598	3,598
	- TUITION OFFSET	815	1,775
	GRANT AMOUNT	2,783	1,823
	ACTUAL GRANT (MAXIMUM)⁵	2,783	1,823
	MAXIMUM GRANT ⁶	2,900	2,900
	MINIMUM GRANT ⁷	1,000	1,000

¹ Previous year tuition at UW – Madison determined for WG-PNP purposes.

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