



Financial Aid Provided to UW Students

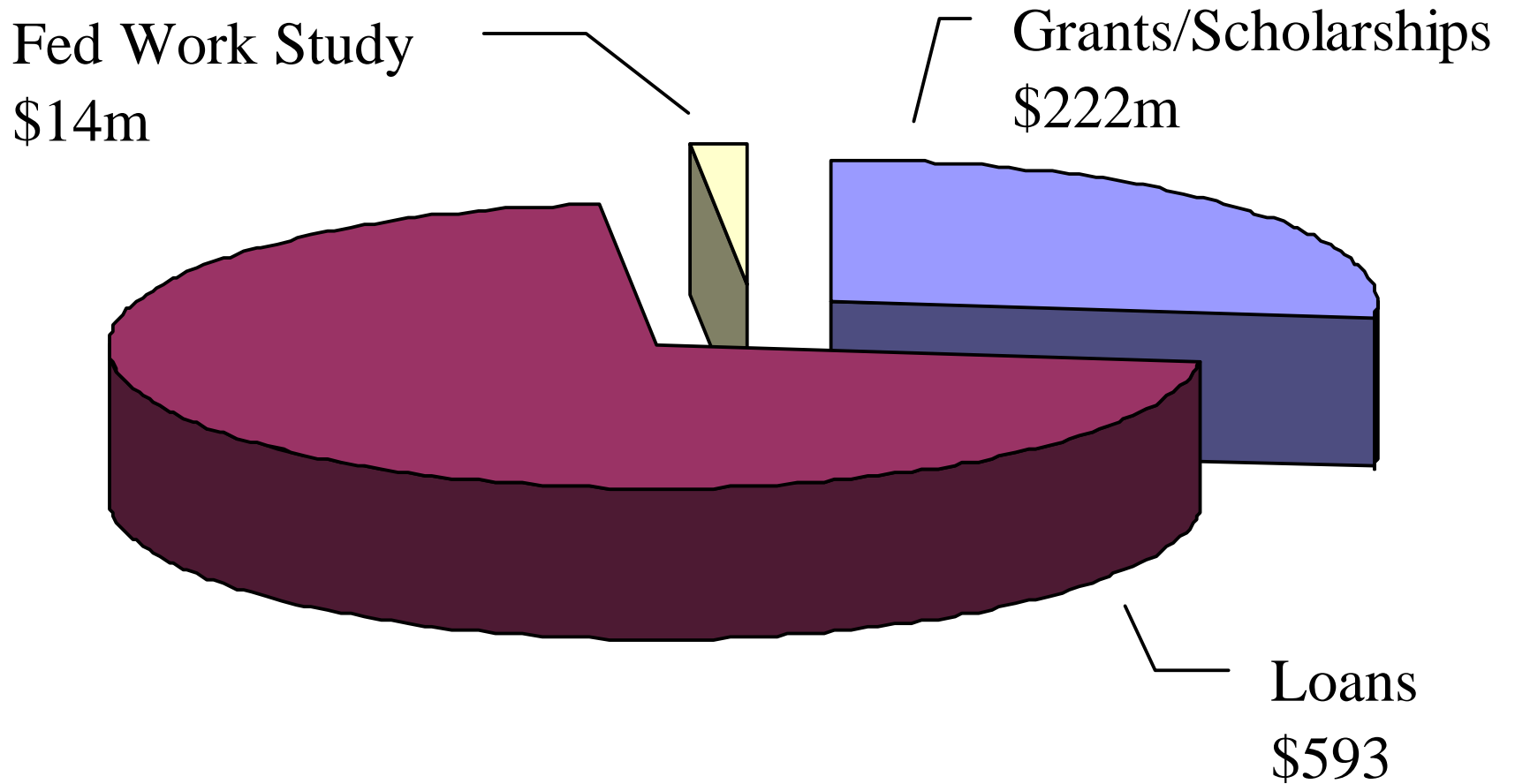
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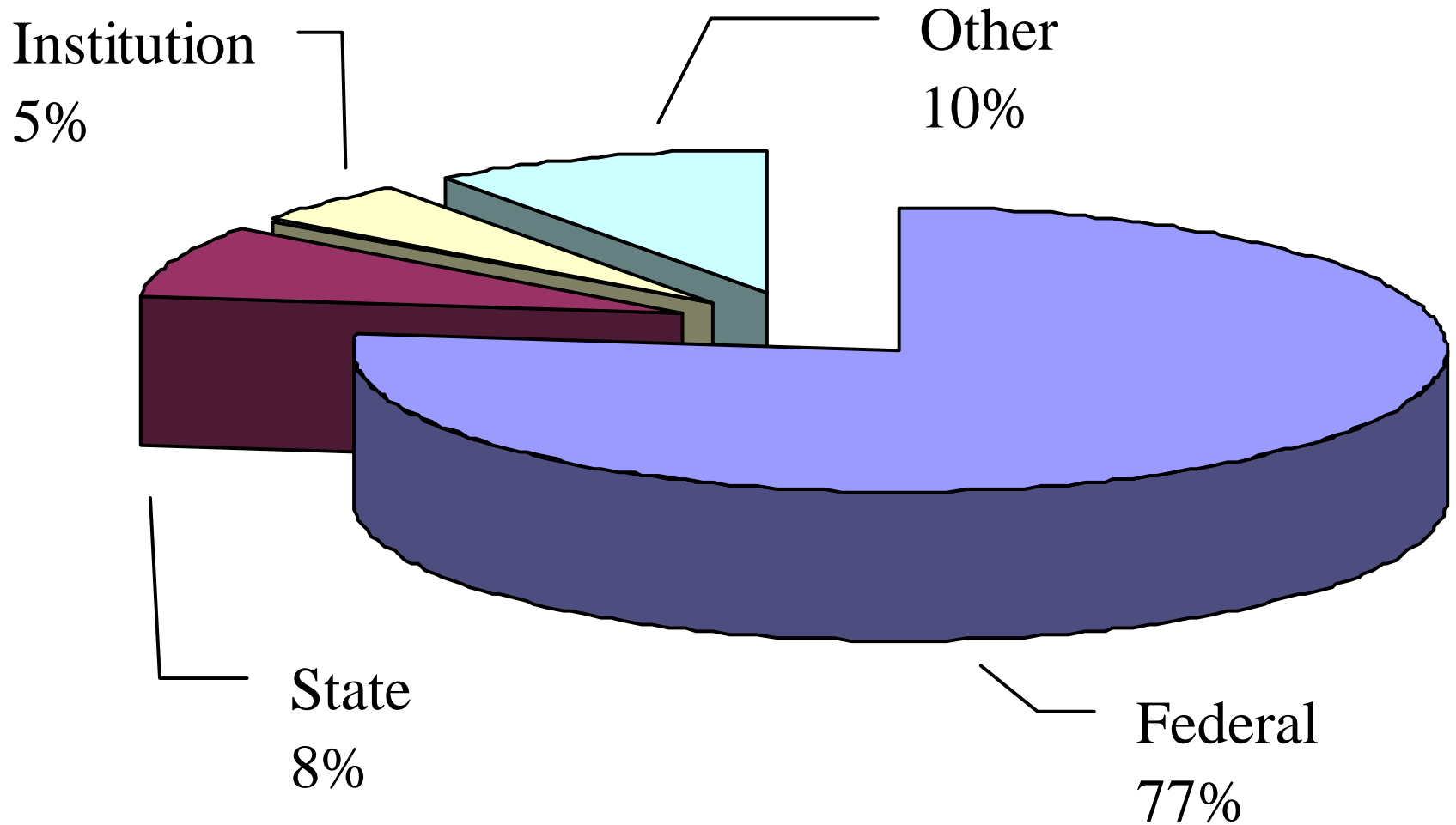
Business, Finance, and Audit Committee
Board of Regents
June 8, 2007

Over 105,000 UW System students receive financial aid each year for a total of over \$800 million dollars.

