

**House Appropriations
Subcommittee on Higher Education
Ferris State University
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**Higher Education in Michigan:
TIP Financial Support Provides Student
Opportunity and Access**

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Representative Bauer and members of the House Higher Appropriations Subcommittee on Higher Education, thank you for taking time from your busy legislative schedule to hear from Michigan universities about the importance of the Tuition Incentive Program. It is an honor to appear before you today. I know that in speaking with you I am talking with our friends and supporters. You are our advocates in Lansing. We need your help and support more now than ever, and I look forward to working with you to reverse the negative state financial aid trends in order to support our students.

This is a very special academic year for Ferris State University as we are celebrating 125 years of providing educational opportunity. In 1884, Woodbridge and Helen Ferris founded what was at first called the Big Rapids Industrial School as a place to provide displaced loggers, subsistence farmers and others an opportunity to learn the skills they needed to make a better living in a changing economy. Their educational philosophy was both practical and visionary. It was also inclusive. Women comprised a third of the first class of 15 students and the school accepted students of color early in its history, reflecting the Ferris' egalitarian vision that guides the University today. *(See chart one)*

Mr. Ferris founded his school around opportunity. Today we celebrate and embrace that value, remembering his words which he delivered in 1916 as he was concluding his second term as Governor –

*My plea in Michigan –
And it will be my plea to the last breath I draw
And the last word I speak –
Is education for all children, all men and all women of Michigan
All the people in all our states all the time*

Looking at this picture of the original fifteen students at the Big Rapids Industrial School, one is struck by how toughened they appear by life. These were people who did not have access to education, for whom the future would be limited, but for the efforts of Mr. and Mrs. Ferris. From the very start the Big Rapids Industrial School, Ferris Institute, Ferris State College, and now Ferris State University have been dedicated to the concept of providing opportunity to those who did not have access to education. We believe today, as Mr. Ferris did then, that the opportunity of education is the pathway to a successful career, to a better life, and to a better Michigan.

One hundred and twenty five years after our founding, we face many of the same challenges as in those early years. Ferris State University is educating students for new careers in a changing economy. In 1884 the state's primary industry, which was then lumber extraction, had peaked, forcing many people to retrain for new jobs – some of which were not yet even in existence. Replace “lumber extraction” with “automobile production” and you have a pretty good description of what our students face today. In retrospect it is easy to see how education was crucial not just to improving the lives of individuals, but to the state as a whole. I would assert that this, too, is something that has not changed.

Financial Aid and TIP

While I stand before you as the President of Ferris State University, today I want to represent all public university students in Michigan and talk with you about the financial aid crisis in our state. Last year's budget decimated state financial assistance for students in Michigan.

I have always taken pride from our state's commitment to students. During the last decade, even during times of budget contraction, Michigan continued solid support of our students through financial aid. (See chart two) Beginning with general fund support of \$123 million in 2001, you maintained this support at \$111 million through 2009. For all funds you retained the \$242 million in support in 2001 at a level of \$235 million in 2009.

Examining the funding sources for this financial aid comparison reveals the stark reality of the budget actions in Lansing last fall. Although student financial aid support in the general fund was cut most severely, reduced by \$63.2 million or 56.8 percent, the reduction does not stop here. The Merit Award Trust Funds were reduced by \$75.7 million, or 71.6 percent. The Merit Award Trust Funds are funds secured by the Master Tobacco Settlement and thus were not decreased by

the slowing economy or reduced tax receipts. These funds were diverted away from our students for other purposes.

There was one bright spot in last year's financial aid funding. You worked to increase funding to the Tuition Incentive Program (TIP) by \$6 million, or 23.8 percent. The TIP program is designed to help students escape the cycle of poverty. To qualify, a student must have been eligible for Medicaid during 24 of the previous 36 months. Currently, this program pays the first two years of college tuition for students earning an associate degree at a community college or public university.

This program is especially powerful at public universities because it not only helps students earn associate degrees, but also bachelor degrees, providing an additional \$1,000 for third and fourth year study. In a pattern we see only too well documented on the materials in front of you, the Executive Budget now proposes reducing first and second year support under the TIP program to community college tuition levels, and eliminating the third and fourth year of the program.

Ferris has the largest TIP enrollment among Michigan universities. For 2009-10 Ferris enrolled 744 TIP students; 655 in Phase I and 140 in Phase II (some students received benefits from both phases as they progressed from fall to spring). We currently receive more than \$2.3 million from the program. The large number of associate degrees we offer makes Ferris State University an attractive option for TIP students, and the mission of the TIP program closely aligns with Ferris' mission of providing opportunity.

The TIP program personifies the opportunity we provide at Ferris State University. It attracts extraordinary young people to our campus, students who are determined that education is the pathway to the future. I am joined today by one of our TIP students, Melissa DiVietri, a first-year Printing Technology major. She has driven from Big Rapids so she could share her story with you.

