

**DISCUSSION/ACTION**  
**February 24, 2017**

**HIGHER EDUCATIONAL AIDS BOARD**

**BOARD REPORT #17-16**

**2016-17 WISCONSIN GRANT - PNP PROGRAM FORMULA CHANGE**

**PROPOSED 2016-17 FORMULA  
WISCONSIN GRANT-PRIVATE, NON-PROFIT (PNP)**

**February 24, 2017  
Board Report #17-16**

**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: \$3,000

Minimum award: \$1,000

Inflation Factors: Dependent 340%                      Independent 740%

UW-Madison Tuition: \$10,416

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:

**2016-2017 Appropriation: \$26,870,300**

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:** With this formula change, all 2016-17 funds will be spent.

**Other Provisions:** WG-PNP 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 2016-17 Formula  
Table 1**

		DEPENDENT	INDEPENDENT
<b>STEP ONE</b>	TUITION	14,000	14,000
	(Tuition is set by each school: \$14,000 is used as an example.)		
	<b>- UW MADISON TUITION<sup>1</sup></b>	<b>10,416</b>	<b>10,416</b>
	NET TUITION	3,584	3,584
<b>STEP TWO</b>	TUITION	14,000	14,000
	(insert actual tuition charged)		
	<b>+ BASE MAINTENANCE<sup>2</sup></b>	<b>8,500</b>	<b>8,500</b>
	TOTAL COST	22,500	22,500
<b>STEP THREE</b>	NET TUITION	3,584	3,584
	DIVIDED BY TOTAL COST	22,500	22,500
	FAMILY CONTRIBUTION PERCENTAGE	.1593	.1593
<b>STEP FOUR</b>	EXPECTED FAMILY CONTRIBUTION	1500	1500
	(Insert actual EFC <sup>3</sup> )		
	<b>X INFLATION FACTOR<sup>4</sup></b>	<b>340</b>	<b>740</b>
	ADJUSTED FAMILY CONTRIBUTION	5,100	11,100
<b>STEP FIVE</b>	ADJUSTED FAMILY CONTRIBUTION	5,100	11,100
	X FAMILY CONTRIBUTION PERCENTAGE	.1593	.1593
	TUITION OFFSET	812	1768
<b>STEP SIX</b>	NET TUITION	3,584	3,584
	- TUITION OFFSET	812	1,768
	GRANT AMOUNT	2,772	1,816
	<b>ACTUAL GRANT (MAXIMUM)<sup>5</sup></b>	<b>2,772</b>	<b>1,816</b>
	MAXIMUM GRANT <sup>6</sup>	3,000	3,000
	MINIMUM GRANT <sup>7</sup>	<b>1,000</b>	<b>1,000</b>

<sup>1</sup> Previous year tuition at UW – Madison determined for WG-PNP purposes.

<sup>2</sup> **Base Maintenance** is a number that is determined during the formula approval process.

<sup>3</sup> **EFC** is the individual student data retrieved from the FAFSA.

<sup>4</sup> **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.

<sup>5</sup> **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.

<sup>6</sup> **Maximum Grant** is set during the formula approval process.

<sup>7</sup> **Minimum Grant** is set during the formula approval process

**Wisconsin Grant-PNP  
2015-16 Formula  
Table 2**

		DEPENDENT	INDEPENDENT
<b>STEP ONE</b>	TUITION	14,000	14,000
	(Tuition is set by each school: \$14,000 is used as an example.)		
	<b>- UW MADISON TUITION<sup>1</sup></b>	<b>10,410</b>	<b>10,410</b>
	NET TUITION	3,590	3,590
<b>STEP TWO</b>	TUITION	14,000	14,000
	(insert actual tuition charged)		
	<b>+ BASE MAINTENANCE<sup>2</sup></b>	<b>8,500</b>	<b>8,500</b>
	TOTAL COST	22,500	22,500
<b>STEP THREE</b>	NET TUITION	3,590	3,590
	DIVIDED BY TOTAL COST	22,500	22,500
	FAMILY CONTRIBUTION PERCENTAGE	.1596	.1596
<b>STEP FOUR</b>	EXPECTED FAMILY CONTRIBUTION	1500	1500
	(Insert actual EFC <sup>3</sup> )		
	<b>X INFLATION FACTOR<sup>4</sup></b>	<b>340</b>	<b>740</b>
	ADJUSTED FAMILY CONTRIBUTION	5,100	11,100
<b>STEP FIVE</b>	ADJUSTED FAMILY CONTRIBUTION	5,100	11,100
	X FAMILY CONTRIBUTION PERCENTAGE	.1596	.1596
	TUITION OFFSET	814	1,772
<b>STEP SIX</b>	NET TUITION	3,590	3,590
	- TUITION OFFSET	814	1,772
	GRANT AMOUNT	2,776	1,818
	<b>ACTUAL GRANT (MAXIMUM)<sup>5</sup></b>	<b>2,776</b>	<b>1,818</b>
	MAXIMUM GRANT <sup>6</sup>	2,900	2,900
	MINIMUM GRANT <sup>7</sup>	<b>1,000</b>	<b>1,000</b>

<sup>1</sup> Previous year tuition at UW – Madison determined for WG-PNP purposes.

<sup>2</sup> **Base Maintenance** is a number that is determined during the formula approval process.

<sup>3</sup> **EFC** is the individual student data retrieved from the FAFSA.

<sup>4</sup> **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.

<sup>5</sup> **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.

<sup>6</sup> **Maximum Grant** is set during the formula approval process.

<sup>7</sup> **Minimum Grant** is set during the formula approval process.