

# INTRODUCTION

## PUBLIC UNIVERSITIES

Michigan has 13 public 4-year universities located throughout the state. Three institutions — the University of Michigan in Ann Arbor, Michigan State University in East Lansing, and Wayne State University in Detroit — have large undergraduate, graduate, and professional programs and conduct varied and complex academic and research activities. Five institutions — Western Michigan University at Kalamazoo, Eastern Michigan at Ypsilanti, Central Michigan University at Mt. Pleasant, Oakland University near Rochester, and Northern Michigan University at Marquette — offer primarily undergraduate programs, but also offer some graduate programs. Western Michigan University, in particular, offers several doctoral programs. Programs in specialized areas are emphasized at 2 institutions: engineering at Michigan Technological University at Houghton and vocational-technical programs at Ferris State University in Big Rapids. Three institutions, as well as the 2 branch campuses, offer primarily undergraduate programs in the liberal arts — they are Grand Valley State University at Allendale, Saginaw Valley State University in University Center, Lake Superior State University at Sault Ste. Marie, and the branch campuses of the University of Michigan at Dearborn and Flint.

Eight institutions and the 2 branch campuses are located in metropolitan areas of southern Michigan. Two institutions are in the central part of the Lower Peninsula and 3 are situated in the Upper Peninsula. Together these institutions of higher education offer diverse programs, including vocational-technical, adult education, general academic, and professional training in law, medicine, veterinary medicine, optometry, and dentistry. While the diversity of programs at these institutions is great, similar programs within the general liberal arts curriculum are offered at all schools, providing residents with convenient access to nonspecialized educational programs.

Higher education enjoys a relatively autonomous structure in Michigan. The Constitution of 1963, which created the current State Board of Education, authorizes the boards of control of the individual public universities to supervise their respective institutions and to control expenditure of institutional funds. Three of the public 4-year universities are supervised by individual boards of control elected by the voters of Michigan while each remaining public university is governed by a board of control appointed by the governor.

## COMMUNITY AND JUNIOR COLLEGES

Michigan's 29 community colleges provide: 1) higher education opportunities to citizens for whom the cost, location of state universities and private colleges, or academic entrance requirements are barriers to attendance; 2) job training and retraining opportunities, including vocational, avocational, and nondegree courses and programs that may not be offered by other institutions; and 3) services that enhance the economic, cultural, intellectual, and social life of the community.

The Constitution of 1963 provides: "The legislature shall provide by law for the establishment and financial support of public community and junior colleges which shall be supervised and controlled by locally elected boards." This constitutional provision also established an 8-member State Board for Community and Junior Colleges to advise the State Board of Education in its general supervision and planning for community colleges. The creation and operation of community colleges are governed by Act 331 of 1966.

Approximately 440,000 students attend classes, either part time or full time, at one of Michigan's 29 public 2-year colleges. The community colleges are located throughout the state with 2 located in the Upper Peninsula, 7 in the northern Lower Peninsula, and the remaining 20 in southern Michigan. Over 80% of Michigan's 9.3 million citizens live in a community college district.

Curriculum offerings at Michigan's community colleges include pre-professional, liberal arts, occupational, and vocational courses responsive to the needs of both the student who will transfer to a 4-year institution and the student who will be directly entering or reentering the labor force. Last year, 48% of student credit hours were earned in liberal arts courses, 25% in business courses, 11% in trade and technical courses, 10% in health-related courses, and the remainder in developmental and special interest courses.

## INDEPENDENT COLLEGES AND UNIVERSITIES

Michigan's independent colleges provide a variety of specialized education opportunities and environments that complement public education offerings. They offer certificate and associate degree programs; church-affiliated terminal programs; baccalaureate programs, including liberal arts and teacher education; and graduate/professional programs leading to post-graduate degrees in many disciplines. Independent colleges are required to offer programs leading to a degree or offer 2 or more years for transfer to a degree-granting Michigan institution of higher education recognized by the state. In addition to traditional course offerings for students, independent colleges provide special programs ranging from weekend courses for professionals to seminars for senior citizens. Special and continuing education courses often are held on weekends, evenings, and early mornings, at locations both on and off campus.

Independent colleges and universities are recognized by the State Board of Education when they have been incorporated under Act 327 of 1931. The State Board of Education ensures that the articles of incorporation clearly define the educational activity of the proposed corporation and that specific limits are defined. Any unincorporated nonpublic colleges are also brought under the authority of the State Board of Education by Act 142 of 1964, the Unincorporated Institutions of Higher Learning Act, which authorizes the State Board of Education to establish minimum requirements for degrees or awards.

## FINANCIAL AID PROGRAMS

Article VIII, Section 1, of the Constitution of 1963 states that, "religion, morality and knowledge being necessary to good government and the happiness of mankind, school and the means of education shall forever be encouraged." For over thirty years various financial aid programs in Michigan have provided the means of education for students of higher learning across the state.

In 1960 the Michigan Higher Education Assistance Authority (MHEAA) was established to ease the financial burden of postsecondary education for students and their families. Created by Act 77 of 1960, this 15-member board is composed of a lending institution representative, state and local education officials, and private citizens from around the state, each appointed by the governor and confirmed by the senate. The MHEAA is a nonprofit organization operating to extend financial aid opportunities for students enrolled at qualified institutions in Michigan.

