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Trends in State-Sponsored Student Financial Aid: A Comparison of Grant Aid in the MHEC States

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Many observers of postsecondary education point out that since the mid- to late-1990's federal and state postsecondary policies reflect a distinct political focus on middle-class interests.¹ One example of this trend is in state-sponsored financial aid. Historically, low-income students benefited from state grant awards because these awards were based primarily on financial need. Over the last decade, however, in the face of escalating costs of attendance and a national recession that negatively impacted state revenues many states sought other policy options to need-based student financial aid; thereby, playing a role in redefining access to affordable educational opportunities.

In order to better understand the complexities around college affordability it is important to explore state funding for higher education, the tuition and fees associated with a higher education, and student financial aid expenditures. To follow up on a policy brief released in 2004, which presented comparative data for the MHEC states on trends in state-sponsored student financial aid, this brief explores updated data released in May 2005 by the National Association of State Student Grant and Aid Programs (NASSGAP).²

What is missing from this assessment is a presentation of federal financial aid funding trends over this same time period. Today, the maximum Pell grant's purchasing power is, on average, approximately 35 percent less than in 1977 for a public, four-year college education despite

¹ See Pat Callan's chapter "Reframing access and opportunity: Problematic state and federal higher education policy in the 1990's" in Don Heller's (2001) edited volume: The States and Public Higher Education Policy: Affordability, Access and Accountability.

² This May 2005 report is NASSGAP's 35th annual survey report on state-sponsored student financial aid (2003-04). NASSGAP surveys states on their expenditure total, asks for an undergraduate/graduate dollar breakout, and asks states to report on sector dollar breakouts. Some states can report all three elements; however, other states are unable to do so. If a state cannot report an undergraduate/graduate breakout "uncategorized" is reported for that state in the NASGAPP report. If a state cannot provide data by sector "unspecified" is reported for that state in the final NASGAPP report. For the purposes of this report, we represent an "unspecified" or "uncategorized" state as "na."

rapidly increasing college costs. And, in the past decade the trend of federal support for student financial aid has been a definite shift from grants to loans.³ Clearly, federal financial aid (as well as institutional aid) plays a critical role in college affordability; however, for the purpose of our policy brief series we are most concerned with reporting on state-level contributions across the region.

Specifically, the following policy brief examines grant expenditures by MHEC state and presents states' expenditures for need and non-need based grants. We present NASSGAP data for the MHEC states in three categories: 1) an overview of the region; 2) the trends in need-based grant aid by state; and 3) the trends in non-need based grant aid by state.⁴ This brief concludes with some general remarks about what the recent trends suggest for students' access to affordable educational opportunities in the region. It is not meant to be an exhaustive study of state financial aid systems and policies but does, however, provide a current snapshot of the MHEC states and general trends in state sponsored grant aid.

Overview of the MHEC Region

The region has an estimated total population of 65 million, which is approximately 22 percent of the nation's population. The estimated population by state in the region varies and impacts each state's tax capacity. **Table 1** presents the population by state for 2003-04 based on Census data.

Table 1: Estimated Population by State: 2003-04

<i>State</i>	<i>Estimated Population</i>
Illinois	12.7 million
Ohio	11.5 million
Michigan	10.1 million
Indiana	6.2 million
Missouri	5.8 million
Wisconsin	5.5 million
Minnesota	5.1 million
Iowa	3.0 million
Kansas	2.7 million
Nebraska	1.7 million
North Dakota	634,000
Total	64.959 million

July 2003 Population estimates, U.S. Census Bureau

Illinois, Ohio and Michigan are the most populated states in the region. **Indiana, Missouri, Wisconsin, and Minnesota** are the next heavily populated states, followed by **Iowa, Kansas and Nebraska**. **North Dakota** is the least populated state in the region.

Figure 1 presents, by MHEC state, the total appropriations of tax funds for operating expenses of higher education in FY04 (as compared to FY03). It is not surprising how the states compare

³ See Hearn, J.C. and Holdsworth, J.M. (2004). Federal student aid: The shift from grants to loans. In E.P. St. John and M.D. Parsons (eds), Public funding in higher education, (pp.40-59). Baltimore, MD: The Johns Hopkins University Press.

⁴ Dollars are not adjusted for inflation.

in Figure 1 given the population data presented in Table 1. Combined, the MHEC states appropriated approximately \$13.5 billion in tax funds for higher education operating expenses in FY04 as compared to \$13.9 billion in FY03.

Figure 1: Appropriations of Tax Funds for Operating Expenses of Higher Education by State: FY04 and FY03

