

AICUM PRESENTATION TO  
HOUSE APPROPRIATIONS SUBCOMMITTEE  
ON HIGHER EDUCATION

Tuesday, March 10, 2009

House Appropriations **Committee** Room  
Michigan State Capitol

Association of Independent Colleges  
and Universities of Michigan (AICUM)

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AICUM President

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AICUM Chair  
President, Madonna University

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AFFILIATE MEMBER

March 10, 2009

The Honorable Joan Bauer  
Chair  
House Appropriations Subcommittee on Higher Education  
Michigan House of Representatives

Dear Chairperson Bauer and Subcommittee Members:

Thank you for the opportunity to appear before your Subcommittee here in Michigan's beautifully restored Capitol to discuss higher education, a setting and a topic about which we share a passion.

Speaking for all of Michigan independent higher education, we heartily congratulate you, Representative Bauer, on your appointment as Chair of this vital Subcommittee. We genuinely look forward to working with you and with your Subcommittee colleagues for the sake of our students and the State. We also extend a warm welcome and greeting to each of the returning Members and to the new Members of this Subcommittee. Thank you to each of you for your leadership service.

This morning we stand in and speak for 49 Michigan independent colleges and universities and their Presidents, 1,000 Trustees, 10,000 faculty and more than 115,000 students. On behalf of that remarkable constituency, we begin by thanking the Legislature for your strong, wise and courageous support of our students and the vital Michigan Tuition Grant program through the years and particularly in the recent challenging years.

Unfortunately, the Governor's financial aid proposal in the 2009-10 Executive Budget proposes again to eliminate the Michigan Tuition Grant program and to decimate state need-based financial aid for our students. As described in this book of materials, that proposal would be devastating to needy Michigan resident independent college students and completely counterproductive for the State. For the sake of our students and our State, we appeal to the Legislature to once again save the Tuition Grant program, for all of the compelling reasons articulated in this book.

Sincerely,

Sister Rose Marie Kujawa  
Chair

Edward O. Blews, Jr.  
President

MICHIGAN INDEPENDENT HIGHER EDUCATION BUDGET BOOKLET

(2009-10)

Association Of Independent Colleges And  
Universities Of Michigan

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**THE COMPELLING CALL & CASE TO  
SAVE (AGAIN) THE MICHIGAN TUITION GRANTS  
& REJECT THE SO-CALLED "MICHIGAN COLLEGE  
ACCESS GRANTS" PROPOSAL**

***[Governor's Proposal Would Devastate Needy  
Students In Michigan Independent Colleges]***

Association of Independent Colleges  
and Universities of Michigan

The Governor's Executive Budget proposal to eliminate the absolutely critical Michigan Tuition Grant program (and five other proven financial aid programs) and replace them with a poorly-conceived and lesser-funded so-called "Michigan College Access Grants" program would be grossly unfair and truly devastating to needy Michigan resident students attending Michigan independent colleges at a tremendous savings to the State and its taxpayers. And the proposal would jeopardize the very existence of Michigan independent higher education as we know it. For the State of Michigan, this proposal would be fiscally unwise and economically and educationally counterproductive. And it would suddenly and summarily reverse programs and public policies forged over a forty-year period.

Once again we must call on the Legislature to save the Tuition Grant program and to keep alive the college hopes, opportunities and careers of more than 40,000 of our students.

At the outset, speaking for all of our independent colleges and universities, we express deepest gratitude to the Legislature for its compassion and wisdom in preserving the Tuition Grant program year after year in the face of all the challenges and threats. The Legislature on a strong bipartisan, bicameral basis ~~has~~ literally kept more than 40,000 Michigan residents of modest means in college and on ~~track~~ to a brighter future. On behalf of a profoundly grateful student body, we express our heartfelt gratitude. Once again we applaud and commend the Legislature for its wisdom, courage and compassion.

According to our Association's thorough analysis and projection in consultation **with our Members and financial aid officers, the Governor's so-called "Michigan College Access Grants" proposal would radically reduce state need-based financial aid for needy Michigan residents in Michigan independent colleges and universities by a stunning \$54.9 million or 79%.** That figure is so shocking that it bears painful repeating. It would slash state need-based financial aid for Michigan independent college students by nearly 80%.