Types of Student Financial Aid



Sources of Student Financial Aid



Pell Grants to UW Resident Undergraduates

Year	Recipients	Average Pell	Total \$ (Millions)	% Resident Undergrads
91-92	30,661	\$1,538	\$47.2	26%
93-94	26,793	\$1,403	\$37.6	24%
95-96	22,993	\$1,414	\$32.5	21%
97-98	22,854	\$1,547	\$35.4	21%
99-00	22,021	\$1,778	\$39.2	20%
01-02	23,821	\$2,208	\$52.6	21%
03-04	26,722	\$2,413	\$64.5	23%
04-05	26,956	\$2,425	\$65.4	23%
05-06	25,598	\$2,434	\$62.3	22%

WHEG Awards to UW Resident Undergraduates

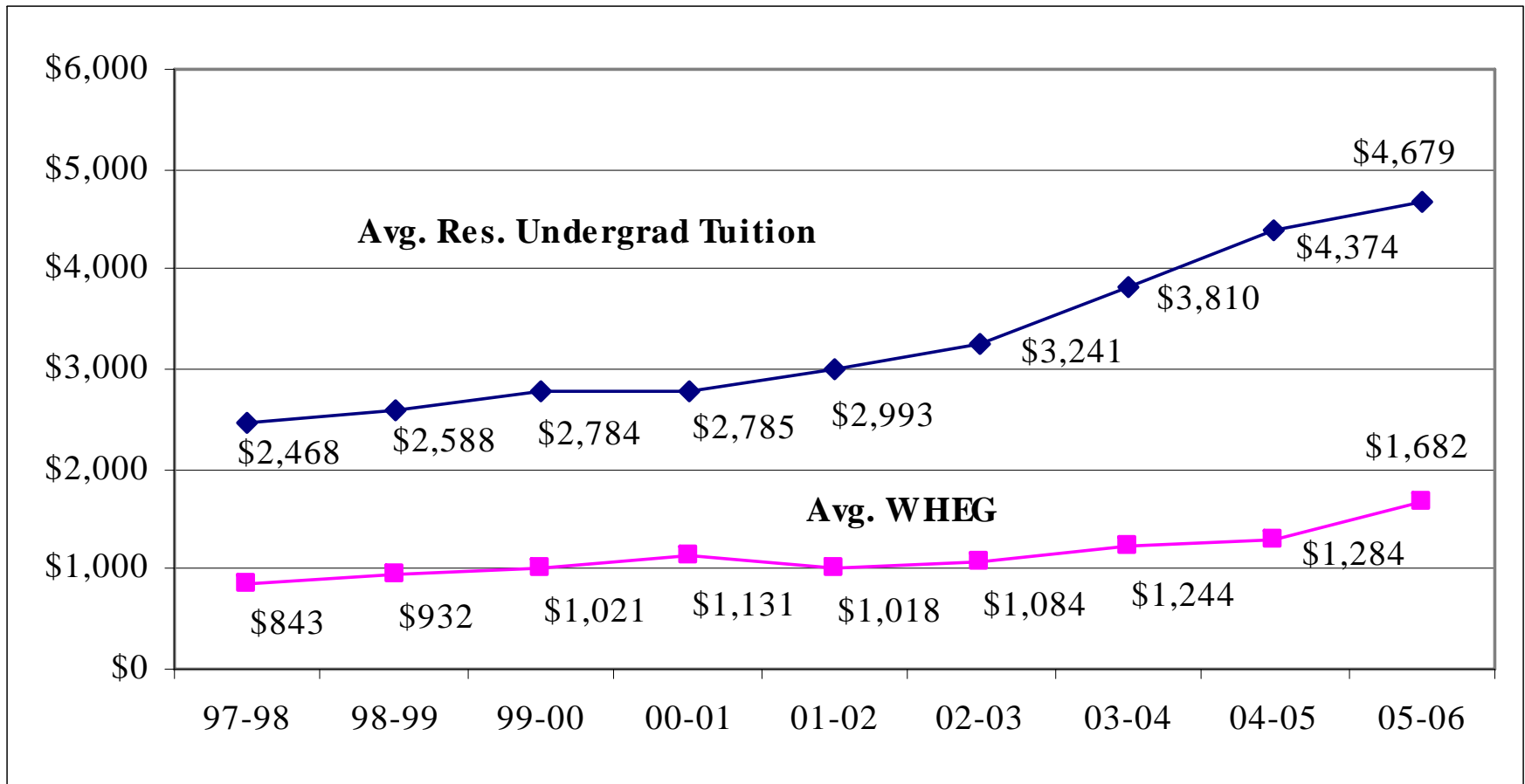
Year	Recipients	Average WHEG	Total \$ (Millions)	% Resident Undergrads
91-92	20,475	\$632	\$12.9	18%
93-94	21,997	\$600	\$13.2	20%
95-96	20,519	\$643	\$13.2	19%
97-98	18,979	\$843	\$16.0	18%
99-00	16,808	\$1,021	\$17.2	15%
01-02	19,155	\$1,018	\$19.5	17%
03-04	22,808	\$1,244	\$28.4	19%
04-05	26,065	\$1,284	\$33.5	22%
05-06	24,517	\$1,682	\$41.2	21%