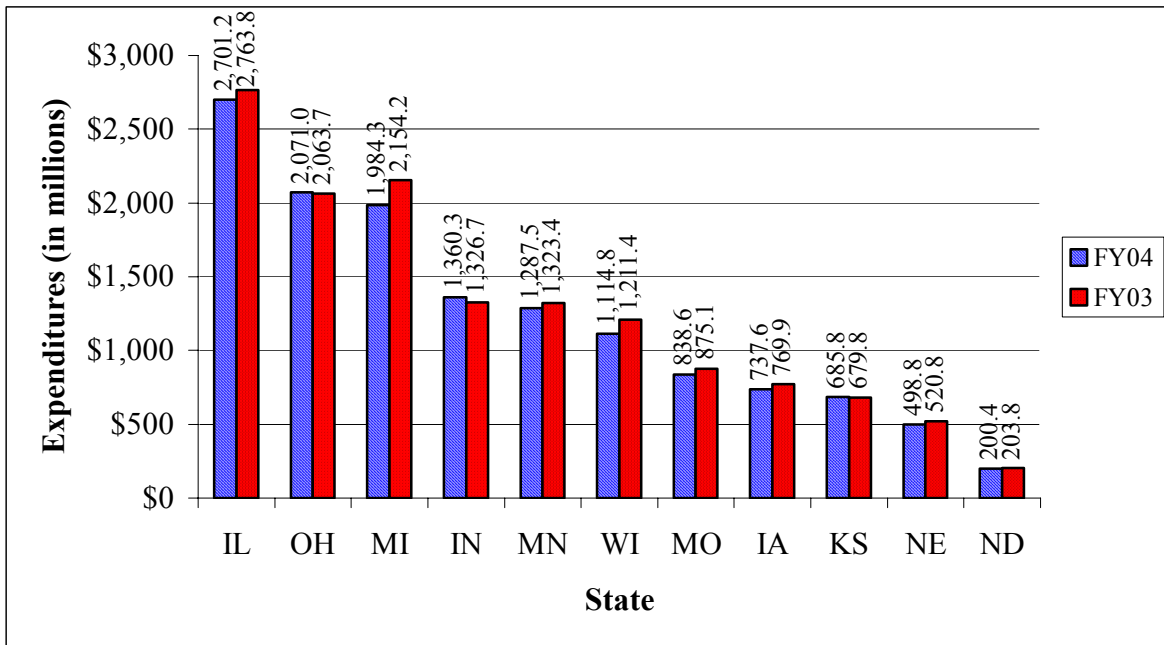
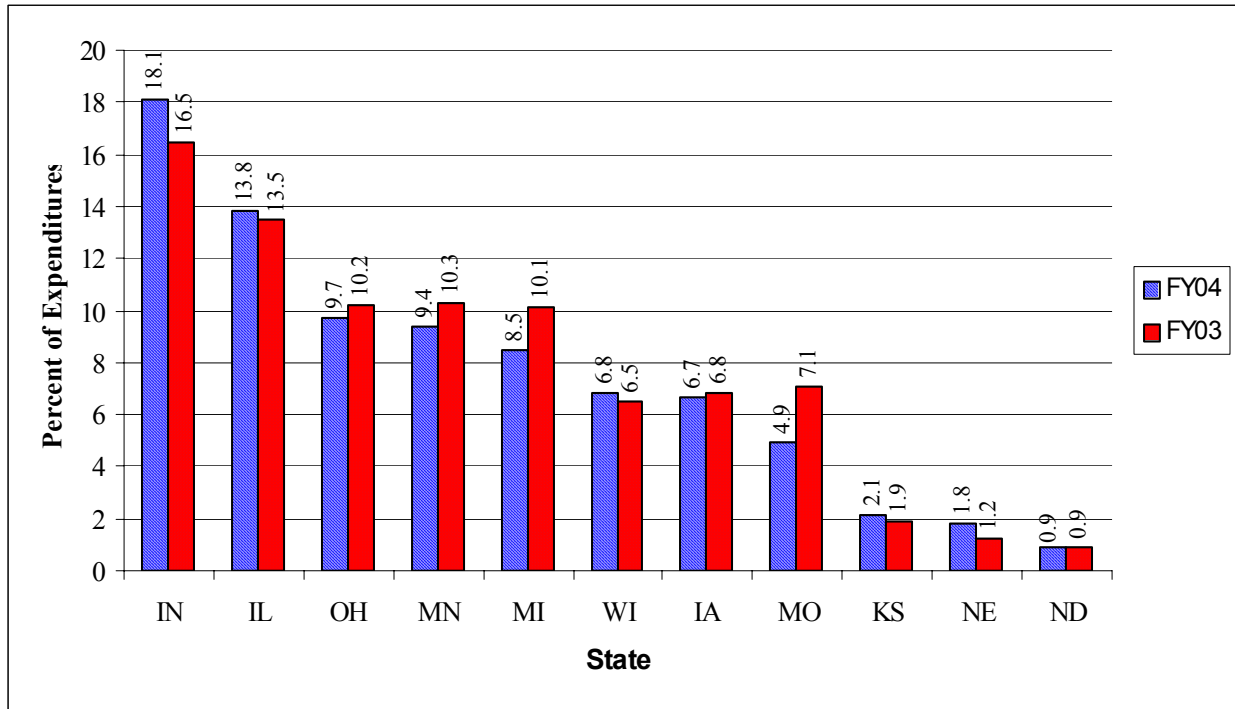


Figure 1 shows that most MHEC states (**Illinois, Michigan, Minnesota, Wisconsin, Missouri, Iowa, Nebraska and North Dakota**) experienced a decrease in appropriations of tax funds for higher education operating expenses between FY04 and FY03. The sharpest decline occurred in **Michigan** (-169.9) while the slightest decrease was in **North Dakota** (-3.4).

Figure 2 presents the total state grant expenditures as a percentage of higher education operating expenses for each MHEC state for FY04 (as compared to FY03). **Indiana** leads the region in terms of the proportion of higher education operating expenses earmarked for the state's grant program (18.1% in FY04; a 1.6% increase from FY03) with **Illinois** following at 13.8 percent (a 0.5% increase from FY03).

Figure 2: Total State Grant Expenditures as a Percentage of Higher Education Operating Expenses, by State: FY04 and FY03



In FY04, **Ohio (9.7%)** and **Minnesota (9.4%)** experienced an approximate 0.5% decline since FY03. **Michigan** declined 1.6% since FY03. **Missouri** saw the largest decrease (2.2%) in the MHEC region since FY03 while **Iowa** declined 0.1% between FY03 and FY04. **Wisconsin (0.3%)**, **Kansas (0.2%)** and **Nebraska (0.6%)** experienced slight increases between FY03 and FY04. **North Dakota** experienced no change from FY03 to FY04 on this indicator.

While it is important to present total state grant expenditures as a percentage of higher education operating expenses, it is equally critical to know how state grant dollars are distributed by undergraduate FTE for each state. **Table 2** presents undergraduate FTEs for 2003-04 (FY04) and the total undergraduate grant dollars (in millions) by state as compared to 2002-03 (FY03). The MHEC states saw a combined increase of 78,948 FTEs between 2002-03 and 2003-04 and an increase in undergraduate grant dollars (+\$2.74) during this time period.

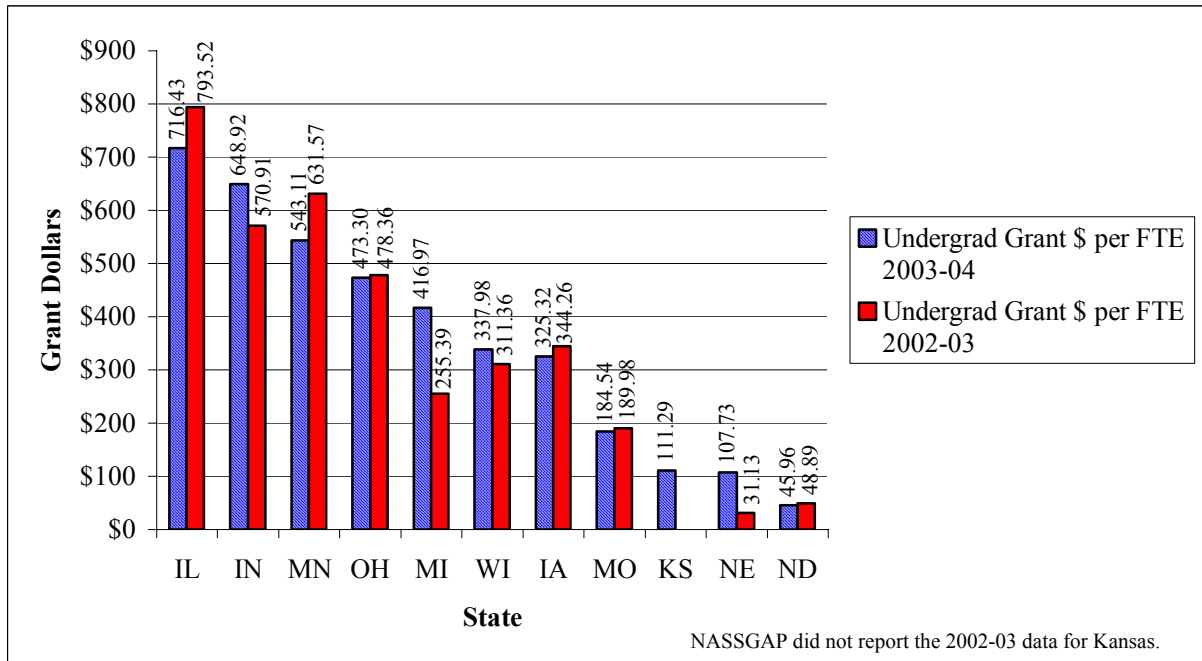
Table 2: Undergraduate FTE and Undergraduate Grant Dollars in Millions by State: 2002-03 (FY03) and 2003-04 (FY04)