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Contrary to its name, the "Michigan College Access Grants" proposal would deny access to Michigan independent colleges for more than 40,000 needy Michigan residents currently depending on the Michigan Tuition Grant program to attend college. About half of those students would be denied their grants altogether because of programmatic and eligibility manipulation. They would be sacrificed completely. The other "surviving" half would see their annual financial aid awards reduced by \$1,100 or 52% **from** the current \$2,100 Tuition Grant maximum to a maximum of \$1,000. That's a huge hit for a needy student. And our students would lose their share of other aid like Work-Study and Nursing Scholarships. That's why, if anything, it is an understatement to say that the Administration's proposal would be devastating to needy Michigan resident students attending Michigan independent colleges and universities. And ultimately it would dramatically increase the cost of higher education to the State's Budget and taxpayers.

**SIXTH ATTEMPT TO ELIMINATE TUITION GRANTS; NOT A NEW PROPOSAL BUT A REPEAT OF REJECTED 2003 PROPOSAL**

This proposal merely represents another attempt by the **Granholm** Administration to eliminate the Michigan Tuition Grant program so vital to needy students in Michigan independent colleges. For five of her previous six Executive Budgets (**i.e.** 2003-04 through **2007-08**), the Governor has attempted unsuccessfully to eliminate the Tuition Grant program through various proposals. Each year the Legislature by overwhelming bipartisan margins preserved the Tuition Grant program and sustained its funding, recognizing how critical it is to our Michigan resident students and what wise public policy it represents. We urge the Legislature this year to reject for the sixth time this latest attempt to eliminate the Tuition Grant program.

In fact, the "Michigan College Access Grants" proposal appears to be a dusted-off, **rehashed** version of the Governor's 2003 proposal by a different name (back then it was called "Michigan Opportunity Scholarships"). The Legislature examined and emphatically rejected that 2003 proposal on an overwhelming bipartisan basis. It was judged to be a bad idea then; it's an even worse idea now (because it also deeply cuts the overall need-based funding). It was found to be egregiously **unfair** to needy citizen students in independent colleges back then; it would still be fundamentally **unfair** to that category of students.

**MICHIGAN INDEPENDENT HIGHER EDUCATION (AICUM) POSITIONS**

*Michigan's independent colleges and universities, speaking unanimously through this Association, **urge the Michigan Legislature in its wisdom and compassion to once again preserve the Michigan Tuition Grant program and to appropriate in 2009-10 at least its current level of funding (\$56,668,100) because it is so critical to more than 40,000 needy Michigan residents attending Michigan independent colleges and to the State.** We plead this position for all of the compelling educational, humane, economic and wise public policy reasons cited in this document. And we request and **strongly recommend the continuation of the current boilerplate language regarding Tuition Grants. including the July 1 deadline and the \$2,100 award level.***

*We urge the **Legislature** not to adopt the Governor's **soorlv-conceived "Michigan College Access Grants" proposal** which would be so highly unjust and **financially devastating to our needy students.***

*In addition to saving the Michigan Tuition Grant program, we urge the Legislature to preserve and continue to fund the Competitive Scholarship program, the Work-Study programs, the Part-Time/Independent Grants program and the Michigan Nursing Scholarship program, all proven programs serving important public policy purposes also.*

*[While it is not a part of the financial aid proposal, we also urge the Legislature to overturn the Governor's proposal to eliminate the funding for the King/Chavez/Parks programs. These are important incentive programs enhancing service and success in higher education for underprivileged students and underrepresented populations, in which independent as well as public institutions participate. Their funding too should be preserved.]*

