

2021
COLLEGE CHANGES EVERYTHING®
CONFERENCE

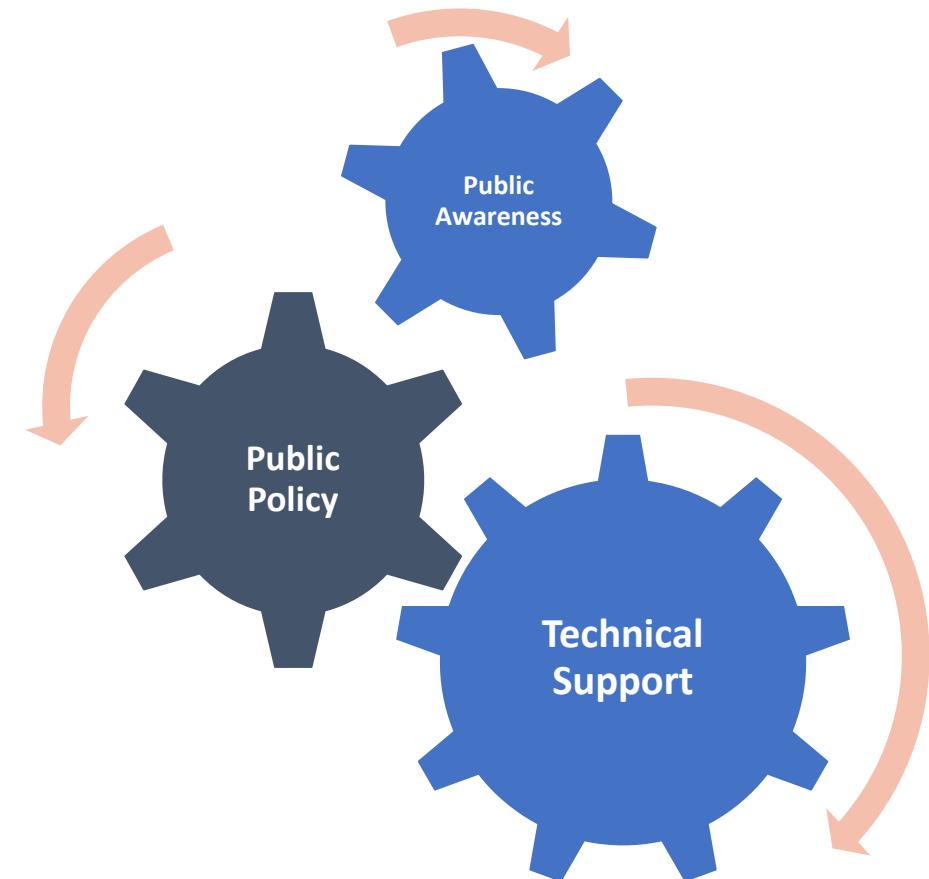
Higher Education Appropriations

A Framework for Equity in Illinois



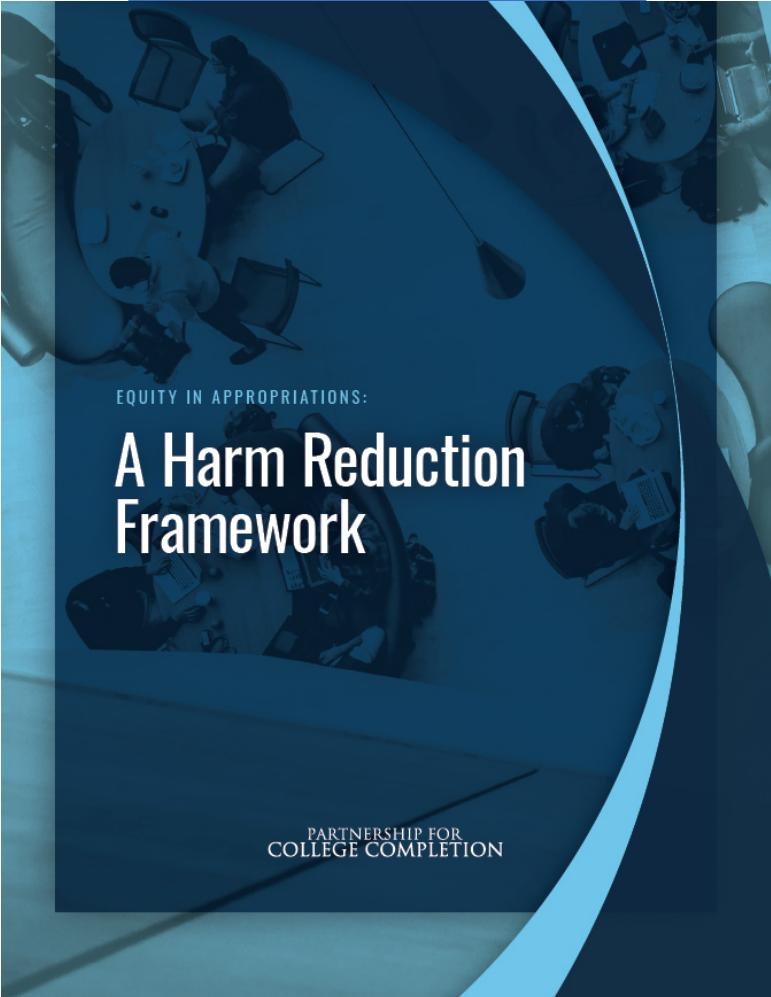
The Partnership for College Completion

The Partnership for College Completion (PCC) champions policies, practices, and systems that increase college completion and eliminate degree completion disparities for low-income, first generation, and students of color in Illinois – particularly Black and Latinx students.



