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Joint Committee on Finance – March 31, 2011

Afternoon
Good Morning Co Chairs Darling and Vos and other members of the Committee

I am Sherrie Nelson the Interim Administrator for the Higher Educational Aids Board – I have been the Interim Administrator since January. I have been with HEAB for a number of years but prior to January I was the Policy Administrator. Thank you for the opportunity to appear before the committee to comment on the budget bill that affects Higher Educational Aids Board.

The Higher Educational Aids Board is responsible for the management and oversight of the states student financial aid for WI residents attending institutions of higher education.

In Governor Walkers proposed budget the Higher Educational Aids Board will be the sole administrator

of the WI Covenant Scholars program. Governor Walker has also provided funding for one project position along with one LTE position. In the past few months, our programmer and a consultant have been writing programming language to administer the WI Covenant Scholars program. The staff at the Higher Educational Aids Board has reviewed the data and feel that we will soon (in the next week or two) be able to provide a document to the schools that will give them the eligible scholars for the program. We are very excited about rolling this program out to the colleges and universities of WI.

We appreciate Governor Walker's commitment to education and are very thankful that there were no cuts to the financial aid programs. I would however, like to bring your attention to some of our concerns for the Wisconsin Higher Education Grant for the

UW, Technical Schools, Tribal Colleges and the Wisconsin Tuition Grant.

When awarding financial aid for Wisconsin students HEAB commits its' funding to a proven percentage based on historical data. Each of the major programs has a different percentage that the funds are committed to, and especially with the downturn of the economy, we have had to waitlist students earlier and earlier. Wait listing a student means that no award is calculated even though the student may be eligible for an award. We waitlist students based on either the date of the application or date of transfer. For this academic year the students who were eligible for Wisconsin Higher Education Grant (WHEG) and attended the U W system were waitlisted on July 28th 2010 – the year prior it was July 2, 2009. Based on data from January 18th we have 7,551 students that

are waitlisted and the unmet need dollar amount is \$16,753,660.

Eligible students for the Wisconsin Higher Education Grant and attend Technical colleges were waitlisted on May 6, 2010 and the year prior it was June 4, 2009. The number of wait listed students based on data from January 18th is 40,762 and the unmet need is \$45,238,306.

Students who are eligible for Wisconsin Higher Educational Grant and attend the Tribal colleges were waitlisted on July 1, 2010 – the number of waitlisted students for the tribal colleges is 685 with \$1,233,000 of unmet need.

The Wisconsin Tuition Grant for students who attend the private and independent colleges of Wisconsin has also seen this trend. For the academic year 2010-

2011 wait listing was applied on June 25, 2010 but the previous year they were applied on June 3, 2009. As of January 18, 2011 we have 3,351 students waitlisted with an unmet need of \$8,824,225.

This trend has been demonstrated by the increase in financial aid applicants, as of February 15 we have received 356,458 applicants whereas, our total applicant pool for 2009-2010 academic year was 345,025.