Testimony of

Shannon Loredo, Director, Office of the Wisconsin Covenant Legislative Council Special Committee on Review of Higher Education Financial Aid Programs August 17, 2010

Chairperson Ballweg, Vice-Chair Risser and members of the committee, thank you for the opportunity to testify before you today regarding the important role of the Wisconsin Covenant in ensuring there is adequate financial aid for all students interested in pursuing higher education in Wisconsin. Governor Jim Doyle appointed me as Director of the Office of the Wisconsin Covenant in January. Previously, I was the Development Director for the Wisconsin Covenant Foundation which has pledged \$40 million to provide additional grants to Wisconsin Covenant students.

Governor Jim Doyle created the Wisconsin Covenant to ensure that all students in Wisconsin know that college is possible for them. The Wisconsin Covenant helps students get on the path to college early, spells out exactly what students need to do to get into college and be successful when they get there, and provides financial help for families to pay some of the college costs.

Those of us who work in higher education understand that there are a variety of issues students face on their path to college. Some students don't know anyone in their neighborhood or social circle who has gone to college and therefore don't believe that college is for them. This is an <u>aspiration</u> issue. Some students, especially those whose parents did not go to college, have difficulty understanding how to prepare in high school and how the college admissions and financial aid processes work. That is a <u>preparation</u> problem. Some students just don't think that their families can pay the costs related to a college education. This is a <u>financial aid issue</u>. The Wisconsin Covenant in partnership with Wisconsin's three higher education sectors, the Department of Public Instruction and the Higher Education Aids Board addresses each of these issues.

The Wisconsin State Legislature recently approved an administrative rule which spells out how the Office of the Wisconsin Covenant at the Department of Administration will distribute the \$25 million annual appropriation that the Legislature approved in the last budget cycle. This rule will become effective on October 1, 2010. The entire amount will be used for grants to students to help pay their college tuition and other costs. These grants will supplement the federal Pell grant, state Wisconsin Higher Education Grant (WHEG), institutional grants and other sources to help cover the unmet need that many students face each academic year. The Wisconsin Covenant Foundation has pledged additional grants to those students who complete the pledge and need the most help in covering college costs.

The Wisconsin Covenant grants (including both the state Wisconsin Covenant Scholars Grant and the Wisconsin Covenant Foundation Grant) range from \$2,500 to \$250 annually depending on the students level of need as determined by the Free Application for Federal Student Aid (FAFSA), the standard application for financial aid that is used for most types of need based financial aid awarding. The Office of the Wisconsin Covenant chose to use this standard form to minimize administrative costs when distributing funds and to avoid confusion for families during the financial aid process.

The financial aid provided by these grants – although very important to families – is just one factor in helping students be successful in college. We know that even if students receive full scholarships, if they are not prepared for college level work, they will not be successful in completing their degrees. This is why the Wisconsin Covenant program incorporates:

- Aspiration talking about what it takes to get to college when students are in 8th grade;
- Preparation taking the right classes in high school, learning about how to apply for college and what successful college applications include, understanding how to fill out the FAFSA and doing it as soon as possible; and
- Financial Aid in the form of the Wisconsin Covenant Scholars Grants approved by the Legislature as well as the Wisconsin Covenant Foundation Grants.

The Wisconsin Covenant has also built partnerships among a variety of organizations which provide college access programming throughout our state. We work with the College Access Advisors funded by the College Access Challenge Grant to get the Wisconsin Covenant message to students in the federally designated low income high schools. We work with the Wisconsin Education Opportunities Programs (WEOP) team at the Department of Public Instruction to expose students to college going information and events. High school counselors use the check in form developed by the Office of the Wisconsin Covenant to help students stay on the right path during high school. The Higher Education Aids Board in conjunction with college financial aid administrators statewide are developing processes to distribute the grants when Wisconsin Covenant Scholars arrive on campuses in the fall of 2011. By working in cooperation with so many organizations throughout the state, we endeavor to minimize costs and reduce duplication of effort among the organizations trying to help get more students into college and be successful when they get there.

The Wisconsin Covenant is unique among college access programs both within the State of Wisconsin and nationwide. Within the state, no other program works directly with junior high schools, high schools, community based organization, federally funded programs like the College Access Challenge Grant as well as college and university administration, admissions and financial aid staff at all three higher education sectors (the University of Wisconsin System, the Wisconsin Technical College System and the Wisconsin Association of Independent Colleges and Universities).

Nationally, similar programs focus only on students with financial need. The Wisconsin Covenant program is open to all students throughout the State of Wisconsin. When Governor Doyle initiated this program, his intent was that every student in this state be prepared to succeed in college. That's why any student in this state can decide to sign the Wisconsin Covenant pledge in 8th grade — so they can start their first day of high school already knowing what they need to do to be successful in getting to college. That's why the pledge includes a community service component — because we know that students who do some volunteer work not only expand their own understanding of the world around them but are as viewed well-rounded applicants in the college admissions process. That's why the UW System, Wisconsin Technical College System and the Association of Independent Colleges and Universities have agreed to provide a place at one of their campuses for all of the students who complete the Wisconsin Covenant Pledge. They understand that students who are preparing for college as early as 8th grade, taking college preparatory classes, getting good grades, doing some community service and getting some additional financial support are more likely to be successful in graduating from college than students who did not start preparing early.

In conclusion, I want to thank you for this opportunity to present information about the important role the Wisconsin Covenant provides in ensuring that a college education is within reach for all

students in our state. Thank you especially to Chairperson Ballweg and Vice-Chair Risser for convening this group to discuss the importance of financial aid for students and families in Wisconsin. I would be happy to answer any questions you many have regarding the Wisconsin Covenant.