### **REVIEW AND HARMFUL IMPACT OF "ACCESS GRANTS" PROPOSAL**

The Governor's proposal would roll six **financial** aid programs into a haphazard, arbitrary single "Michigan College Access Grants" program – and reduce the combined need-based student aid funding by **\$18.7 million, from \$108.5 million** in the current programs to **\$89.8 million** in the proposed program. (Need-based student financial aid is the last thing that should be cut during this economic crisis and in light of the taxpayer savings, independent college students are the last people who should be cut.) It would eliminate six longstanding, proven programs (**i.e.** Michigan Tuition Grants, Michigan Competitive Scholarships, Michigan **Work-Study**, **Adult/Part-Time** Grants, Michigan Educational Opportunity Grants and Michigan Nursing Scholarships). Each of these programs has been carefully established and refined through the decades (going back more than **40 years** in the case of Tuition Grants and Competitive Scholarships) to meet specific needs and serve important and unique public policy purposes. By way of succinctly stating examples, the Michigan Tuition Grant program is the need-based equitable choice program for citizens sacrificing to attend independent colleges as a programmatic counterpoint to the large State subsidy benefiting students in public universities. (It's vital public policy purposes are described in detail throughout this document.) The Competitive Scholarship program is a merit and need-based program utilizing the **college-entrance** ACT examination. The Work-Study programs fund valuable work experiences for students while generating additional financial aid through the employer match. The Michigan Nursing Scholarship program encourages and assists students to become nurses, a critical shortage area, with a commitment that upon graduation they will remain and serve in Michigan.

The Administration proposes several arbitrary eligibility changes and procedural and programmatic manipulations in their "Michigan College Access Grants" program, which would eliminate many independent college students (who have the highest **unmet** needs) and radically reallocate financial aid funds to students in other sectors (particularly community colleges) with lesser need and far lower tuitions because of State and local funding subsidies.

First, the proposal would create a very early deadline of **March 1** (a date already past), in harsh contrast to the current Tuition Grant application deadline of July 1. This would eliminate thousands of needy independent college students **from** eligibility, disproportionately cutting out underrepresented minority and first generation college students who tend to decide and apply later. Approximately 30% of the Tuition Grant recipients are minorities. Second, it restricts the proposed new program to undergraduate students, whereas the Tuition Grant program as a matter of public policy also assists a small and highly needy population of graduate students. (This recognizes the value to the State of graduate education and that the State through its direct appropriations significantly subsidizes graduate students in public universities regardless of income.) The current Work-Study and Nursing Scholarship programs also serve graduate

students, who would be cut out of the proposed new program. Third, it imposes the equivalent of an arbitrary income eligibility cap (i.e. maximum "EFC" of \$7,750) rather than following the nationally-recognized uniform system and formula for determining true student financial need. (According to our analysis and financial aid officers, the proposal would cut **off** aid at a much lower income level and at a far higher **unmet** need level than has been cited by the Administration.) Thus many families and students who have received Tuition Grants under a true assessment of their needs would be denied "Access Grants" by this arbitrary cap. Fourth, is a troubling clause that would allow the Michigan Higher Education Assistance Authority appointed by the Governor to set any additional eligibility requirements rather than the Legislature.

The effect of the first three provisions (above) in the new program would be to eliminate nearly half of the Tuition Grant recipients from any financial aid at all.

For the "lucky" half of current Tuition Grant recipients who survived the programmatic purge, their annual need-based grant would be slashed by \$1,100 (an unconscionable cut of 52%) **from** the current Tuition Grant maximum of \$2,100 to the "Access Grant" maximum of \$1,000. And even that reduced level isn't assured, because the proposed boilerplate language merely stipulates that the Assistance Authority will set the award level.

Again, the Governor's proposal would slash state need-based financial aid for needy Michigan resident students in Michigan independent colleges and universities by a shocking 79%.

### **PROPOSAL IGNORES HUGE SUBSIDY ISSUE (NOT ALL STUDENTS IN SAME SITUATION)**

The Executive Budget proposal assumes that all students in all sectors are in the same situation. Not so! The proposal conveniently ignores the \$1.47 billion in direct appropriations currently to the public universities (translating into an average State subsidy of \$5,776 per public university student) from which independent college students receive no benefit. Independent colleges are not funded or subsidized by the State, so our students must face much higher tuition. Hence a student at a given income level faces much higher tuition and hence has much higher need at an independent college. (It's not that the full and true cost of educating a student is higher at an independent college – to the contrary – but that the price that must be charged is higher because there is no State subsidy.) In a nutshell, that's why the Tuition Grant program exists with an appropriately higher award maximum for needy independent college students.

