



Nodler contemplates formula to finance higher education

Nodler contemplates formula to finance higher education

Chairman of the newly formed Missouri Senate Interim Committee on the Cost of a College Education, Sen. Gary Nodler believes that higher education needs to be funded by a formula similar to what is used to finance elementary and secondary education. He believes that Missouri should allot funds to higher education institutions in a more evenhanded method, and should initiate thought and give time over researching a formula to fund higher education. The five-member committee's responsibilities encompass: studying the state funding towards the cost of college; probing the different ways of funding to colleges; and considering tuition, student indebtedness and utilization of college savings plans. The committee will be reporting on its findings to the General Assembly by Jan. 26. State Sen. Tim Green contends that there have been numerous committees studying on the subject, but there hasn't been any positive outcome. He further writes to the committee, stating that The National Center for Public Policy and Higher Education rates Missouri as 'F' in college affordability, and that it was time the legislature crafted some methods to make quality higher education more affordable for the Missourians.

UW System budgets for 2007-2009

The UW System Board of Regents proposed "A Growth Agenda for Wisconsin"— its 2007-2009 budget featuring a 2.5 percent increase in tuition, which is the lowest increase in 25 years. The low increase was possible as the University witnessed a lower than earlier, cost of utilities, health care and pay plans, which consumed a lot of tuition money. It decided to pass on the benefits of cost saving to the students. The Board also proposed programs to help low-income students and veterans by way of two grants. The Hold Harmless Tuition Grant will assist low-income UW students who are not eligible for the Wisconsin Covenant — a program to provide financial aid for future University students who take college-preparatory coursework and have done well at high school. The other grant would offer a 100 percent tuition waiver for state veterans, as per the Wisconsin GI Bill budget proposal, to be released early next year.

ED on SMART Grant

In accordance with the amendments made in Higher Education Reconciliation Act of 2005 (HERA), the U.S. Department of Education issued information about the Academic Competitiveness Grant (ACG) program and the National Science and Mathematics Access to Retain Talent Grant (National SMART Grant) program. According to the information, the National SMART Grant program, provides \$4,000 for each of the third and fourth years of study to needy students who are pursuing a four-year degree with a major in one of the physical or life sciences, computer science, engineering, mathematics, technology or a critical foreign language. The Department has also issued list of instructional programs that qualify as eligible majors, including critical foreign language majors for the National SMART Grant program. It will provide further guidance on implementing the changes made by the HERA including operational guidance and the promulgation of regulations.



Report: Financial aid administrators should guide students on credit cards

Financial aid administrators should proactively direct students on proper use of credit cards, a suggestion provided by a study entitled “Financially at-risk college students: An investigation of credit card usage, student loan debt and prioritization of debt repayment.” Conducted by Penn State University Associate Professor of Marketing Mary Beth Pinto and Penn State Erie Assistant Professor of Marketing, Phylis Mansfield, the study concluded that the collective burden of student loans and credit card debt have become an integral part of college experience in America. Based on responses from 1,441 candidates from four public and four private universities in the eastern United States, the report is slated to be featured in the forthcoming issue of the National Association of Student Financial Aid Administrators’ *Journal of Student Financial Aid*. The findings illustrate that when forced to choose between paying for student loans and credit card dues, students who are burdened with both the debts are more likely to select paying for the latter. The survey reported that while 61 percent of students owned at least one credit card, almost 70 percent had taken a student loan. Though a number of colleges have started offering credit card training programs during orientation, there is need for further counseling and advising sessions.