The MHEAA administers a wide variety of financial resources including scholarships, grant programs, and federal student aid programs. Awards of this nature are typically grouped into one of two categories, need-based and merit-based assistance. Merit-based financial aid is generally awarded in recognition of excellence in athletics, the arts, or academics to those who have demonstrated singular potential or a unique talent. Need-based financial aid is granted to those families or individuals who have proven unable to complete the cost of postsecondary education.

The MHEAA provides two state programs administered by its Scholarship and Grant Office. The Michigan Tuition Grant and the Michigan Competitive Scholarship are available only to Michigan residents who are attending a Michigan degree-granting institution. The Michigan Tuition Grant offers a maximum award of \$2,000 to students enrolled at private nonprofit institutions and who have demonstrated need by completing the federal needs analysis application. The Michigan Competitive Scholarship is made available to students who achieve a qualifying score on the American College Test (ACT) and who have also demonstrated financial need. The maximum award is \$1,200 and may be used at any public or private college or university in Michigan. The federally funded Robert C. Byrd Scholarship Program is also administered by the MHEAA's Scholarship and Grant Office. This program provides a merit stipend of \$1,500 to qualified students. This award may be used at any school in the United States.

The MHEAA's Michigan Guaranty Agency administers a variety of federal loans available through private lenders such as banks, credit unions, and savings and loan institutions. The Subsidized Federal Stafford Loan is awarded on the basis of financial need. This program offers a variable interest rate. In addition, the federal government pays the interest on this subsidized loan while the borrower is enrolled in school at least half time as well as during authorized grace and deferment periods. The Unsubsidized Federal Stafford Loan is an option for borrowers who do not qualify for a Subsidized Federal Stafford Loan, or who do qualify for a Subsidized Stafford Loan, but in an amount less than the annual Federal Stafford limit. The interest rate on the Unsubsidized Stafford Loan is variable. The Federal PLUS Loan is available to parents of dependent undergraduate students at a variable interest rate. The Federal Consolidation Loan Program

provides borrowers the opportunity to consolidate several types of federal student loans with various repayment schedules into a single loan with one monthly payment.

The Michigan Higher Education Student Loan Authority (MHESLA), composed of the same body as the MHEAA, was instituted in 1975 for the purpose of providing low-interest loans to individuals who were not approved for loans issued through private lenders. The Michigan Direct Student Loan Program ensures all Michigan students and their parents access to the federal loans described above. All loans made by this program are guaranteed by the MHEAA's Michigan Guaranty Agency. Act 96 of 1989 established the Michigan Alternative Student Loan Program (MI-LOAN), which provides loans between \$500 and \$10,000 per academic year. The maximum cumulative amount which can be borrowed is \$50,000. The MHESLA's State Secondary Market was established in April 1990 to purchase federally insured student loans from various financial institutions in Michigan. This provided additional capital to be reinvested in additional loans to students of postsecondary education. The MHESLA also has the ability to issue bonds and manage funds consistent with purposes of the Authority and the terms of Act 222 of 1975, as amended.

In addition to extending direct financial aid, the MHEAA and MHESLA sponsor campus-based educational programs such as the Adult Part-Time Grant Program, the Michigan Educational Opportunity Grant Program (MEOG), and the Michigan Graduate and Undergraduate Work-Study Programs. Programs such as these are administered directly by the office of financial aid at various colleges and universities in Michigan. Block funds are directed to institutions accepted by the State Board of Education where they are made available to students on the basis of their individual needs.

Further financial aid is made available to assist specific groups of individuals in pursuing higher education in Michigan. The MHEAA and MHESLA act in a fiduciary role for the Michigan Indian Tuition Waiver Program, which provides qualified Native American Indian students free tuition at public postsecondary institutions in the state. Additionally, federal aid is given to Native American Indians through the U.S. Department of the Interior, Bureau of Indian Affairs.

The Michigan Jobs Commission currently manages the Carl D. Perkins Vocational and Applied Technology Education Act and Single Parent/Displaced Homemaker and Sex Equity Programs. These programs provide tuition assistance for occupational education students attending a Michigan Community College or a State Board of Education approved four-year institution which offers a two-year degree in occupational education. The Michigan Jobs Commission also provides assistance to needy students with physical or mental impairments or other disabilities through its Office of Michigan Rehabilitation Services.

The federal government also provides a series of financial aid programs. The Pell Grant Program provides a need-based award for students pursuing a degree at an accredited institution. In addition to receiving a Student Aid Report, recipients of the Pell Grant will achieve priority in applying for the Federal Supplemental Educational Opportunity Grant (SEOG), which includes a variety of endowments ranging from \$100 to \$4,000. Other Federal assistance programs involve a series of low-interest loans available to graduate or undergraduate students and their families. The Federal Direct Student Loan Program provides Direct Subsidized Stafford, Direct Unsubsidized Stafford, Direct PLUS, and Direct Consolidation Loans through the U.S. Department of Education. These loans are limited to participating colleges and universities. Other federal programs provide financial and educational assistance to members of the armed forces, veterans and their dependents.

Together the Michigan Higher Education Assistance Authority and the Michigan Higher Education Student Loan Authority provide a variety of equitable and convenient financial aid programs. Both the MHEAA and MHESLA perform a valuable oversight and administrative function for the many state and federal assistance programs in Michigan.