Hi everyone. My name is Melissa DiVietri, 21 years old, a first year student at Ferris State University. I am from Traverse City and raised in Jackson, Michigan. I'm a Print Management major and eCommerce minor, so I am studying for my Bachelors of Science and a Certification. I want to go to Ferris for the next four to five years. I know exactly what requirements I need to fulfill my education for my dream career.

I will be the first person in my family to get a Bachelor's degree. I am seventh of eight children and only three of us went to college and two graduated. My mother has an associates and my father went to a tech school. College is supposed to be my 'safe zone' before I begin working at a career level. The plan is to successfully get my degree at Ferris and enter the career field with that 'cushion' of having the education as well the college experience. I have two campus jobs and am involved in multiple groups on campus, committees and leadership roles. I work for Ferris as a student employee working on the Ferris website, updating pages and links. Being a student employee working in the field I am studying is giving me that extra bonus of education & work at the same time.

I attended Jackson Community College in 2007 using my C.A.R.E. scholarship, which funded my entire education. JCC didn't offer the programs that I needed, and I chose Ferris because they offered the classes with the equipment, technology and resources that were helpful towards my career. Ferris State is the third best university in the country for the printing program. I use the TIP Scholarship as well as other forms of financial aid to pay for my education and living arrangements. I have been looking for more scholarships on top of what I already have to help pay for my tuition, books, computer equipment and not to mention my apartment. I live off campus to avoid paying the room & board (meal plan) and I use the payment option at my apartment complex for my financial aid to pay a majority of my rent cost. That's very helpful, it saves me a lot of stress, but yet there isn't enough money for everything I still need. I am constantly looking for aid. My degree is the always-changing 'technology,' and is constantly updating and I am at a lack of resources to use on my own.

If this scholarship changes, I may have to leave this university and go to a community college. I am worried that with all the changes that may happen, I won't be able to afford going to school because there isn't enough money to pay for everything I need. I am happy and very accommodated at Ferris. Ferris has helped me with my accommodations, education, and social involvement. I am learning it all here, at Ferris State University. If I have to, I'll do everything possible to stay here because I know the community colleges could not offer what I need to be successful in my education.

The National Conference on State Legislatures' publication "The Path to a Degree," asserts that, "Prioritizing and preserving college access for underrepresented students can improve the state's economy; increase per-capita income; improve individual lives; and fill workforce needs." For TIP students Ferris State University provides -

- Increased degree program options for students
- A safe geographic location option for students from larger cities and small towns alike
- The chance to live on campus and participate fully in campus life
- A full array of recognized academic support services
- Unlike other institutions, full-time dedicated support specifically for the TIP Scholars program
- High-quality instruction from full-time faculty who are teachers and experts in their fields
- Small class sizes which allow for more individual attention and assistance
- Higher retention rates from year one to year two

For these reasons, the Tuition Incentive Program is exactly the type of program Michigan needs during these challenging fiscal times. The simple truth is that at Ferris State University the TIP program works.

The Governor's proposal would be devastating for the program and our students. If this becomes a reality students like Melissa will be forced to pay the difference in tuition previously funded by the TIP program, approximately \$7,350 for next year.

It is worth remembering that there is no community college in the five-county area surrounding Big Rapids. TIP-eligible students would be left without a clear path toward a college degree. Taking the action recommended in the Executive Budget for the TIP would save only \$1.1

million in general fund dollars. The remaining reductions, \$6.3 million, are planned from the Merit Award Trust Funds.

Every day I work at creating more privately funded scholarship support for our students. It is financial support that keeps the dream of access and opportunity alive. Please join with me in this endeavor. Stop and reverse the pattern of decreased state financial aid for our students, especially for those students for whom opportunity means the very most.

Closing Thoughts

Ultimately, education is about people and the incredible power of knowledge to change individual lives. For me, students like Melissa DiVietri personify what makes Ferris State University a great American university, committed to opportunity and to access. Each of us in this room understands the crucial difference access to higher education and the opportunity it provides has made for us. We can and will succeed in this effort, but we need your help because we cannot do it alone. Today you can begin the process of restoring the support our students so desperately need, and in doing so I also believe you will start Michigan down the path of economic recovery.

We are very pleased that the Senate Higher Education Appropriations Subcommittee on Thursday included the restoration of TIP funding in the budget they recommended. I want to encourage you in the strongest way possible to join your Senate colleagues in a bipartisan effort to help these very deserving students. The TIP program is an effective, proven program that helps students escape the relentless cycle of economic poverty and pursue a future with bright promise.

Thank you for taking time today to consider the TIP program and for your continued efforts in Lansing to promote higher education and most importantly the needs of our students. I know that working together we can and we will make a difference.

These materials are accessible on-line at
<http://www.ferris.edu/htmls/administration/president/house-TIP-2010.htm>