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Memorandum

Summary of AB 439: Strengthening Wisconsin Families Study Committee Legislation on Technical College and Financial Aid Improvements

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There are three distinct parts of AB 439, legislation unanimously approved by the Special Committee on Strengthening Wisconsin Families at their April 30th meeting, and subsequently forwarded on by the full Legislative Council Committee.

- (1) Reporting of adult basic education outcomes.
- (2) Removal of the “at least half time” barrier to WHEG grants.
- (3) Establishing dual enrollment options to increase transitions from basic education to postsecondary occupational programs and increase completion rates.

Each of these measures directly impact efforts to meet an important workforce challenge facing the state: how to help more low-skilled adults gain the skills they need to earn a decent wage in our increasingly knowledge-based economy. Each of the three parts addresses a critical barrier to meeting this workforce challenge and helping our workers and the employers who need them compete.

Data Reporting Requirements

Currently, the Wisconsin Technical College System reports certain data annually including, among other things, the number of a subset of students transitioning from basic education to postsecondary programs. Unfortunately, only those students who have *stated college as their goal* are included in this statistic – giving a cloudy view of actual completion and transition outcomes. AB 439 requires a number of new data points to be reported by the Wisconsin Technical College System annually.

Those include:

- (1) The numbers of students entering adult basic education programming.
- (2) Those that complete basic education programming and gain the GED.
- (3) Those that then transition to post-GED programming.
- (4) What programs these students enter (ex. certificates, technical diplomas, associate degree programs, bachelors degree programs).
- (5) Whether they complete any post-GED programming within 5 years.

Wisconsin Technical College System personnel have indicated that the requested data is currently collected, but not reported. The change, therefore, should require only minimal administrative resources.

While reporting program data is often a secondary consideration, the Committee recognized the importance of having relevant outcome information in order to strive toward improved adult basic

education outcomes and program performance and a better return on our basic education investments. With complete baseline data on the numbers of adult basic education students gaining their GED, and transitioning to postsecondary programs, for instance, goals can then be set by the Wisconsin Technical College System Board for improvement in this critical aspect of meeting our workforce challenges. AB 439 also requires the Board to then set such goals.

Financial Aid Change

Currently, the state's main need-based financial aid tool, the Wisconsin Higher Education Grant, is only available to students attending at least half time (6 credits). This restriction is addressed in AB 439 by removing the half-time minimum enrollment status requirement. Also, the current 10-semester limit on WHEGs is changed to a lifetime credit limit of 135 – reflecting the growing trend toward lifelong learning and ongoing skill development needs. This change only impacts the Wisconsin Technical College portion of WHEG funding as AB 439 is currently written, though David Wilson, the Chancellor of the UW-Colleges strongly supports the change as well.

These WHEG changes will help more working, non-traditional students (a growing population) *complete* their programs of study. Currently, for a number of reasons (juggling school with family and work, scheduling of courses, etc.) these students often have to temporarily drop down to just one class a semester. When they do so, they're not eligible for a WHEG. Without financial aid, working students are less likely to remain in a program of study.

We know that when students drop out of programs it is less likely they will ever complete their studies. When students drop out, there is in effect no return on the publicly-funded investments made in them, through the already-invested WHEG and other financial aid funds as well as the higher education services provided. Also, research indicates that having completed some college credits but not obtaining a post-GED credential does little or nothing to increase employment and earnings outcomes.

A number of other states have recognized how their financial aid tools do not match up with current student (and job market) realities, and have made this change, and their experiences are available for review. Just a few such examples are Illinois, Minnesota, Georgia, and Arkansas. One thing these examples have shown us is that it is very inexpensive to serve these students. For example, financial aid for students attending less than half time totaled less than 0.5 percent of all aid awarded through Illinois' main financial aid tool in a recent evaluation year. Financial aid administrators there also told us they are convinced the change has helped keep students enrolled who would otherwise have dropped out.

Adult Basic Education – Establishing Dual Enrollment Options

While Wisconsin does not have the *statutory* requirement that a GED is required before postsecondary study, it appears that individual colleges still utilize and focus on the GED as a requirement for many postsecondary programs.

This barrier for entry to valuable postsecondary training is addressed in AB 439 by prohibiting technical colleges from using the GED as an *automatic* requirement to postsecondary programs, and requires the Wisconsin Technical College System to help establish “dual enrollment” options, where a portion of adult basic education students (those assessing at higher levels) can be working toward their GED and also enroll in some parts of their preferred postsecondary programs. Other states have found that dual enrollment increases motivation of students and also significantly shortens the time needed to complete programs of study (a key for working students needing to retool their skills).