

State of Wisconsin
Higher Educational Aids Board
Meeting Minutes
July 18, 2003

Board Members Present: Steve Van Ess, Mary Jo Green, Debra McKinney, Sandra Dercole, Gregory Gracz, Ann Neviaser

HEAB Staff Present: Sherrie Nelson, John Whitt, Mary Lou Kuzdas, Nancy Wilkison

Others Present: Rolf Wegenke, WAICU; Paul Nelson, WAICU; Tom Heffron, WTCSB; Kristen Hendrickson, UW System Administration; Andy Richards, UW System Administration; Robinson J. Binau, Department of Administration; Timothy Casper, Office of the Governor; Margaret Zitzer, Marquette University; Kevin Ingram, DPI-WEOP.

Vice-Chair Steve Van Ess called the meeting to order at 9:00 a.m.

APPROVAL OF MINUTES:

The motion was made by Debra McKinney to approve the minutes of the February 28, 2003 Board meeting and was seconded by Sandra Dercole. The minutes were approved. Debra McKinney then moved to approve the minutes of the March 25, 2003 Board tele-conference. It was seconded by Ann Neviaser and approved. And finally a motion was made by Ann Neviaser to approve the minutes of the April 16, 2003 Board tele-conference, it was seconded by Debra McKinney and approved.

Steve Van Ess addressed a question posed by Ann Neviaser regarding the status of the Board following the Governor's recent proposed elimination of the Higher Educational Aids Board. By a unanimous vote the Joint Finance Committee recommended deletion of the provision. R.J. Binau from the Department of Administration clarified the subject by saying that what the Joint Finance Committee did in essence was to return to current law which provides for the existence of the HEAB. In the upcoming veto and budget approval process, the Governor will be unable to veto current law leaving things as they stand with HEAB. It was also noted that several of the current members have terms which expire in the current year. In the past, members remained in their position until the Governor appointed a replacement. Tim Casper, the representative from the Office of the Governor, stated that they are currently looking for candidates to fill the open positions on the Board as well as the Executive Secretary vacancy.

REPORT OF THE ACTING ADMINISTRATOR:

The Board was updated on new activity by the Acting Administrator, Sherrie Nelson. HEAB is continuing to streamline its processes. The Notification Lists continue to be sent out electronically and now the Error Lists will be as well, which has cut down costs tremendously. A survey was sent out to the colleges to gather information regarding the use and effectiveness of the Notification Lists. As soon as the data is compiled it will be made available to the Board.

HEAB's website has received almost 62,000 hits for the month of June, an average of 2,059 Home Page Hits per day.

On the first of May HEAB sent out two Press Releases to Wisconsin media. The first announced the Joint Committee on Finance approval of the 2003-04 Administrative Memorandum for the

Minnesota-Wisconsin Interstate Tuition Reciprocity Program. By approving the memorandum, the committee has ensured that the program will continue to serve Wisconsin residents who wish to go to Minnesota for their college education. The second Press Release announced that the recipients of the 2003 Academic Excellence Scholarship (AES) have been named. Eight hundred eighty scholars from over 500 Wisconsin high schools were selected. The AES is awarded through local school districts to the senior or seniors with the highest grade point average in all subjects.

At the February 28th Board meeting there was discussion regarding the Talent Incentive Program (TIP) rule change to the Administrative Rules. At that time the Board recommended that changes be made to include Military Service as an exception to the policy stating a student must be continuously enrolled from semester to semester and year to year to receive the TIP Grant. This change will be published in August to take effect in September.

There are two legislative bills of interest which HEAB is tracking. Assembly Bill 342 mirrors a Federal law stating that students who are convicted of state or federal crimes involving the use or sale of drugs are ineligible for federal student assistance. Assembly Bill 342 asks that the same rule apply to students applying for state assistance. Assembly Bill 422 increases the maximum amount of an Indian Student Assistance Grant that is funded from Indian gaming receipts to \$3,200 per year and eliminates tribal matching contributions. Presently the grant may not exceed \$2,200 per year, of which not more than \$1,100 may be from an appropriation to HEAB of Indian gaming receipts. These bills have both been referred to the Assembly Committee on Colleges and Universities.

Board members received The National Association of State Student Grant & Aid Program's (NASSGAP) 33rd Annual Survey Report on State-Sponsored Student financial Aid for the 2001-2002 Academic Year. States awarded about \$6 billion in total state funded student financial aid. The majority of state aid is in the form of grants with \$5.14 billion in need and non-need-based student grant aid going to more than 3.1 million students, an increase of 9.8% in expenditures over 2000-2001. Of the grants awarded, 75% was need-based aid to undergraduate and graduate students, while 25% was non-need-based grant aid to undergraduates and graduates. These percentages show almost no change from the 76% and 24% awarded, respectively, in 2000-2001. For additional copies of the NASSGAP Report go to www.nassgap.org.