The Executive Budget suggests that the purpose of this proposal is to "**reform** student financial aid to **simplify** how students and their **families** access it.. ." But the approach is too simplistic. First it doesn't (and can't) change the national system of applying for and **analyzing** need for financial aid. Second, the existing programs operate efficiently and effectively particularly when properly administered. Third, simplicity should not trump the proper public policy purposes of the existing programs. Fourth, it totally ignores the dramatic subsidy difference described above. And finally, simplicity cannot **justify** decimating need-based financial aid for students at independent colleges.

### **OUR STUDENTS, COLLEGES ALREADY STRUGGLING FROM ECONOMY**

Our independent colleges and our students and families are already suffering **from** the State and national economic crisis. **Our** families are experiencing financial uncertainty,

diminished college savings, reductions in home values and reduced equity against which to borrow for college, decreased earnings and loss of jobs. Many are struggling to stay in our colleges as it is. The economic crisis is also hitting our colleges hard, with diminution in value of scholarship endowment and investment funds, challenges in **fundraising**, and budget struggles to hold down tuition and remain **affordable**. On top of that, a drastic reduction in State **need**-based aid would send our students, families and colleges reeling. The Governor's proposal comes at the worst possible time. Moreover, students and families are making their decisions now about continuing or commencing college and are counting on the continuation of the current State student aid programs.

### **BACK TO THE FUTURE OF TUITION GRANTS**

Since it would be a primary victim of the Governor's proposal, we will now focus on the compelling case for the Michigan Tuition Grant program in our plea to the Legislature to again save it and to preserve the critical need-based state aid for our students.

There is a reason – many profound reasons – why the Legislature has continued the Tuition Grant program since 1966 and preserved it in the face of five recent Executive Budget proposals to eliminate it. The Michigan Tuition Grant program still stands as one of the State's wisest and most productive and cost-effective investments. For 43 years, Michigan has provided need-based Michigan Tuition Grants to residents of modest means as a compelling matter of smart economic and public policy for the State (which results in substantial taxpayer savings) and fundamental fairness to its citizens. The program has stood the test of political and public policy scrutiny through four decades and the incredibly intense challenges of the last six years when the Governor proposed its elimination five times in response to the State's budget deficits. Instead the Legislature on an overwhelming bipartisan, bicameral basis has saved the Tuition Grant and its funding as a top priority in its Budgets.

### **CRITICAL HUMAN ROLE OF TUITION GRANTS (40,000 STUDENTS IN JEOPARDY)**

The Tuition Grant is absolutely critical to the ability of more than 40,000 students to attend college. Even with this need-based financial aid, these students and their families sacrifice greatly and struggle financially to attend an independent college or university. The Executive Budget proposal would abandon those students, jeopardizing their ability to continue in college. Most would be forced out of college altogether or to go to public institutions at much higher cost to the taxpayers. These **are** real flesh-and-blood people... State citizens... whose hopes and futures are linked to the Tuition Grant program. They hail from every nook and corner of the State; they come from cities, rural areas and suburbs. They are Michigan's heart and future.

What makes this concern and threat even more acute is the fact that Michigan independent colleges in particular serve very successfully a remarkable Michigan constituency for whom **affordability** is a constant concern and who urgently need the Michigan Tuition Grant program. The following profile of our overall composite student body of 115,000 students proves the point:

- ... approximately 90% are Michigan residents;
- ... the vast majority are from low and **middle-income** families of modest means;



- ... three-fourths require some form of financial aid;
- ... many are first generation college students; and
- ... to the surprise of many, an amazing 15% are African-American and 21% are minorities (both consistently the highest percentages in Michigan higher education). And we graduate higher percentages of minority students also.

More than 30% of the Tuition Grant recipients are minority students. As the numbers and percentages of high school graduates **from** underrepresented minority populations grow, the need for access and choice via the Tuition Grant program becomes even more important.