<i>State</i>	<i>Undergraduate FTE (2002-03)</i>	<i>Undergraduate Grant Dollars in Millions (FY03)</i>	<i>Undergraduate FTE (2003-04)</i>	<i>Undergraduate Grant Dollars in Millions (FY04)</i>
Illinois	466,791	370.408	485,132	347.565
Indiana	239,502	136.733	248,511	161.263
Iowa	145,427	50.065	151,498	49.285
Kansas	124,480	NA	126,460	14.073
Michigan	374,800	95.719	389,058	162.225
Minnesota	211,514	133.586	220,287	119.641
Missouri	216,567	41.144	223,434	41.233
Nebraska	78,962	2.458	81,142	8.742
North Dakota	36,687	1.794	38,202	1.756
Ohio	413,340	197.726	424,228	200.787
Wisconsin	225,198	70.117	224,624	75.920
Total	2,533,628	1,099.75	2,612,576	1182.49

Although **all** MHEC states saw an increase in FTEs, eight of these states (**Indiana, Michigan, Missouri, Nebraska, Ohio, and Wisconsin**) increased undergraduate grant dollars. **Illinois** has maintained the largest total undergraduate FTE count in the region as well as the most undergraduate grant dollars yet, the state's undergraduate grant dollars decreased the largest amount (22.843) among the states in FY04. **Ohio**, with the next most undergraduate FTEs and second highest total undergraduate grant dollars in the region, saw an increase in undergraduate grant dollars appropriation with an increase in FTEs. Of the states that increased their undergraduate grant dollars, **Michigan** saw the largest increase (66.506) with **Indiana** to follow (24.53).

The ranking of the MHEC states by undergraduate grant dollars per undergraduate FTE in 2003-04 (compared to 2002-03) is presented in **Figure 3**. **Illinois, Minnesota and Indiana** led the region, respectively, in total grant dollars per undergraduate FTE in 2003-04. **Indiana** was the only one of these three states that saw an increase between 2002-02 and 2003-04.

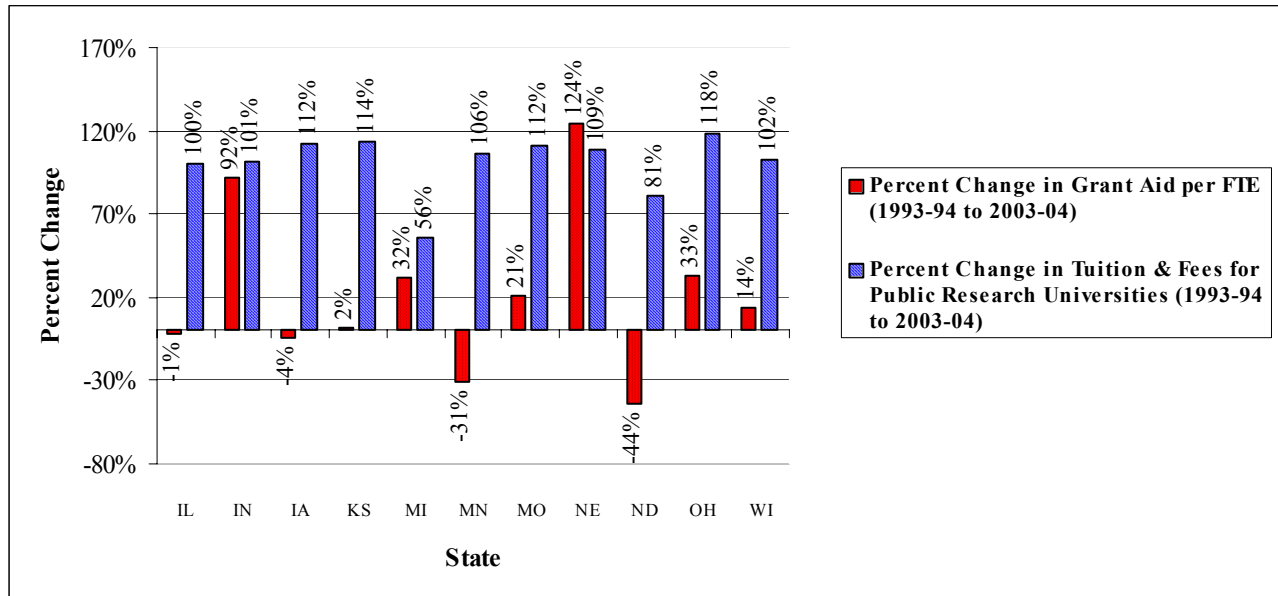
Figure 3: Grant Dollars per Undergraduate FTE: 2003-04 and 2002-03



Overall, four MHEC states (**Indiana, Michigan, Wisconsin and Nebraska**) had an increase in undergraduate grant dollars per undergraduate FTE during this time period. **Nebraska** tripled its undergraduate grant dollars per FTE between 2002-03 and 2003-04.

Figure 4 compares the percent change in undergraduate grant dollars per FTE from 1993-1994 to 2003-04 to the percent change in the average undergraduate tuition and fees for state residents attending public research universities by state. While some MHEC states made the policy choice to increase funding for their state grant programs over this time period, the increases in tuition and fees were far greater. **Indiana** and **Nebraska** are two states where the state grant purchasing power is keeping better pace with the change in average tuition and fees at public research universities.