Funding in and Beyond The Covid-19 Crisis

Equity Framework



Senate Bill 815

SB0815 Enrolled

LRB102 04603 CM

AN ACT concerning education.

**Be it enacted by the People of the State of
represented in the General Assembly:**

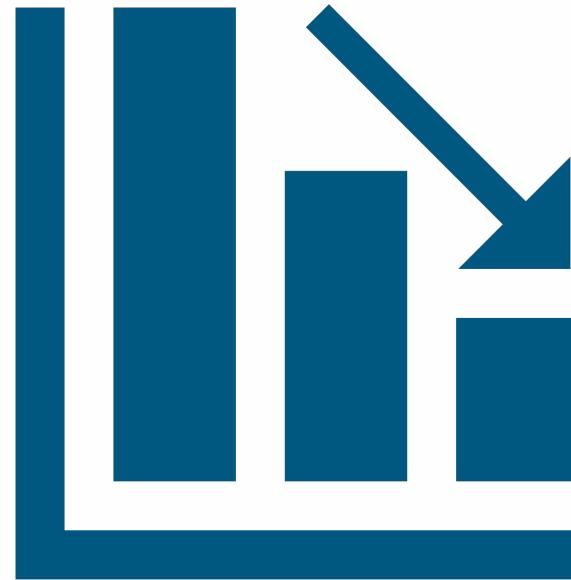
Section 1. Short title. This Act may be cited
Commission on Equitable Public University Funding Act

Section 5. Findings. The General Assembly finds a
following:

(1) Historical and continued systemic racism
created significant disparities in college
affordability, and completion for Black, Latinx,
underrepresented and historically underserved students
in this State.

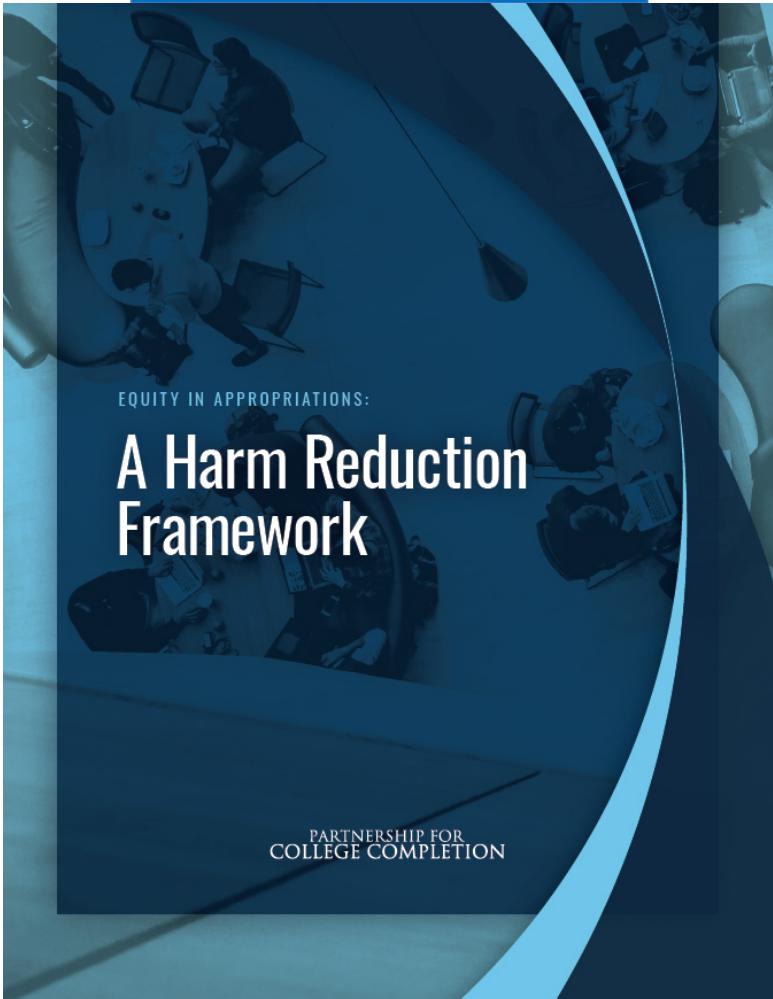
(2) Improvements in postsecondary access, completion
and success rates are required in order to meet
goals for equity in attainment and will require
investments in the higher education system to

Higher Education Appropriations: A Framework for Equity in Illinois



Framework for Equity released Nov. 10

Print Report



Interactive Web Report

PARTNERSHIP FOR
COLLEGE COMPLETION

Accelerating action to close the graduation gap

EQUITY IN APPROPRIATIONS ILEA EQUITY PLANS ABOUT OUR WORK NEWS & BLOG TAKE ACTION

HIGHER EDUCATION APPROPRIATIONS:

A Framework for Equity in Illinois

Since the early 2000s, a pattern of shortsighted funding decisions made during fiscal crises has taken its greatest toll on Illinois' most financially vulnerable institutions and the under-resourced students they serve. The result has been decreased affordability, with Illinois now being among the most expensive states for low-income university students. It has also meant decreased representation of students of color—particularly Black and Latinx students—and a widening gap in degree attainment across racial lines. Presently, the COVID-19 crisis has further exposed the inequities in our higher education system. This report examines how a pattern of disinvestment and underfunding in

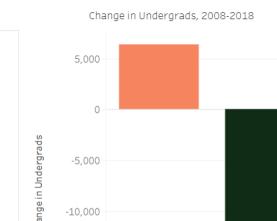
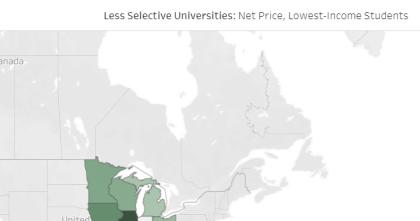


Download Report

Effects of Disinvestment in Illinois: Selective and Less Selective Universities



Illinois' less selective universities have become uniquely costly, pricing low-income students out and leading to declining enrollment.