### **FUNDAMENTAL FAIRNESS & EDUCATIONAL EQUITY FOR MICHIGAN'S CITIZENS**

The Michigan Tuition Grant program is a matter of fundamental fairness for Michigan's citizens of limited means. For many years through the Tuition Grant program, the State has recognized that those students (currently 115,000) who attend independent colleges lose the substantial direct State operating appropriations subsidy (**currently** averaging \$5,776 per student) benefiting all students in our fine public universities regardless of income. Moreover, independent colleges do not receive State capital funding as State institutions do. **Thus** independent college students must face much higher tuitions (averaging \$20,149 for the current academic year) because their Tuitions must cover nearly 90% of the cost of their education. The Tuition Grant program currently provides a grant of up to \$2,100, but only for needy residents **from** families of modest means in independent colleges. The maximum grant for the neediest independent college student is still \$3,676 less than the average subsidy for **all** public university students. (We add as **always that** we support the State's funding for our public universities; we merely ask for consideration also and equity and help through the Tuition Grant program for needy citizens in independent colleges.)

Tuition Grant recipients are needy Michigan citizens from taxpaying families who happen to choose independent colleges at great benefit and savings for the State. The Executive Budget proposal ignores the fact that these Michigan citizens have no access to the benefits of the \$1.47 billion the State provides for the public universities. That large pool of public university **funding** is not accessible to Michigan citizens attending Michigan's independent colleges and universities. Hence the Tuition Grant program funding of \$56.7 million provides relatively modest assistance for them if they demonstrate need.

The "playing field" for Michigan citizens in independent higher education is already steeply tilted against them as the above numbers show. The Governor's proposal would nearly take them completely off the field.

Higher education funding for all of Michigan's citizens who attend public or independent colleges should be a priority. Our Association has consistently called for greater support and priority in funding for all of higher education, public and independent, without sacrificing support for either sector.

**PROPOSAL FISCALLY SHORTSIGHTED, ECONOMICALLY COUNTERPRODUCTIVE**  
**[INDEPENDENT COLLEGES SAVE TAXPAYERS MONEY]**

The Governor's proposal to eliminate the Tuition Grant program and slash financial aid for independent college students would be fiscally shortsighted and economically counterproductive, ultimately increasing the burden on the taxpayers and the State Budget. Michigan's independent colleges and universities actually save the taxpayers more than \$370 million a year (after accounting for the State's assistance) which is made possible by the Tuition Grant program. And that's just **annual** operating cost savings. Additionally, it would cost the State more than \$3.5 billion to attempt to replicate the independent college campuses, built without direct taxpayer funding. Certainly we are cognizant of the State's Budget problems, but it simply makes no sense to eliminate a program which saves such substantial taxpayer dollars. For every dollar the State invests in the Tuition Grant program, it saves more than \$6.53 in operating expenses alone (not even counting campus construction costs). The Tuition Grant program and independent colleges are a critical part of the solution to this State's educational and economic challenges.

The Tuition Grant funding (\$56,668,100) represents less than 4% of the higher education budget, although independent colleges serve more than 25% of the four-year higher education enrollment in Michigan. This investment of less than 4% of the Budget produces more than 25% of the higher education productivity. The program is a major bargain for the State of Michigan.

The **Administration** focuses only on the relatively small financial aid portion of the Higher Education Budget when explaining its proposal and treatment of independent college students. That's like focusing on a corner of a painting and assuming you are seeing the whole picture. In fact the total higher education budget provides \$1.47 billion in direct public university appropriations benefiting (subsidizing) students in public universities. When one accurately looks at the whole picture of the higher education budget, the Tuition Grant funding represents less than 4% of the budget although independent colleges serve more than 25% of the students.

Michigan cannot afford not to fund the Tuition Grant program because of the taxpayer savings it generates. The State cannot **afford** to pick up the much higher cost of educating the 40,000 Tuition Grant recipients (or our 115,000 total students) in public universities, let alone the \$3.5 billion cost to replicate our facilities. It does not have the capacity to educate these students. And our economy certainly cannot afford to leave these students uneducated.

Moreover, Michigan's independent colleges and universities generate a profoundly positive economic impact of more than \$6.6 billion a year on Michigan's economy. That represents \$116 in economic impact for every dollar the State invests in Tuition Grants. Talk about an economic stimulus!

Bad budget times like these should not cause the State to abandon good public policy or proven programs, particularly those which actually help reduce the burden on the State Budget and produce savings for the taxpayers. If anything, the State should be seeking ways to increase its utilization of the independent higher education resource to meet additional needs at a lesser cost to the State, beginning with increased funding of the Michigan Tuition Grant program.