UW-WHEG Formula

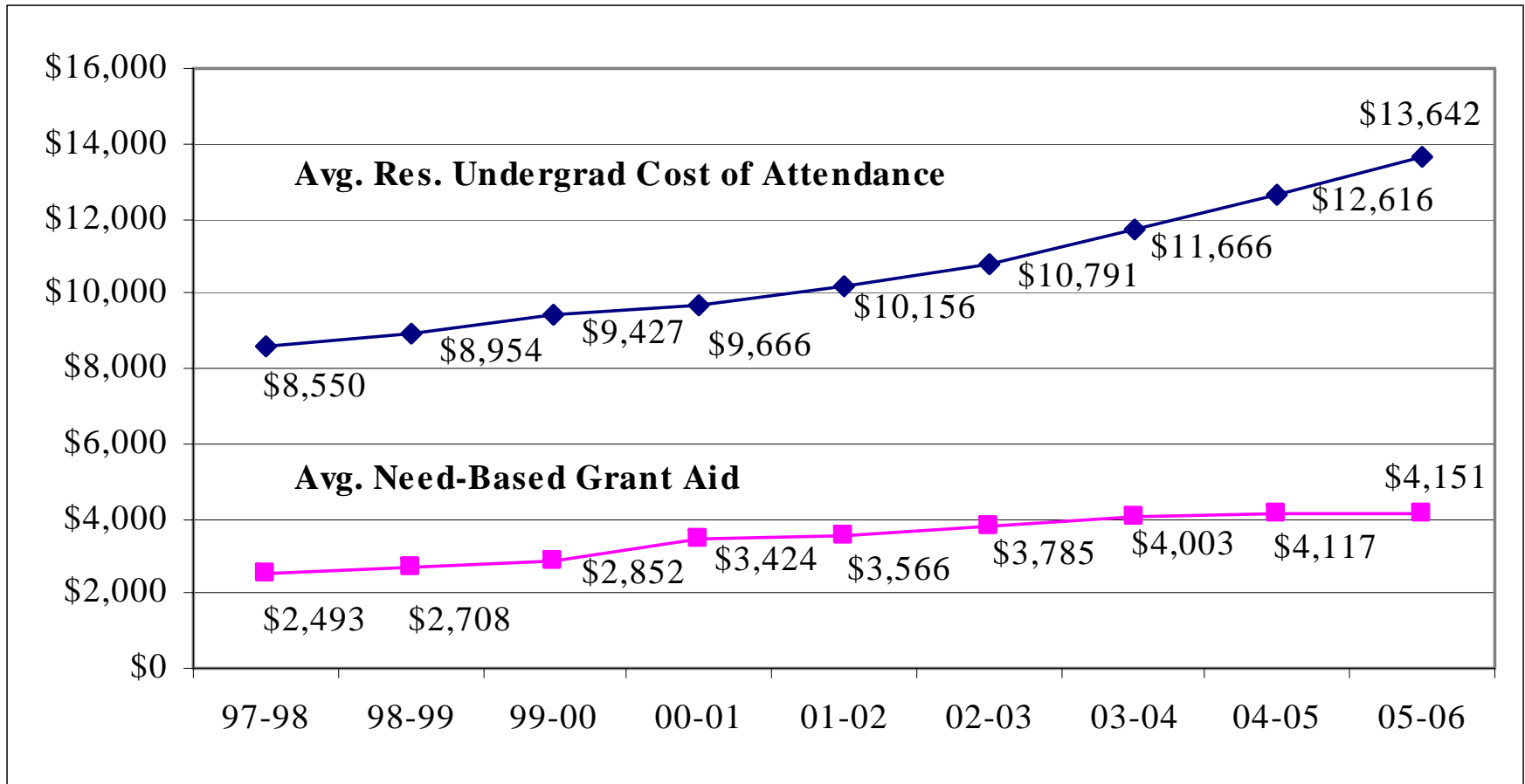
(Equity level - EFC) * Rationing factor = award