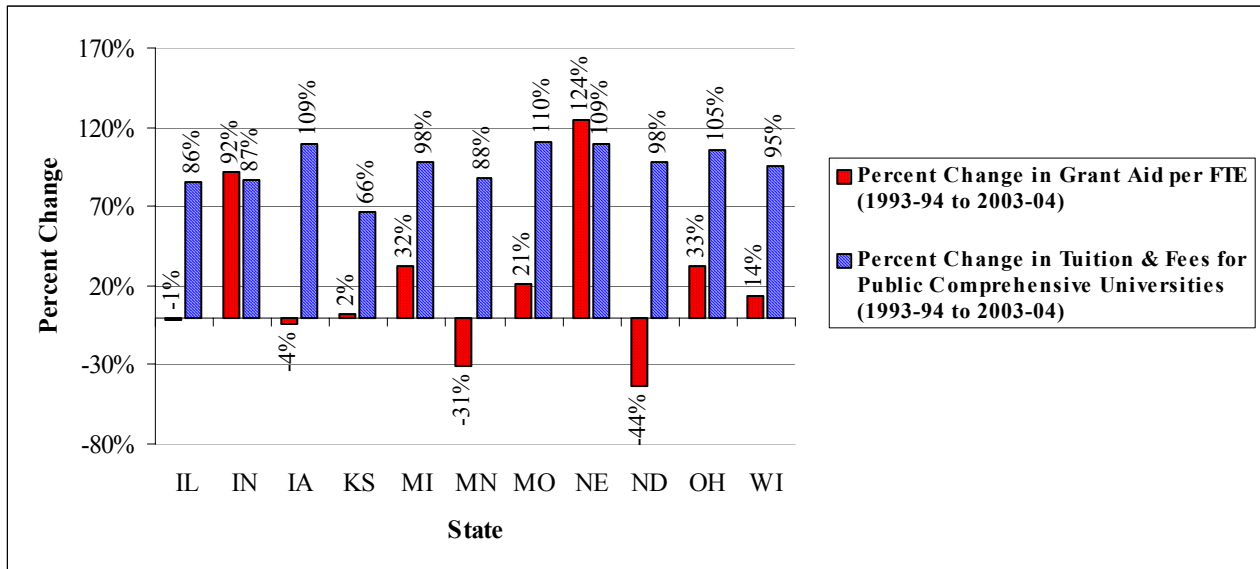
Figure 4: Percent Change in Undergraduate Grant Dollars per FTE Compared to Percent Change in Average (Resident) Tuition and Fees at Public Research Universities by State: 1993-94 to 2003-04*



Source for Tuition data: The Washington Higher Education Coordinating Board
 *Not adjusted for inflation.

Figure 5 compares the percent change in undergraduate grant dollars per FTE from 1993-1994 to 2003-04 to the percent change in the average undergraduate tuition and fees for state residents attending public comprehensive universities by state. The growth in **Indiana's** and **Nebraska's** state grant programs have kept relative pace with the increase in tuition and fees at its comprehensive institutions.

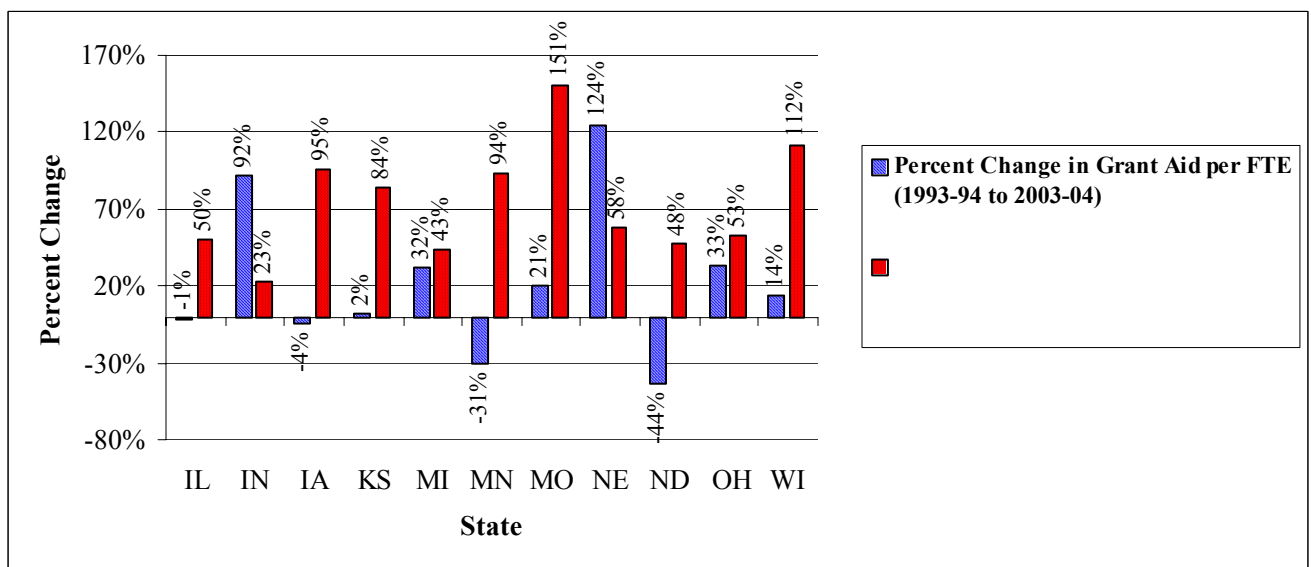
Figure 5: Percent Change in Undergraduate Grant Dollars per FTE Compared to Percent Change in Average (Resident) Tuition and Fees at Public Comprehensive Universities by State: 1993-94 to 2003-04*



Source for Tuition data: the Washington Higher Education Coordinating Board
 *Not adjusted for inflation

Figure 6 compares the percent change in undergraduate grant dollars per FTE from 1993-1994 to 2003-04 to the percent change in the average undergraduate tuition and fees for state residents attending public two-year colleges by state.

Figure 6: Percent Change in Undergraduate Grant Dollars per FTE Compared to Percent Change in Average (Resident) Tuition and Fees at Public Two-Year Colleges by State: 1993-94 to 2003-04*



Source for Tuition data: The Washington Higher Education Coordinating Board
 *Not adjusted for inflation

A closer examination of how this state grant funding for undergraduates, by state, breaks down by **need-based** and **non-need based grant dollars** and how this funding has shifted over time is presented in the following two sections.