Three Sections in the *Framework for Equity*

1

Effect of COVID-19 Crisis on IL Higher Ed

- Financially vulnerable students and institutions hardest hit

2

Recessions, Crises, Missed Opportunities

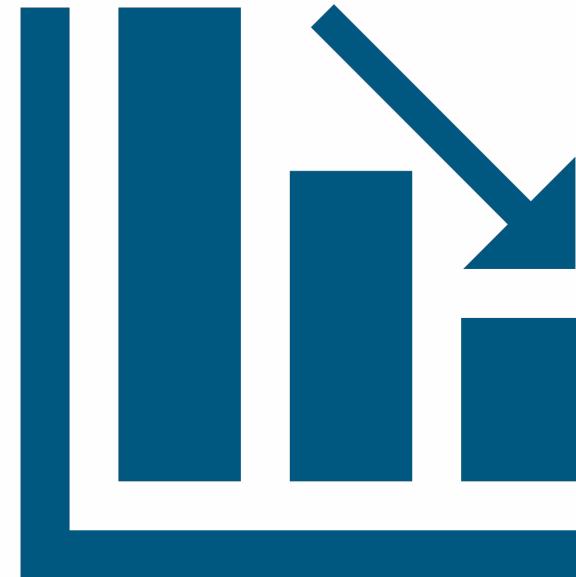
- Recent recessions were missed opportunities in which IL cut funding, pricing out students

3

Framework for Equitable Funding

- IL must fund colleges based on student need and ability to raise revenue

Section 1: The Effect of COVID-19 on Illinois Higher Education



Illinois higher ed was inequitable before COVID-19 struck

	ACCESS	AFFORDABILITY	DEBT
	Representative Universities	Avg. Cost of Public University as a % of Annual Family Income	Federal Loan Average for University Graduates (2008)
White Students	7 of 12	31%	\$9,900
Black Students	4 of 12	44%	\$15,900
Latinx Students	2 of 12	39%	\$11,500
Non-Pell Eligible	4 of 12	14%	\$7,400
Pell- Eligible	8 of 12	40%	\$17,700

- Financially vulnerable students and institutions were hardest hit
- Enrollment declines for low-income students and students of color
- The initial federal and state response set the stage for equity



Section 2: Recessions, Crises, and Illinois' Missed Opportunity for Higher Education



The pre-recession “golden age”

