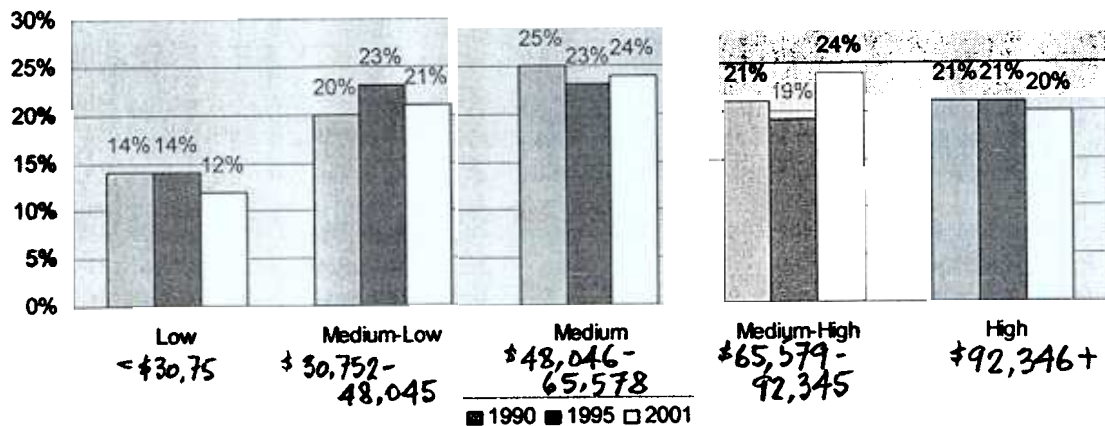


Income and Financial Aid

Figure 1 groups Wisconsin families into quintiles by family income. Each quintile represents twenty percent of Wisconsin families. Looking at the percentage of families of UW freshmen in each quintile shows that there are many UW freshmen coming from each of the quintiles. For Fall 2001, twelve percent of UW System freshmen come from families with incomes less than \$30,000. The UW System is serving middle-income families particularly well and does not have a disproportionate share of individuals from higher income families. Since 20% of Wisconsin families are in each income quintile, the distribution of family income of UW freshmen at the upper-income levels mirrors almost perfectly the distribution of family income generally in Wisconsin.

Looking at the quintile distribution over time shows that the percentage of students from each quintile has been relatively stable.

Figure 1
Distribution of Family Income for UW Freshmen
Compared to Distribution of Family Income in Wisconsin



Sources: ACT Freshmen Profiles (distribution of family income of UW freshmen), 1990 and 2000 Census (distribution of Wisconsin families by family income), and the Central Data Request/CDR.

Table 1 shows that 75% of the resident new freshmen from families with incomes of \$30,000 and less received need based grants. However the average amount of need based grants received covers less than half of the cost of attendance at a UW institution (tuition, room/board, books, travel allowance, miscellaneous expenses) and the additional cost is made up through loans and work. For example, 65% of new freshmen in the lowest income group utilized a federally-subsidized need-based loan in addition to their grant aid.

For new freshmen from the middle income group, the type of financial aid most frequently utilized was need-based loans. Sixty-four (64%) percent of these students borrowed through a federally subsidized need-based loan program. For new freshmen

from the highest income group, 57% borrowed through a non need-based loan program, the most frequently utilized type of financial aid for students in this income group.

Table 1
University of Wisconsin System
1999-00 Dependent, Resident, New Freshman Financial Aid Recipients
by Type of Aid Received and Income Group

	\$30,000 and Under		\$30,000-\$60,000		\$60,000 and Over		Overall	
	%	#	%	#	%	#	%	#
Need-Based Grants	75%	1,527	36%	1,291	6%	142	32%	2,960
Need-Based Loans	65%	1,329	64%	3,208	30%	690	56%	5,227
Non Need-Based Grants	42%	862	42%	2,116	43%	993	43%	3,971
Non Need-Based Loans	10%	214	32%	1,604	57%	1,315	34%	3,133
Work Study	27%	543	18%	893	4%	101	1%	1,537
Unduplicated Total		2,043		4,984		2,292		9,319

Distribution of Family Income for Fall 2001 UW Freshmen
Compared to Distribution of Family Income in the State of Wisconsin

Quintiles	Income Ranges	All Wisconsin Families	Families of All UW Freshmen	Families of UW-Madison Freshmen	Families of UW Colleges Freshmen	Families of all other UW Freshmen
Low	\$0-\$30,751	20.0%	12.1%	7.6%	17.6%	12.4%
Medium-Low	\$30,752-\$48,045	20.0%	20.7%	15.5%	27.8%	21.0%
Medium	\$48,046-\$65,578	20.0%	23.9%	19.5%	25.0%	25.4%
Medium-High	\$65,579-\$92,345	20.0%	23.6%	24.8%	15.1%	24.0%
High	\$92,346 and over	20.0%	19.7%	32.7%	14.6%	17.1%

Sources: 2001 ACT Freshmen Profiles (family income of UW freshmen)
2000 Census (family income in Wisconsin) adjusted for 2001 dollars