

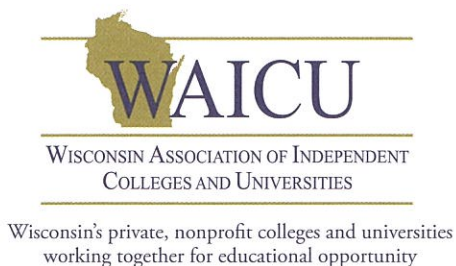
ACTION
November 8, 2024

HIGHER EDUCATIONAL AIDS BOARD

BOARD REPORT #25-09

25-26 WI Grant Formula Private Non-Profit Colleges Request

Alverno College
Bellin College
Beloit College
Carroll University
Carthage College
Concordia University Wisconsin
Edgewood College
Herzing University
Lakeland University
Lawrence University
Marian University



Marquette University
Medical College of Wisconsin
Milwaukee Institute of Art & Design
Milwaukee School of Engineering
Mount Mary University
Nashotah House
Northland College
Ripon College
St. Norbert College
Viterbo University
Wisconsin Lutheran College

November 8, 2024

Robert Bode, Chair
Tammie DeVooght, Executive Secretary
Higher Educational Aids Board
4822 Madison Yards Way, Seventh Floor
P.O. Box 7885
Madison, WI 53707-7885

Dear Chair Robert Bode and Executive Secretary Tammie DeVooght,

As directed by Wisconsin statute, I am submitting the Wisconsin Association of Independent Colleges and Universities (WAICU) recommendation for the Wisconsin Grants funding formula for low-income Wisconsin students attending private, nonprofit colleges and universities.

WAICU's goal in recommending the formula components continues to be in alignment with WAICU's mission: "working together for educational opportunity." The Wisconsin Grant is the primary state-funded need-based financial aid program for Wisconsin students attending private, nonprofit colleges and universities. With the matching funds and other funding provided to students attending private, nonprofit institutions, the Wisconsin Grant represents a significant return on investment of taxpayer funding for the State of Wisconsin.

WAICU recommends setting the maximum grant at \$4,850 and the minimum award at \$1,000 with five tiers of Student Aid Index (SAI) eligibility and proration grant awards based on enrollment status. WAICU would also like to recommend an additional sixth tier of SAI eligibility should there be sufficient funds and to award additional amounts within the third and fourth tiers should there be sufficient funds in the private, nonprofit appropriation (see attached SAI tiers). WAICU reserves the right to recommend modifications in the formula, particularly if additional funds are allocated for the Wisconsin Grant.

Wisconsin Grants are a proven, cost-effective vehicle for expanding opportunity. By expanding state grant aid and targeting those who, without help, could not attend a college or university, Wisconsin will expand its qualified workforce. State appropriations for need-based aid also help ensure that low-income students who do enroll in college emerge with an on-time degree and manageable debt levels.

Both traditional and nontraditional students are treated the same under this formula proposal, as is the case with our public sector counterparts.

This spring, WAICU will be advocating for increases to the Wisconsin Grant appropriation as Wisconsin has fallen considerably behind other Midwest states, particularly for students attending

Chair Bode and
Executive Secretary DeVooght
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private, nonprofit institutions. Wisconsin now ranks last among our Midwestern counterparts in need-based aid for students attending private, nonprofit institutions. This serves as a disincentive for students to stay in Wisconsin for college.

Higher education continues to be the pathway to enhance economic mobility for low-income and first-generation students and their families. Higher education's rate of return at 14 percent consistently outperforms stocks at 7 percent and bonds at 3 percent as a means to increase personal and generational wealth.

Unlike public institutions, WAICU members do not receive direct operating support from taxpayers. Students attending public institutions, regardless of income, receive a subsidy to bring down the cost of tuition. WAICU has set an SAI range to ensure that low and low-middle income students are eligible for funding. WAICU is committed to the public-private partnership between member institutions and the State of Wisconsin. In addition to the state and federal aid low-income students may receive, WAICU members help students by:

- Raising funds. Ninety-one percent of grant aid distributed to students enrolled in Wisconsin private, nonprofit colleges or universities are private funds raised/provided by the institutions themselves.
- Educating more than 51,000 students each year and graduating 24 percent of the state's bachelor's degrees and 34 percent of the state's graduate degrees.

I want to thank you and the Higher Educational Aids Board (HEAB) staff, particularly Sherrie Nelson and Joy Dyer, for working with WAICU members and WAICU staff in developing this new methodology. HEAB staff consistently promote a positive and constructive working relationship as they work with limited agency budget resources.

Should you have questions or concerns regarding this WAICU recommendation, please do not hesitate to contact me.

Sincerely,



Eric W. Fulcomer, PhD
President

Attachment

cc: WAICU Presidents
WAICU Financial Aid Directors Group

Private, Nonprofit Wisconsin Grant

Maximum Award \$4,850

Minimum Award \$1,000

	Tier 1	Tier 2	Tier 3	Tier 4	Tier 5	Tier 6 (2 nd Tier Funds)
SAI Tier	-1,500	8,001	10,001	12,001	14,001	16,001
	8,000	10,000	12,000	14,000	16,000	18,000
2025-2026	\$4,850	\$4,850	\$3,567	\$2,283	\$1,000	\$0