

DISCUSSION/ACTION
October 30, 2020

HIGHER EDUCATIONAL AIDS BOARD

BOARD REPORT #21-12

2021-22 WISCONSIN GRANT - UW PROGRAM FORMULA



Office of the President
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October 20, 2020

Via Electronic Mail

Connie Hutchison, PhD
Executive Secretary
Higher Educational Aids Board
4822 Madison Yards Way, Seventh Floor
PO Box 7885
Madison, WI 53707-7885

Dear Executive Secretary Hutchison:

Thank you for the opportunity to forward the University of Wisconsin System's recommendation on the 2021-22 Wisconsin Grant formula. UW System Financial Aid Directors have submitted a recommendation for the 2021-22 funding formula for my approval.

My recommendation for the 2021-22 formula is that it distribute grants using the same formula that was used in 2020-21. This would include a budget of \$7,500 and a rationing factor of 42 percent, with a maximum expected family contribution of \$5,600. The maximum award would remain at \$3,150 and the minimum at \$798.

My recommendation also includes a second tier if funds are available. The second tier would expand the maximum expected family contribution to \$8,500 and students would be awarded the minimum Wisconsin Grant of \$798.

The UW System continues to use the institutional allocation approach that was initially implemented during 2011-12. For 2021-22, we are proposing that grants continue to be provided to students in proportion to the latest year (2019-20) of Pell Grants received for \$5,600 expected family contribution and below at each UW institution.

The Wisconsin Grant formula continues to strike the difficult balance between funding as many eligible students as possible while still providing grants in meaningful amounts that will help low-income students access a UW education. We believe the current formula uses the state's investment in the most effective manner.



I want to offer my appreciation to the HEAB staff for their hard work and support of the Wisconsin Grant Program. I look forward to hearing your final decision following the meeting of the Higher Educational Aids Board on October 30, 2020.

Sincerely,



Tommy G. Thompson
President, UW System

CC: Regents
Chancellors
Cabinet
Financial Aid Officers

**PROPOSED 2021-2022 FORMULA
WISCONSIN GRANT
UNIVERSITY OF WISCONSIN SYSTEM**

**October 30, 2020
BOARD REPORT #21-12**

Recommendation of the University of Wisconsin System President Tommy Thompson:

(\$7,500– EFC) x 42% = Award

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

Maximum Award: **\$3,150** Minimum Award: **\$798**

Other Information:

2021-2022 Appropriation: 61,894,100

2020-2021 Appropriation: \$61,894,100

2019-2020 Appropriation: \$61,894,100

2018-2019 Appropriation: \$61,894,100

2017-2018 Appropriation: \$60,487,500

2016-2017 Appropriation: \$58,345,400

2015-2016 Appropriation: \$58,345,400

2014-2015 Appropriation: \$58,345,400

Current Formula - 2021:

(\$7,500 – EFC) x 42% = Award

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

Maximum Award: \$3,150 Minimum Award: \$798

Current Year Spending: All the 2020-2021 funds will be spent.