Trends in Need-Based Financial Aid

Historically, state need-based grant aid has played a significant role in ensuring access to postsecondary education for low-income students. A shift, however, is occurring across the nation and our region as the proportion of need-based state grant aid of total state grant aid has declined over the past decade. **Figure 7** reveals that this decrease occurred at a slower rate for the region as compared to the nation as a whole. In fact, the proportion of state need-based financial aid for the region held relatively steady between 1993-94 and 1998-99 at approximately 90 percent. By 2003-04, the region's proportion of state need-based aid dropped to 78.9 percent

Figure 7: Proportion of State Need-based Aid in Total Grant for MHEC Region and the Nation: 1993-94, 1998-99, 2002-03 and 2003-04

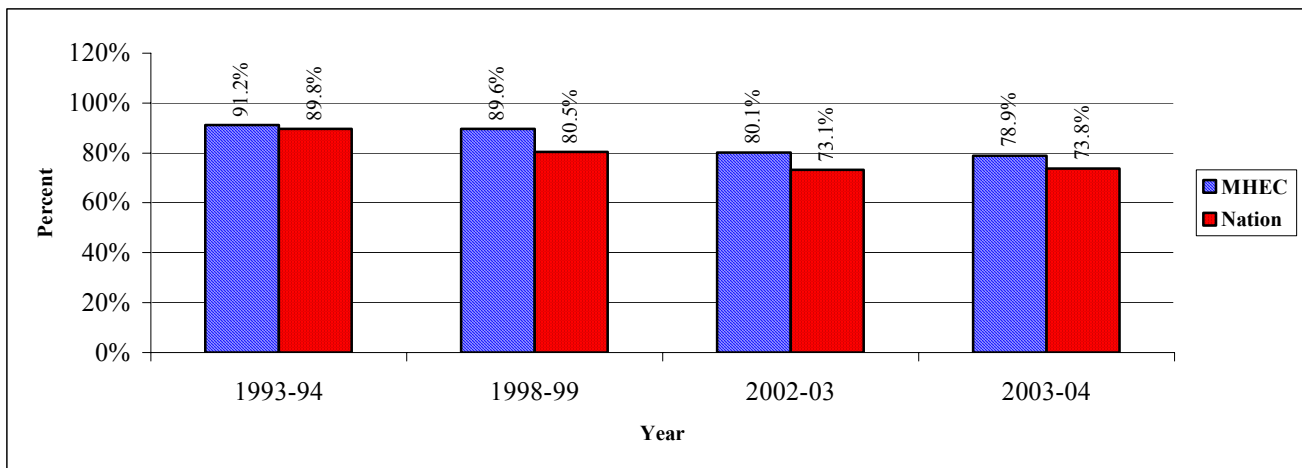


Table 3 presents the total amount of state need-based aid in millions of dollars for the region and the nation for 1993-94, 1998-99, 2002-03 and 2003-04. As a region, the total amount spent on need-based grant aid by states has increased, but not at the same rate as the national-level growth for states.

Table 3: Need-based Grant Aid Awarded (in millions of dollars) for the MHEC Region and the Nation: 1993-94, 1998-99, 2002-03 and 2003-04

	<i>1993-94</i>	<i>1998-99</i>	<i>2002-03</i>	<i>2003-04</i>	<i>10Yr Growth</i>
MHEC	\$640.660	\$858.388	\$1,099.202	\$1,024.822	60.0%
Nation	\$2,245.422	\$2,968.498	\$4,266.573	\$4,548.825	102.6%

Table 4 reveals a variation in growth rate during this same time period by state in the MHEC region. For example, **Indiana, Missouri** and **Nebraska** had a larger 10year growth rate in need-based aid than the national average.

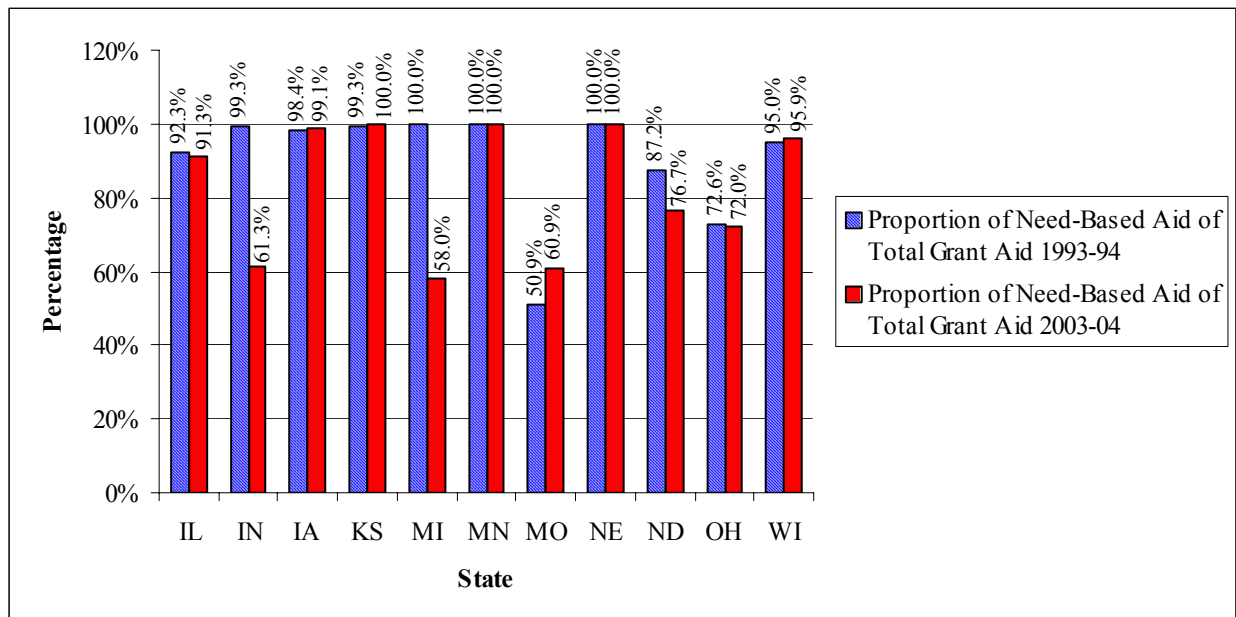
Table 4: Need-based Grant Aid Awarded (in millions of dollars) by State: 1993-94, 1998-99, 2002-03 and 2003-04

<i>State</i>					<i>10Yr</i>
	<i>1993-94</i>	<i>1998-99</i>	<i>2002-03</i>	<i>2003-04</i>	<i>Growth</i>
Illinois	214.809	315.657	343.262	339.675	58.1%
Indiana	55.814	99.490	207.212	150.705	170.0%
Iowa	34.718	48.242	49.620	48.838	40.7%
Kansas	9.060	11.669	12.907	14.073	55.3%
Michigan	82.945	96.405	105.365	97.329	17.3%
Minnesota	102.920	113.381	136.582	121.458	18.0%
Missouri	11.124	20.003	31.821	25.111	125.7%
Nebraska	2.686	4.692	6.462	8.742	225.4%
North Dakota	2.036	2.016	1.397	1.346	-33.9%
Ohio	77.940	93.122	132.293	144.770	85.8%
Wisconsin	46.608	53.711	72.281	72.775	56.1%

The growth rate in **Nebraska** (225.4%) is the highest in the region over this ten-year period. **North Dakota** is the only MHEC state to see a decline in the past decade.