Before the 2000s recession, Illinois was in a “golden age” for higher education

100% of tuition

Was covered by state aid, compared to **32% now**

2x appropriations

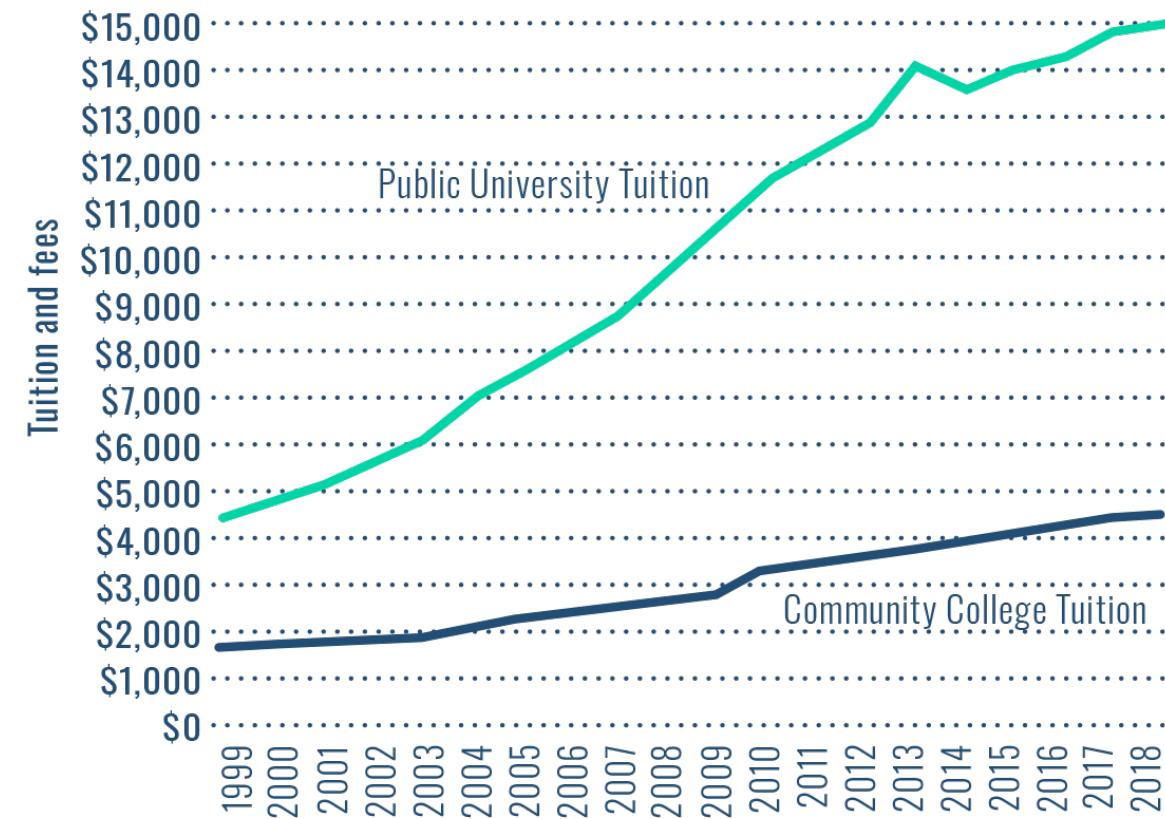
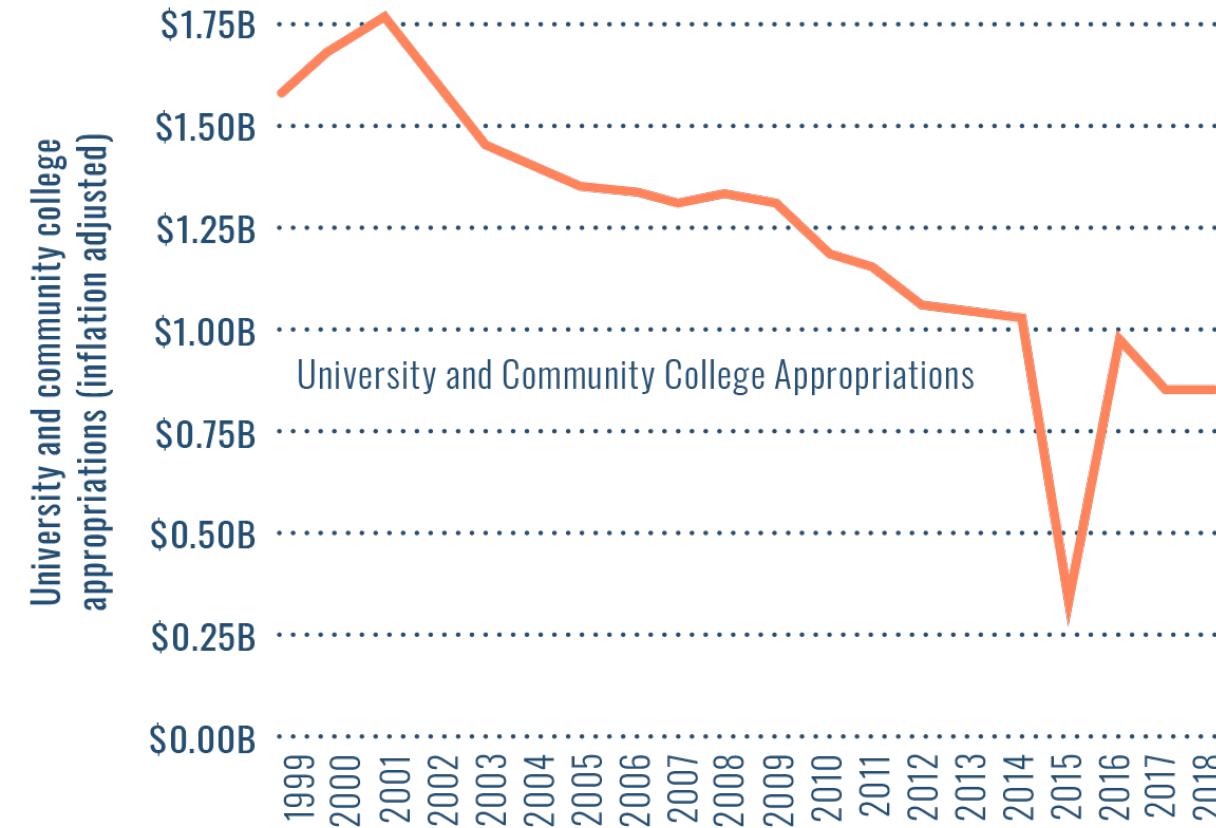
Appropriations have been effectively cut in half since 2001