- Equity level: resident undergraduate tuition
- Expected Family Contribution (EFC): calculated from the Federal needs analysis
- Rationing factor: multiplier that is set with goal of providing the largest awards to the neediest students while staying within the appropriation level for the program

Gap Between Average Tuition and WHEG Award



Gap between Average Cost of Attendance and Need-Based Grants



Loans

Year	Federal \$M	Alternative \$M	State/Inst \$M	All Loans \$M
96-97	\$284	\$2	\$1	\$287
97-98	\$299	\$3	\$1	\$304
98-99	\$304	\$5	\$2	\$310
99-00	\$314	\$7	\$2	\$323
00-01	\$330	\$9	\$2	\$340
01-02	\$356	\$13	\$2	\$371
02-03	\$400	\$19	\$2	\$422
03-04	\$453	\$29	\$2	\$485
04-05	\$493	\$42	\$2	\$537
05-06	\$533	\$58	\$2	\$593

Student Indebtedness

- Two-thirds of UW resident undergraduates graduate with debt.
- The average debt at graduation for those who borrow (bachelors degree) is approx. \$20,000.
- UW System student loan default rate is one-third the national rate (1.6% vs. 5.1%) .

Regent Tuition Policy Principles

- Tuition and financial aid in the UW System should balance educational quality, access, and ability to pay.
- Tuition increases should be moderate and predictable, subject to the need to maintain quality.
- GPR financial aid and graduate assistant support should “increase at a rate no less than that of tuition ...”

Financial Aid Policy Goals from Charting a New Course

- **Access:** Ensure all qualified Wisconsin high school graduates equal access to attend a UW institution, regardless of income.
- **Retention:** Reduce the financial barriers for low-income UW students so they can remain in school and thus complete their degrees in a timely fashion.
- **Brain Gain:** Use targeted financial aid incentives to encourage UW graduates to work in Wisconsin after graduation, and provide incentives to retrain Wisconsin citizens for key fields.

BOR Goals for 2005-06

- Improve Access to the UW System
- Increase Baccalaureate Degrees
- Improve the Quality of the Student Experience
- Strengthen and Build Relationships with our Stakeholders

Source: Minutes of the BOR Meeting, September 9, 2005