Three articles were passed out regarding new developments in the awarding of Federal student aid. A routine update of the formula the federal government uses to calculate a student's need for aid will shift more of the financial burden of college onto students. The change to update the tax data used in the formula would reduce the government's contribution to higher education by the hundreds of millions of dollars. The formula is used to calculate how much money families can contribute to their child's education. Democrats have attempted to have this adjustment suspended until further analysis can be completed.

BOARD REPORT #04-01 MINNESOTA-WISCONSIN RECIPROCITY PROGRAM APPROVED ADMINISTRATIVE MEMORANDUM OF UNDERSTANDING

Annually the Joint Committee on Finance reviews the Administrative Memorandum for the Minnesota-Wisconsin Interstate Tuition Reciprocity Program. Minnesota and Wisconsin as well as the Joint Finance Committee have approved the memorandum presented. The basic agreement remains the same.

BOARD REPORT #04-02 STATUS OF 2002-03 AND 2003-04 APPLICANTS AND PROGRAMS

In 2002-03 WHEG-UW has committed 135.88% (\$30,179,150) of its appropriation with 24,506 awards. This is 1457 more awards and 1.4% less committed than at this time last year. Note that "W" and "Z" codes have been implemented due to an increase in eligible applicants. The final commitment for 2001-02 was 134.95%. WHEG-WTC has committed 169.97% (\$24,386,441) of its appropriation with 28,513 awards. This is 114 more awards and 1.35% less committed than at this time last year. The "W" and "Z" codes were used, again due to a dramatic increase in eligible

applicants. The final commitment for 2001-02 was 171.72%. WTG has committed 116.73% (\$26,295,900) of its appropriation with 12,092 awards. This is 267 more awards and 5.22% less committed than at this time last year. The final commitment for 2001-02 was 121.95%. The number of applicants through June 13, 2003, for the 2002-03 academic year was 209,276.

In the current academic year WHEG-UW has committed 121.47% (\$26,528,127) of its appropriation with 20,311 awards. This is 2,511 more awards and 23.93% more committed than at this time last year. The final commitment for 2002-03 was 135.88%. WHEG-WTC has committed 128.89% (\$19,171,595) of its appropriation with 22,266 awards. This is 3,088 more awards and 14.89% more committed than at this time last year. The final commitment for 2002-03 was 169.97%. WTG has committed 114.16% (\$25,234,300) of its appropriation with 10,704 awards. This is 131 less awards and 6.82% more committed than at this time last year. The final commitment for 2002-03 was 116.73%. The number of applicants through July 16, 2003 for the 2003-04 academic year is 159,471. Last year at this time there were 147,333 applicants.

ELECTION OF BOARD OFFICERS

Elections were held for the three Board officer positions, Chairman, Vice-Chairman, and Secretary. Steve Van Ess opened the floor to nominations for Chairman. Ann Neviasher nominated Steve and the nomination was seconded by Debra McKinney. No other nominations were forthcoming and Steve was elected unanimously to the position. Nominations for the position of Vice-Chairman were taken. Sandra Dercole nominated Ann Neviasher and it was seconded by Gregory Gracz. With no other nominations Ann was unanimously voted into the position. Nominations for Secretary were accepted. Sandy Dercole nominated current Secretary Mary Jo Green and the nomination was seconded by Debra McKinney. She was unanimously voted to retain the position.

NEW BUSINESS

Dates were chosen for the next four Board meetings. They are as follows: October 24, 2003; February 27, 2004; April 30, 2004; and July 30, 2004.

Steve asked Sherrie Nelson to briefly speak on the subject of the new residency determination policy. In the July Monthly Memo sent to all financial aid administrators, it was stated that due to anticipated budget cuts and in an effort to further streamline our processes, we have changed the residency policy. If a financial aid office has documentation on file to support or deny residency that differs from the status reported on the Graduate Non-Resident Error Report they can email HEAB to update the residency status. If the college cannot resolve a residency issue they can contact the grant coordinator for a determination.

Steve Van Ess brought up the subject of increasing numbers of students spending time away from college to attend classes abroad or under a consortium agreement with their college to attend classes on another campus in another state. This may bring up questions of eligibility for programs such as the Academic Excellence Scholarship in the future. Steve asked that the HEAB staff look into the subject further perhaps by collecting aid administrator's opinions to form new policy.

Sandra Dercole moved that the meeting be adjourned, second by Ann Neviasher, and Chairman Steve Van Ess adjourned the meeting at 10:05.