0 students

Denied MAP grants, compared to **855,000** in recent crises

The effect of budget cuts in crises

But during recessions the state has cut higher ed, shifting costs to students



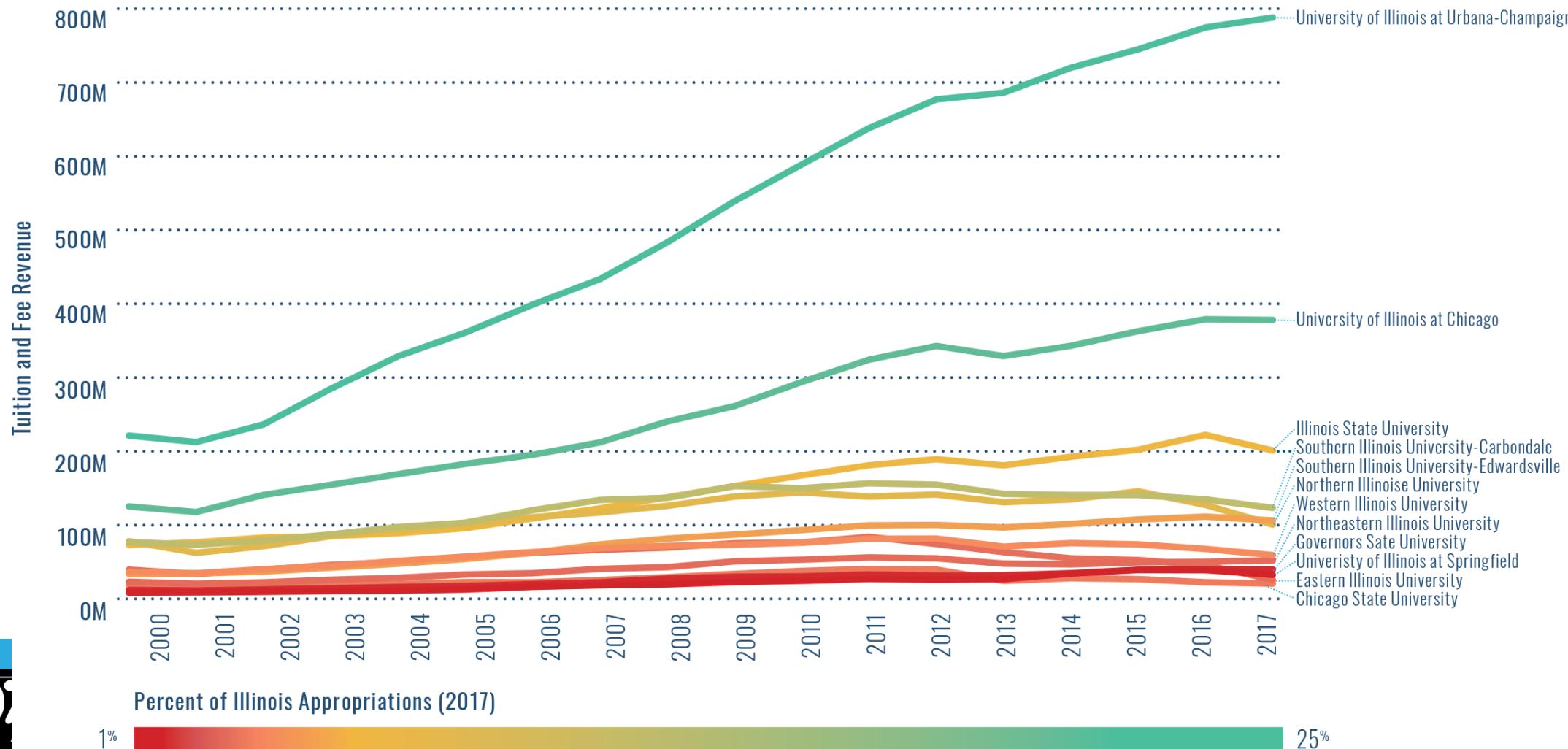
The effect of budget cuts in crises

Recent recessions had **63,000 more** Black and Latinx student enrollments, but those students were not adequately supported, likely resulting in **tens of thousands of fewer graduates**

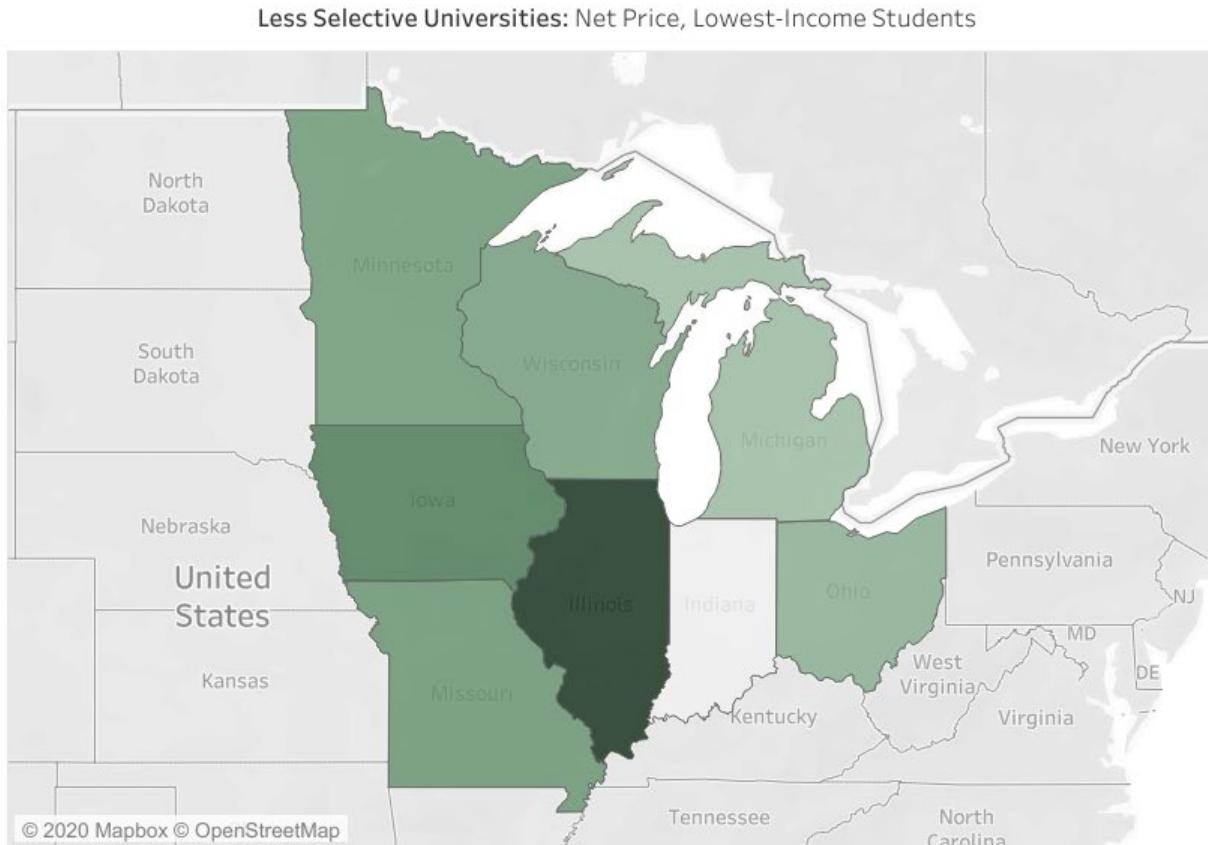
	2001-2003 RECESSION	2008-2011 RECESSION
Enrollment change (cumulative)	+43,200 students	+70,500 students
University tuition and fees change	+\$1,000	+\$1,800
Change in appropriations per student	-\$650	-\$300
Eligible students denied state aid	112,000 students	477,000 students