### **STATE'S STATUTORY PROMISE**

For 43 years the State has made a promise to succeeding generations of Michigan citizens, including this generation of current and prospective independent college students. If you are of modest means and make the financial sacrifice to attend an independent college, the State will provide assistance to make it possible. This is a statutory promise. The Tuition Grant statute (Act. No. 313 of 1966, being MCLA 390.991 et **seq.**) declares that the State shall provide (and continue) Tuition Grants to **qualifying** Michigan resident students at Michigan independent colleges.

Elimination of the Michigan Tuition Grant program would break the State's promise to all those students and families. Such abandonment would dash their dreams and aspirations. Such a thing seems unthinkable, no matter how bad the Budget.

### **ABRUPT REVERSAL OF 43 YEARS OF WISE PUBLIC POLICY**

The Governor's proposal would abruptly reverse and discard 43 years of Michigan public policy, established and strongly supported by Democrats and Republicans through the years. Since 1966, with strong bipartisan support, the State has maintained the Tuition Grant program as proper and wise public policy, encouraging quality, competition, fairness, pluralism and taxpayer savings in higher education.

To briefly highlight, the compelling public policy principles undergirding the Tuition Grant program include: 1) enabling Michigan residents of modest means to choose independent colleges when they best meet their needs; 2) preserving diversity and healthy competition in our pluralistic higher education system which helps assure quality; 3) providing **some** equity for Michigan taxpayers who choose independent colleges at great financial sacrifice; 4) nurturing through a reasonable investment the unique and excellent services performed by independent colleges for the State; and 5) in the process, sustaining substantial taxpayer savings and economy in the State's Budget.

This State (like virtually every other state) has long recognized that Michigan independent colleges and universities are integral components of our pluralistic higher education system, a vital role made possible by the Tuition Grant program. Independent colleges provide educational programs, focuses and perspectives not otherwise available to the people of this State. They are able to specialize and focus on their particular missions. As relatively small campuses individually (though very large compositely), they offer personalized educational settings integrating **learning** and living. They feature intense, focused liberal arts and undergraduate education, as well as high technology curricula, practical business education, strong graduate and professional programs and many other diverse programs. Many come out of unique historic missions and faith-based heritages. They are critical, irreplaceable components of Michigan's excellent higher education system.

### **POLL: PUBLIC STRONGLY SUPPORTS TUITION GRANT PROGRAM**

According to a 2004 poll independently and objectively conducted by the respected pollster Mitchell Research & Communications **Inc.**, Michigan voters strongly support preserving the Tuition Grant program and its funding by a 2 to 1 margin, despite the State's budget crisis at that time and in the face of the Governor's proposal to eliminate the program funding. Sixty percent (60%) of those polled supported having the State continue to provide these need-based

scholarships for low and middle-income students so they can attend private colleges in Michigan, while only 32% opposed them and 8% were undecided. Support for the Michigan Tuition Grant program was equally strong among Democrats and Republicans, throughout all regions of the State and across all demographics (*i.e.* race, age, etc.).

### **TUITION GRANT SHOULD BE TOP PRIORITY ON 3 COMMON C O W S**

**Three** themes generally run through most discussions about what should be the State's priorities in these difficult economic times. They **are**: 1) to protect State services and funding for the needy and vulnerable; 2) to make education a priority for the sake of our future; and 3) to exercise fiscal responsibility and achieve economic efficiency, gaining the greatest return on the State's expenditures. By those standards, the Michigan Tuition Grant should be a very top priority. It uniquely addresses all three of those principles and priorities, perhaps more than **any** other educational expenditure. The Tuition Grant: 1) provides financial aid to needy, vulnerable students and is one of the few educational expenditures that is actually need-based; 2) opens educational opportunities for citizens of limited means; and 3) does so at a tremendous savings to the taxpayers.

### **BRAIN GAIN WOULD BECOME BRAN DRAIN WITHOUT TUITION GRANTS**

The Tuition Grant program produces a "brain gain" for Michigan, enabling our independent colleges and universities to keep Michigan young people in the State and in college. At the **front** end of the educational pipeline, 90% of our independent sector students are Michigan residents, many of them dependent on the Tuition Grant program.