Figure 8 provides a comparison of proportions of need-based aid in total grant aid for each MHEC state between 1993-94 and 2003-04.

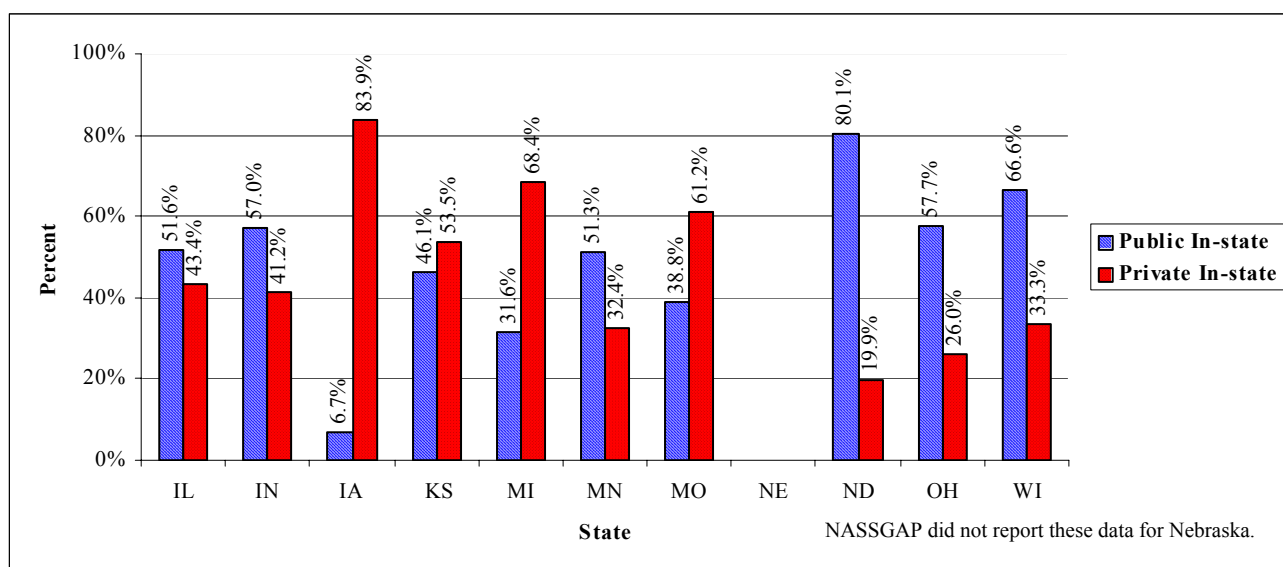
Figure 8: Proportion of Need-Based Aid of Total Grant Aid by MHEC State: 1993-94 and 2003-04



Michigan's proportion drastically declined from 100 percent in 1993-94 to 58 percent in 2003-04. **Illinois, Indiana, North Dakota, and Ohio** all experienced a range of decline over the past decade. **Minnesota, Nebraska** and **Kansas** maintained their commitments to need-based aid over this time period.

Figure 9 presents the allocation of need-based aid for in-state attendance at public and private institutions for each of the 11 MHEC states.⁵ **North Dakota, Ohio** and **Wisconsin** awarded a greater proportion of their need-based aid to students who remained in-state and attended public colleges and universities.

Figure 9: Need-Based Aid Awarded to Students Attending Public and Private Colleges In-State: 2003-04



Students in **Iowa, Michigan** and **Missouri** who remained in-state and attended private colleges and universities received a greater proportion of need-based aid than their peers attending in-state, public institutions.

Trends in Non-Need Based Financial Aid

Both in the MHEC region and across nation, non-need based financial aid increased as a proportion of total state grant aid, unlike need-based financial aid. As **Figure 10** displays, over the past decade non-need based aid increased as a percent of total state grant aid 12.3 percent (from 8.8% to 21.1%) in the MHEC region and 16 percent (from 10.2% to 26.2%) nationwide. The popularity of merit-based scholarship programs help to explain this large increase.

⁵ Some totals do not add up to 100 percent because other types of institutions are not included in the bar chart (e.g. for-profits).

Figure 10: Proportion of Non-Need Based Aid in Total Grant for MHEC Region and the Nation; 1993-94, 1998-99, 2002-03 and 2003-04

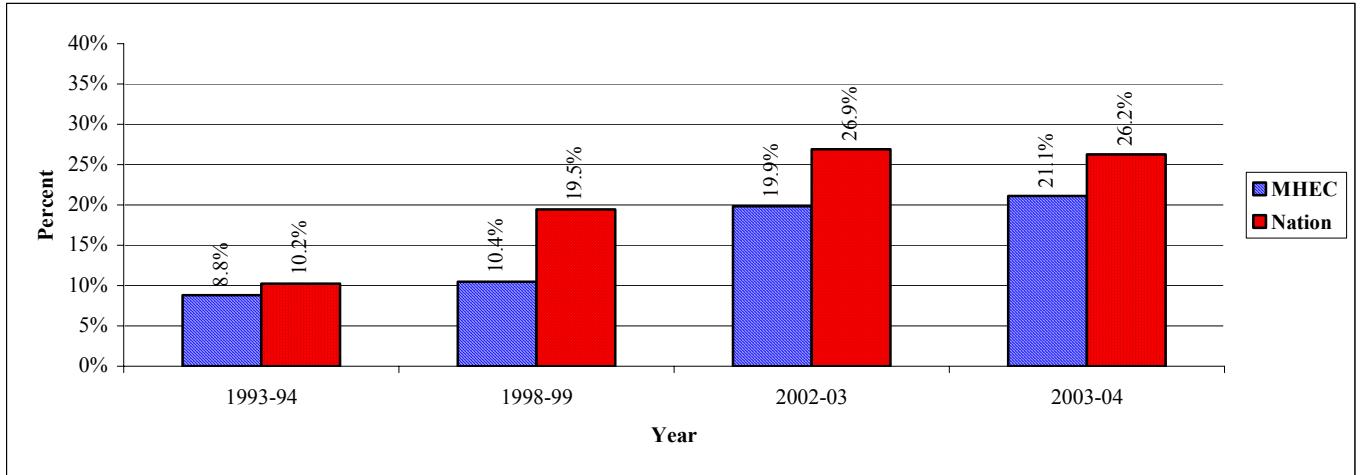


Table 5 shows the total amount of non-need based aid in millions of dollars for the region and in the nation in nominal terms for 1992-93, 1997-98, 2002-03 and 2003-04.