Less and more selective universities

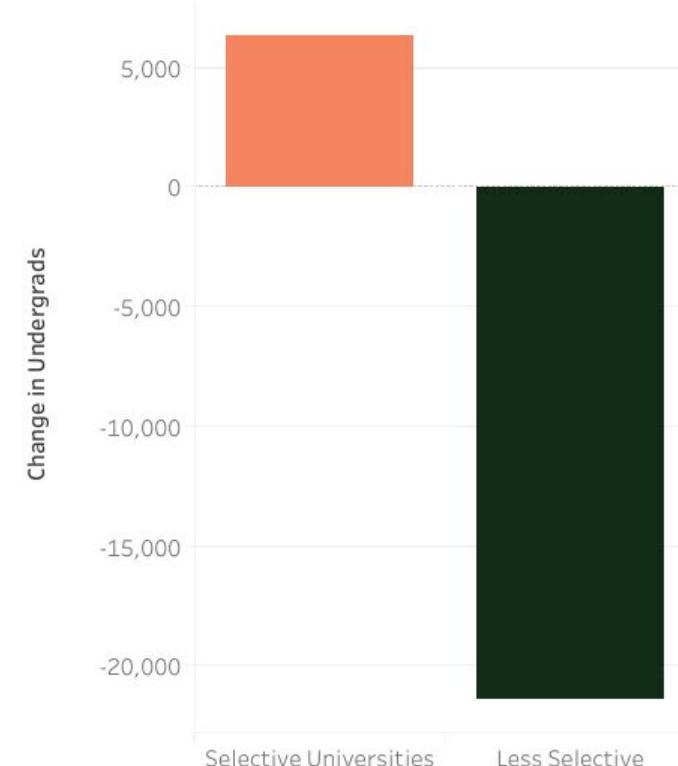
More selective universities collected more in tuition revenue, and the majority of state appropriations



Now less selective universities have among the highest prices...



Change in Undergrads, 2008-2018



...and greatest enrollment declines in the country

Any Questions?



Section 3: A Framework for Making Equitable Higher Education Funding Decisions



1

Invest in higher education, even in fiscal crises

3

Prioritize financially vulnerable students and institutions in allocating funding or cuts to universities

2

Consider the different funding needs of 2-year and 4-year public colleges and universities

4

Ensure funding comes with accountability and transparency

Principles for equity 1 and 2

1

Invest in higher education, even in fiscal crises

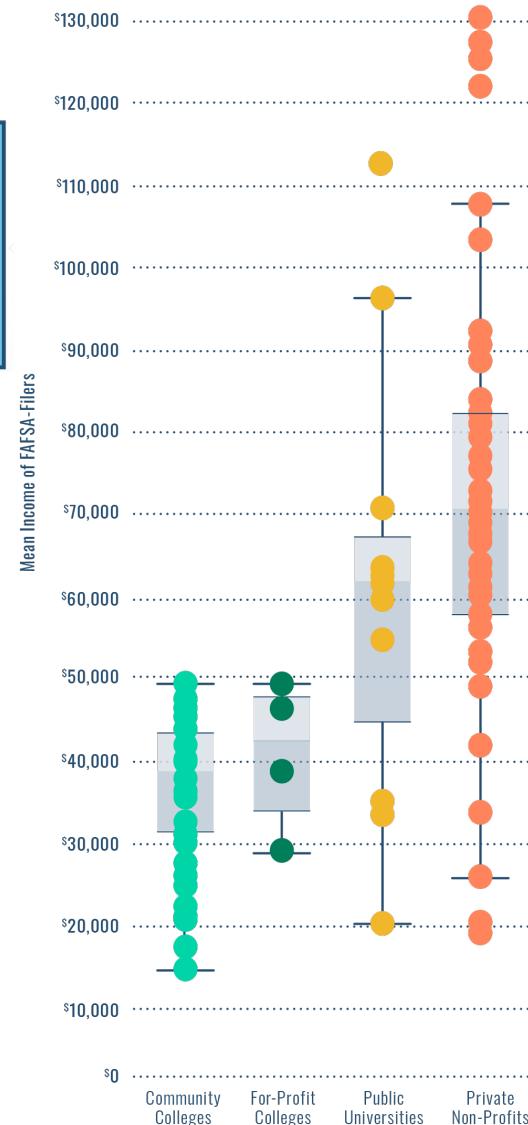
To protect the future of Illinois, and the lifetime opportunities of its residents, the state must limit cuts to higher education

2

Consider the different funding needs of 2-year and 4-year public colleges and universities

The average community college MAP applicant has \$22,000 less in family income than the average public university applicant

