

HIGHER EDUCATIONAL AIDS BOARD

Budget Summary						FTE Position Summary				
Fund	2006-07 Adjusted Base	Request		2007-09 Change Over Base Year Doubled		2006-07	Request		2008-09 Over 2006-07	
		2007-08	2008-09	Amount	%		2007-08	2008-09	Number	%
GPR	\$99,244,900	\$128,977,100	\$133,950,100	\$64,437,400	32.5%	11.86	11.50	11.50	- 0.36	- 3.0%
FED	1,707,900	1,354,500	1,354,500	- 706,800	- 20.7	0.00	0.00	0.00	0.00	0.0
PR	<u>1,192,600</u>	<u>1,192,600</u>	<u>1,192,600</u>	<u>0</u>	0.0	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	0.0
TOTAL	\$102,145,400	\$131,524,200	\$136,497,200	\$63,730,600	31.2%	11.86	11.50	11.50	- 0.36	- 3.0%

Major Request Items

1. STANDARD BUDGET ADJUSTMENTS

Funding Positions		
GPR	-\$40,600	- 2.00

Request adjustments to the base budget of -\$20,300 annually for: (a) removing noncontinuing elements from the base (-\$45,800 and -2.0 project positions annually); (b) full funding of salaries and fringe benefits (\$22,000 annually); and (c) reclassifications (\$3,500 annually).

2. VETERAN'S TUITION REMISSION REIMBURSEMENT

GPR	\$24,676,300
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Request \$11,563,900 in 2007-08 and \$13,112,400 in 2008-09 to reimburse the UW System and Wisconsin Technical College System district boards for tuition and fees remitted to veterans and certain dependents. Under current law, UW System institutions and Wisconsin technical colleges must remit 100% of tuition, for up to 128 credits or 8 semesters, whichever is longer, to students who are veterans and who: (a) entered service from Wisconsin; (b) are current residents; and (c) whose service meets certain criterion. In addition, UW System institutions and Wisconsin technical colleges must remit 100% of tuition, for up to 128 credits or 8 semesters, whichever is longer, to a student who is the spouse, the unremarried surviving spouse, or the child of any veteran who entered service from Wisconsin and either incurred at least a 30% service-connected disability or, while a resident of this state, died on active duty or on inactive duty for training purposes. This benefit is available to the spouse or the unremarried surviving spouse for the first ten years after the veteran received a disability rating or after the death of the veteran. Children are eligible for remission while they are at least 18 but not yet 26 years old and enrolled full-time.

3. AFFORDABLE COLLEGE EDUCATION (ACE) GRANT

	Funding	Positions
GPR	\$21,332,600	1.00

Request \$9,617,700 in 2007-08 and \$11,619,000 in 2008-09 and create the affordable college education (ACE) grant program. The ACE program would provide grants equal to tuition minus all other state and federal grants to all eligible resident undergraduate students. Program eligibility would be based on the student's eligibility for federal Pell Grants and the reduced-price lunch program under the federal National School Lunch Act. Request \$41,800 in 2007-08 and \$54,100 in 2008-09 and 1.0 position beginning in 2007-08 as staff for this program.

4. WHEG-UW INCREASE

GPR	\$16,517,300
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Request \$7,556,100 in 2007-08 and \$8,961,200 in 2008-09 over the 2006-07 base of \$39,280,600 to increase funding for Wisconsin higher education grants (WHEG) for University of Wisconsin students. The request would increase funding by 19.2% over the 2007-08 and an additional 3.0% in 2008-09. The WHEG-UW program provides need-based financial aid to students at the UW System.

5. ACADEMIC EXCELLENCE SCHOLARSHIP

GPR	\$1,891,600
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Request \$945,800 annually and increase the maximum annual award from \$2,250 to \$3,000. This would increase the state's portion of awards from \$1,125 to \$1,500 per student; the remainder of the increase would be paid by the educational institution.

6. ADDITIONAL POSITION AUTHORITY

	Funding	Positions
GPR	\$60,200	0.64

Request \$27,200 in 2007-08 and \$33,000 in 2008-09 and 0.64 position beginning in 2007-08. This authority would be used to hire a 0.50 office management specialist and to increase an existing information systems computer professional position to full-time.

7. REESTIMATE FEDERAL REVENUES

FED	-\$706,800
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Reestimate federal revenues by -\$353,400 annually to reflect an anticipated decrease in funding under the special leveraging educational assistance program (SLEAP) and the Paul Douglas scholarship. SLEAP funds provide additional support for the state's talent incentive program (TIP); the Paul Douglas scholarship program, which was repealed in 1995-96, provided loan forgiveness to students who graduated in the top 10% of their high school class and become teachers.

8. LINK TUITION GRANT FUNDING TO INCREASES IN TUITION AT UW-MADISON

Request statutory language to link increases in tuition grant (TG) funding to increases in tuition charged by the University of Wisconsin-Madison. The TG program provides need-based grants to resident undergraduates who attend private, nonprofit postsecondary institutions in Wisconsin. By statute, the value of these grants is determined using a formula based on tuition at UW-Madison. In addition, HEAB requests that the TG appropriation be modified so that an unexpended balance from one biennium may be carried forward into the next biennium.

9. LINK WHEG-WTCS TO INCREASES IN WTCS TUITION

Request statutory language to link funding for the Wisconsin higher education grant appropriation for the Wisconsin technical college system (WHEG-WTCS) to increases in tuition at technical college institutions. WHEG-WTCS provides need-based grants to resident undergraduate students enrolled at least half-time at WTCS institutions. In addition, HEAB requests that the WHEG-WTCS appropriation be modified so that an unexpended balance from one biennium may be carried forth into the next biennium.

10. LINK MAXIMUM WHEG AWARDS TO UW-MADISON TUITION

Request statutory language to set the maximum value of a Wisconsin higher education grant (WHEG) at 50% of resident undergraduate tuition charged by the University of Wisconsin-Madison in the previous academic year. The WHEG program provides need-based grants to resident undergraduate students enrolled at least half-time at UW institutions, technical college institutions, and tribal colleges located in the state. Under current law, the maximum grant is set at \$3,000.

10% Budget Reduction Plan

	<u>Amount of Reduction</u>	
	<u>2007-08</u>	<u>2008-09</u>
General Purpose Revenue (GPR)		
Reduce State Operations Funding. Delete \$73,000 including: (a) \$43,900 for computer center mainframe costs; (b) \$1,500 for travel; (c) \$3,000 for phone; (d) \$1,900 for Department of Administration charges; and (e) \$15,400 for miscellaneous charges.	\$73,000	\$73,000