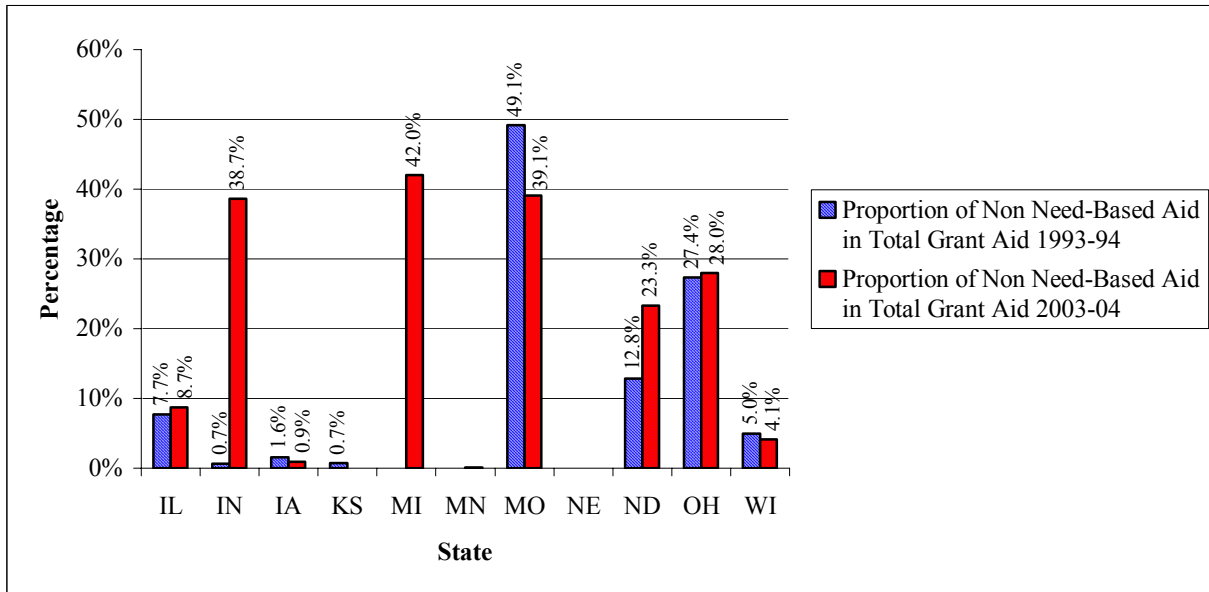
Table 5: Non-need-based Grant Aid Awarded (in millions of dollars) for the MHEC Region and the Nation: 1992-93, 1997-98, 2002-03 and 2003-04

	<i>1993-94</i>	<i>1998-99</i>	<i>2002-03</i>	<i>2003-04</i>	<i>10Yr Growth</i>
MHEC	\$61.698	\$100.029	\$272.364	\$274.520	\$344.9%
Nation	\$255.853	\$717.745	\$1,553.787	\$1,617.591	\$532.2%

Although the region saw an increase in non-need based grant aid (from \$61.698 million to \$274.520 million), the MHEC region was still significantly outpaced in the growth of non-need based grant aid awards from 1993-94 to 2003-04 when compared to the nation.

According to **Figure 11**, many of the states increased non-need based aid as a proportion of total state grant aid over the past decade; however, the extent of this increase varies by state.

Figure 11: Proportion of Non-need Based Aid in Total Grant, by State between 1993-94 and 2003-04



The largest growth took place in **Michigan**, where 42% of total grant aid was spent on non-need based aid in 2003-04, and **Indiana** (38.7%). **Iowa**, **Missouri** and **Wisconsin** decreased their share of non need-based aid as a proportion of total grant aid during this decade.

Table 6 presents each state’s expenditure for non-need based aid over the period from 1993-94 to 2003-04. There is considerable variability in the ten-year growth rate of non-need based grant aid among the states in the MHEC region.

Table 6: Non-need Based Grant Aid Awarded by State (in millions of dollars) 1993-94, 1998-99, 2002-03 and 2003-04

<i>State</i>	<i>1993-94</i>	<i>1998-99</i>	<i>2002-03</i>	<i>2003-04</i>	<i>10Yr Growth</i>
Illinois	17.821	22.471	29.980	32.570	82.8%
Indiana	0.377	1.334	11.330	94.995	25,097.6%
Iowa	0.547	0.477	2.713	0.447	-18.3%
Kansas	0.065	0.105	0.114	N/A	-100.0%
Michigan	N/A	N/A	112.821	70.443	N/A
Minnesota	0.040	0.048	N/A	0.058	43.9%
Missouri	10.751	15.175	30.355	16.126	50.0%
Nebraska	N/A	N/A	N/A	N/A	N/A
North Dakota	0.299	0.306	0.439	0.410	37.0%
Ohio	29.351	51.820	78.152	56.326	91.9%
Wisconsin	2.447	8.293	6.460	3.145	28.5%

Indiana was far and away the leader in growth rate of non-need based grant aid dollars.⁶ Of the states that did see an increase in non-need based grant aid over this decade, **Wisconsin** had the lowest growth rate at 28.5 percent (from \$2.447 million in 1993-94 to \$3.145 in 2003-04).

Nebraska has not awarded non-need based grant aid over the past decade. **Michigan** went from zero dollar expenditures in 1993-94 to \$112.8 million in 2002-03 (which declined to 70.443 in 2003-04). This growth in Michigan is mostly due to their new non-need based aid program: *Michigan's Merit Award Scholarship*. Revenues from tobacco sales provide funding, in part, for this program which awards academically qualified Michigan freshmen \$2,500 to attend a Michigan public college or university.

NASSGAP does not yet provide data to help us have a better understanding as to which students are receiving the greater proportion of non-need based aid—those attending in-state, public institutions or students who attend in-state, private institutions.

Summary

There is wide variation between the Midwestern states in the percent of higher education appropriations allocated to student aid. Nonetheless, the regional indicators have been consistently above the national average. During the decade from 1993-94 to 2003-04, however, tuition and fee increases in the states' public institutions significantly outpaced changes in FTE state appropriations for student financial aid, in general. Other national reports have drawn attention to the growing gap between tuition and fee increases and the changes in state and federal student financial aid funding.

As a result of this increasing gap, state appropriations for financial aid will likely become more of a front-burner issue during the next decade and additional pressure will be placed on colleges and universities to expand institutional student aid programs. According to The American Council on Education (ACE), 20 percent of all student financial aid (i.e. federal, state and institutional) in 2002-03 was institutional based.⁷ This percent will more than likely continue to increase as ACE reports that, in constant dollars, estimated institutional aid and "other" grant assistance has increased from \$9.2 billion in 1992-93 to \$20.4 billion in 2002-03, nationwide.