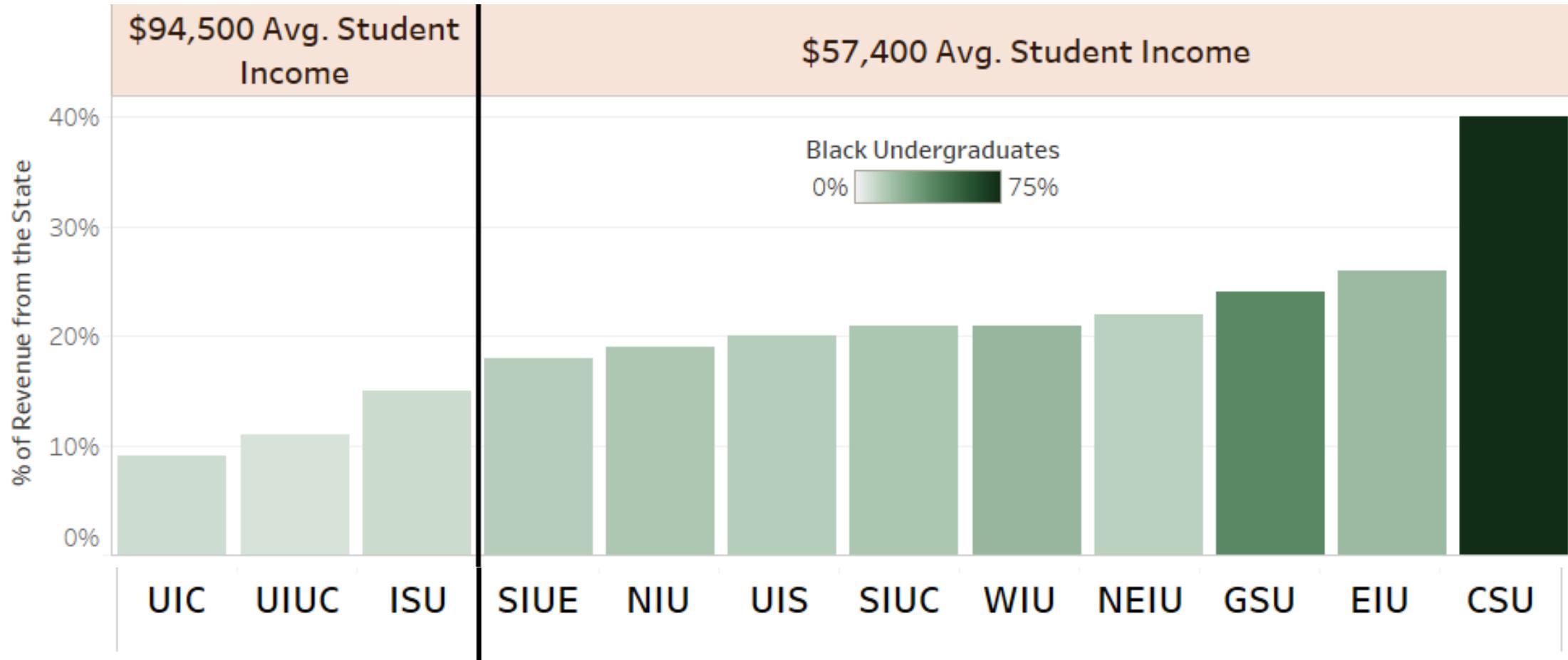
Income of MAP applicants, by sector



Principle 3 for equity

3

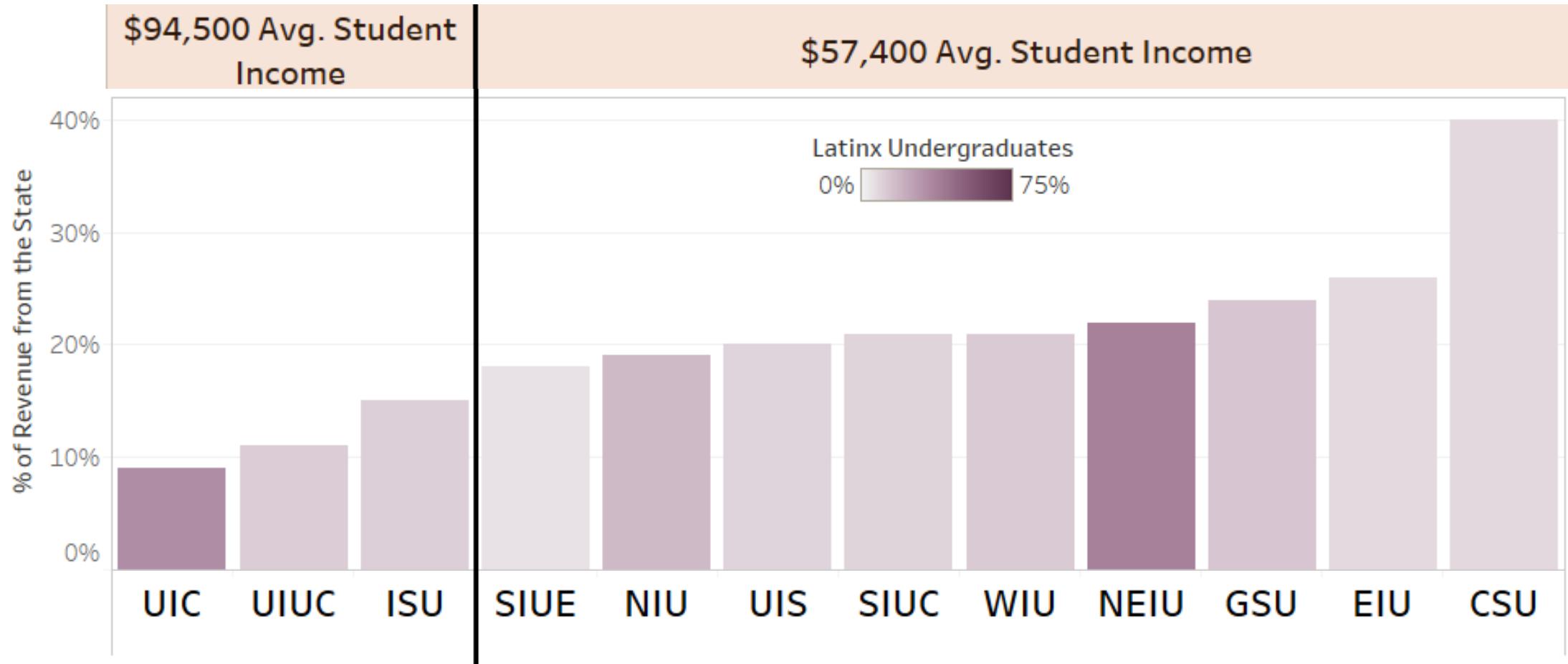
Prioritize financially vulnerable students and institutions in allocating funding or cuts to universities