At the back end of the pipeline, Michigan independent college and university graduates remain in Michigan in very high percentages, contributing immeasurably to our State's economic vitality, health and quality of life. Michigan independent colleges produce high numbers of excellent professionals in teaching, engineering, technology, health professions, nonprofit leadership, business, and countless other fields. Our graduates are a key part of the State's economy. And, again, our independent colleges and universities generate a positive **annual** economic impact of more than \$6.6 billion.

On the other hand, loss of the Tuition Grant program would lead to a damaging "brain drain" and budget burden for the State of Michigan. While many students would be forced to attend instead public universities if they even have the additional capacity (at a much greater cost to the State), many others would lose the opportunity of college altogether (at a huge cost to the State's economy and future). It would also cause significant numbers of Michigan resident students now in independent colleges to leave the State for college opportunities, likely losing them and their potential contributions to this State forever. Such a brain drain would be a very high price to pay. Michigan's failure to sustain its support for its citizens in independent colleges through the Tuition Grant program would seriously diminish Michigan's economic and educational competitiveness with other states and would severely erode its ability to keep its young people in Michigan.

### **AGONY & ANGST FOR STUDENTS & FAMILIES**

Once again, the pending Executive Budget proposal creates a great deal of agony and angst for students and families just as they are planning to continue or commence their independent college education this Fall. They (and we) are encouraged by and deeply grateful

for the strong support of the Legislature the last six years. But we urge the Legislature to promptly reassure our students and families that they can count on their Tuition Grants for next year.

### **JEOPARDY TO MICHIGAN INDEPENDENT HIGHER EDUCATION ITSELF**

**Talking** about the devastating impact of the proposed loss of the Tuition Grant on independent colleges themselves is obviously a delicate topic, and we certainly don't want to foster a self-fulfilling prophecy. But one can imagine the decimating impact of losing up to 40,000 students (nearly 35%) of our enrollments, or even a significant portion of that number.

Frankly, loss of the Tuition Grant program would jeopardize Michigan independent colleges and universities **as** we know them. It is not overly dramatic to fear that colleges, particularly those serving high numbers of disadvantaged students, would be facing closure. It would irreparably change the face of Michigan independent higher education in its mission of serving the people of Michigan **from** all **walks** of life. At stake is the vitality and even survival of Michigan independent higher education **as** we know it today. The ultimate victims would be the State and the citizens we serve.

### **EXECUTIVE BUDGET CONTRADICTORY TO CHERRY COMMISSION GOAL**

The Governor and Cherry Commission On Higher Education & Economic Growth set and seek a goal of doubling the number of college graduates over ten years. Certainly that is a laudable and important goal, but one which requires **recognizing** and enhancing the integral role of independent colleges in our higher education system. By contrast, the Executive Budget proposal to eliminate the Michigan Tuition Grant program is completely contradictory and counterproductive to that goal by ultimately **disenfranchising** 40,000 independent college students. It would be impossible to sustain, let alone increase or double, the number of college graduates while decimating the financial aid which enables 40,000 students a year to attend (and ultimately graduate from) Michigan independent colleges.

### **CONCLUSION**

The college careers, hopes, dreams, and futures of more than 40,000 students in our Michigan independent colleges and universities are at stake in the hands of the Michigan Legislature. So too in a real sense is the future of our Michigan independent colleges and universities which have such a profoundly positive impact on this State.

For the sake of our students and the sake of the State, we urge the Legislature to again save the Michigan Tuition Grant program and to preserve its funding. We urge the Legislature to **not** adopt the Executive Budget's "Michigan College Access Grants" proposal which would decrease need-based student aid for needy Michigan citizens in our independent colleges. We ask the Legislature to continue also the other proven financial aid programs (**i.e.** Competitive Scholarships, Work-Study, **Part-Time/Independent** Grants and Nursing Scholarships). And we request and strongly recommend continuation of **all** of the current (2008-09 Higher Education Appropriations Act) boilerplate language regarding the Michigan Tuition Grant program, including the July 1 application deadline and the \$2,100 award level.