Some MHEC institutions are responding to the decline in state investments in financial aid by developing tuition assistance and other programs designed to meet students' unmet needs. For example, the University of Nebraska's Board of Regents voted on and passed a tuition assistance program that was implemented in fall 2005. This program is designed to cover full tuition, after applying Pell and other grant assistance, for full-time dependent and independent undergraduate Pell recipients. It is projected to positively impact approximately 1,500 University Nebraska students at a cost of an estimated \$2.6million. Administrators are predicting that participation

⁶ According to the State Student Assistance Commission (SSAC), most of this increase is attributed to the SSAC's recent administration of Indiana's Children of Disabled Veterans and Survivors of Public Safety Officers programs, which moved over \$9 million from Indiana's colleges and universities to the SSAC. Therefore, this money is not all "new state money." There is no need calculation involved in its distribution so, it is categorized as non-need based financial aid but does not have a merit component.

⁷ See ACE's (2004) [Putting College Costs into Context](#). This report can be downloaded at www.acenet.edu.

and retention rates will improve by at least ten percent. This is just one example of an institution-level strategy serving as a response to affordability concerns.

Overall, it is apparent that some of the MHEC states are developing a non-need based financial aid strategy. The growth in state funding for non-need based grant aid, as a proportion of total grant aid, has increased at a greater rate than need-based aid in the past decade in many states. This allocation issue is a policy choice that significantly impacts lower-income students in the region. Further discussions in some states about the appropriate measure to use in allocating funding (i.e. Expected Family Contribution) may need to occur.

Lawmakers and postsecondary education leaders in the MHEC states may need to either reconfirm or reconsider the purposes and priorities for state-funded financial aid programs. And, states may need to better link student financial aid programs with state tuition policies. If tuition continues to escalate at the current rates and state funding for grant programs remain static or decline, then state leaders should consider more innovative, consumer-friendly policies that promote both access and choice for students.

Appendix A

State Grant Formulas and Funding Sources

MHEC staff emailed a request to the MHEC state SHEEO offices inquiring about: 1) the state formula used to determine state grants for higher education; and 2) the source(s) of funding for these grant programs. The following is a compilation of the responses we received from various SHEEO staff members, to date, by state.

Illinois

The Illinois Student Assistance Commission (ISAC) administers the Monetary Award Program (MAP). MAP is ISAC's cornerstone program and is one of the largest need-based student financial aid grant programs in the nation. To determine eligibility for MAP, ISAC uses a formula that considers college costs, family income, the Pell Grant estimate, number of family members in college, and a host of other factors. MAP funds may be used by students to pay tuition and mandatory fees.

The State of Illinois supports student financial aid grant programs with General Funds --- consisting of General Revenue Fund monies and Education Assistance Fund monies.

SHEEO: www.ibhe.state.il.us

Illinois Student Assistance Commission (ISAC): <http://www.collegezone.com/>

Indiana

The formula used in Indiana is (subsidy rate) * (allowable tuition and fees) – family contribution. The subsidy rate is determined by diploma type and therefore, rewards high school preparation. “Allowable” tuition and fees are all tuition and mandatory fees. As of FY04, the cap for public institutions will be \$4,700 and for independent colleges the cap will be \$9,100. Family contribution is calculated using the federal methodology.

SHEEO: www.che.state.in.us

State Student Assistance Commission of Indiana: <http://www.in.gov/ssaci/other/>

Iowa

SHEEO: www2.state.ia.us/regents

Iowa College Student Aid Commission: <http://www.iowacollegeaid.org/>

Kansas

SHEEO: http://www.kansasregents.org/financial_aid/index.html

Michigan

Department of Career Development: www.michigan.gov/mdcd

Paying for College: MI Student Aid: <http://www.michigan.gov/mistudentaid>

Minnesota

Minnesota’s state grant formula is based on a “shared responsibility” model. As stated in Minnesota Statute 136A.121 Grants; Subd.5: “the grant stipend shall be based on a sharing of

responsibility for covering the recognized cost of attendance by the applicant, the applicant's family, and the government. The amount of a financial stipend must not exceed a grant applicant's recognized cost of attendance, as defined in subdivision 6, after deducting the following: 1) the assigned student responsibility of at least 46 percent of the cost of attending the institution of the applicant's choosing; 2) the assigned family responsibility as defined in section 136A.101; and 3) the amount of a federal Pell grant award for which the grant applicant is eligible." The minimum financial stipend is \$100 per academic year.

SHEEO: <http://www.mheso.state.mn.us>

Missouri

For our state need-based aid programs, we use the federal congressional methodology. We do not have a separate state methodology to determine need. For our non need-based aid programs we just apply the individual program student eligibility criteria.

For one of our state need-based programs, it is funded with federal funds (LEAP and SLEAP), state general revenue, and a private fund source. Our other need-based program is funded with state general revenue and gaming commission funds transferred by the state gaming commission. All other state programs are funded with only state general revenue.

SHEEO: <http://www.dhe.mo.gov/MOSTARS/scholar2.htm>

Nebraska

SHEEO: <http://www.ccpe.state.ne.us/PublicDoc/CCPE/Default.asp>

North Dakota

SHEEO: <http://www.ndus.nodak.edu/students/default.asp?ID=252>

Ohio

You can find descriptions of our state student financial aid programs at the following web site. <http://www.regents.state.oh.us/sgs/>

With the exception of the Byrd Scholarship, these programs are funded with state general fund tax revenues.

SHEEO: <http://www.regents.state.oh.us/sgs/>

Wisconsin

In Wisconsin, the major state grant program is divided among the three higher education sectors (UW System, Technical College System and the private colleges and universities). Each sector has its own program and appropriation administered by the Higher Educational Aids Board (HEAB). For the UW System Wisconsin Higher Education Grant (WHEG), the state increases the appropriation for the program, at a minimum, according to the highest tuition increase percentage from the previous year. So if tuition increases 10% in 2003-04, the 2004-05 WHEG appropriation would need to increase 10%. That is a statutory requirement.

HEAB then uses a formula to distribute the dollars to the students. For 2004-05 the formula is as follows: \$4,554 (2003-04 UW-Madison tuition) minus EFC multiplied by 43% equals the award. The maximum award is \$1,958 and the minimum is \$250.

The formula is established by the UW System WHEG Advisory Committee, approved by the President of the System and then final approval comes from the Higher Educational Aids Board. The formula typically changes each year based on the funding available and the projected number of eligible students.

Funding for WHEG has traditionally come from the state's general fund. However, in the 2003-05 budget, increases to the program were funded using a transfer of UW System auxiliary funding to the program.

SHEEO: <http://www.wisconsin.edu/>