Principle 3 for equity

3

Prioritize financially vulnerable students and institutions in allocating funding or cuts to universities



Immigration Status

- Lack of access to federal funding and loans is a barrier to college completion
- Undocumented students ineligible for resources to cover basic needs

Rural Students

- Rural students enroll in community college at higher rates than urban students and transfer less
- Rural students take on levels of debt that can push them to stay in more metropolitan areas, hurting the economies of smaller Illinois communities

The state should require and facilitate thorough and uniform data collection, **disaggregated by race and income**, reported annually and available to the public

Discussion

1. Do the findings of *Framework for Equity* resonate with you?
2. What concerns do you have about the future of Illinois' higher education institutions?



Legislative Recommendations: In and beyond the COVID-19 Crisis



Key funding strategies for equitable outcomes



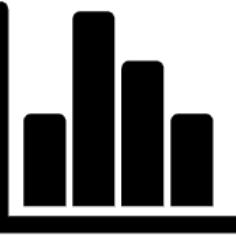
Invest in Higher Education

Even in difficult budget decisions, prioritize investments in higher education



Equitable Additions

- Use a formula based on Illinois' implementation of CARES funds
- Include % of Black, Latinx, & MAP-eligible students



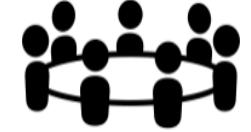
Equity in Any Cut Scenarios

- Prioritize investment
- Account for total revenue instead of state appropriations for unavoidable cuts



Equity Through Transparency

Require institutions to report how they spend funds, disaggregated by student race and income level



Task Force to Recommend Equity-Based Funding Formula

Explore long-term equitable funding models for Illinois' public higher education institutions

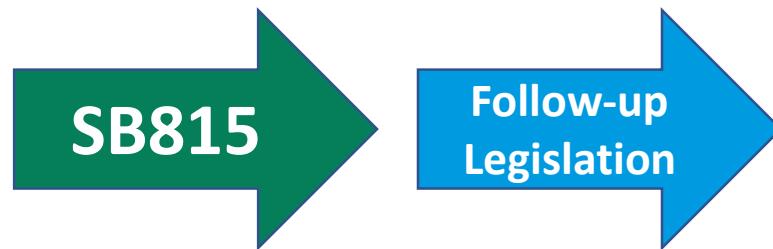
SB815 and the future of equitable funding in Illinois



The SB815 (Lightford/Ammons) Equity-Based Funding Commission

Current University Funding Approach

- No funding formula
- Funds given out with “historic model”
 - PBF model has not been funded



Equity-Based Funding Model

Equity-based funding can lead to systemic improvement in IL's attainment targets while closing disparities in degree completion

The SB815 (Lightford/Ammons) Equity-Based Funding Commission



June 1 2021:
SB815 Passed



Oct. 2021:
Commission
First Meeting



July 1, 2023:
Commission
Recs. Due

- Diverse 33-member commission
- Recommend equity-based funding model for public universities by July 1, 2023
- Must consider -
 - Remediating inequities
 - Adequately investing in universities
 - Institutional mission
 - Hold harmless provision
- Must fulfill the principles developed as part of the IBHE strategic plan

Research and Best Practices Indicate:

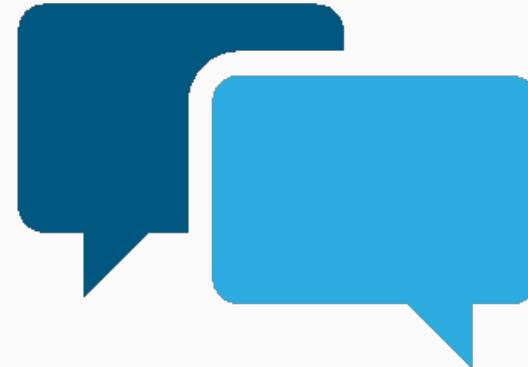
- More funding is needed to improve outcomes
- Financially vulnerable institutions need support
- Policies and metrics must be race-conscious
- A formula alone is not enough
- Zero sum models can be divisive

The Commission Needs to Decide:

- Funding approach
- Other state models to learn from
- The need for additional funds
- How to energize a diverse group of stakeholders toward change

Discussion

1. What do you think is important to prioritize in a new funding model?
2. How can we ensure our students and communities have a voice in this process?



Any Questions?



Thank You!

Don't hesitate to email
mabrahamson@partnershipfcc.org
with any suggestions, questions, or
feedback.

You can read *Framework for Equity*
at partnershipfcc.org/framework

