

A Message from Chair Tom Cross

With the enactment of SB6, the Illinois Board of Higher Education is optimistic for our colleges and universities, as well as our current and future students. We believe this marks the beginning of a movement toward predictable and sustainable funding for higher education in the State of Illinois, as the budget provides financial stabilization for both fiscal years 2017 and 2018.

The Illinois Board of Higher Education recognizes the importance of institutions of higher education to the wellbeing of the State, as public investment in higher education has consistently demonstrated strong returns for the State and is also critical to the personal lives of families in all regions of Illinois. Illinois colleges and universities, public and private alike, primarily serve Illinois residents and the vast majority of their graduates are a vital part of a strong Illinois workforce.

We praise the college and university presidents, the faculty, and the students for their resiliency during the past two years. Students have for generations counted on a wide variety of postsecondary educational options in Illinois from a system of comprehensive community colleges to top-ranked regional and research public universities to private colleges and universities with deep histories. With the enactment of a budget that supports public higher education through direct appropriation and supports students with economic need through an increased commitment to the Monetary Award Program (MAP), students and their families can be confident that Illinois continues to be the right choice for college.

Budget News

The passage of the package of appropriations for FY17 and FY18 and accompanying legislation to implement the budget (SB 6/PA 100-21, SB 9/PA 100-22 and SB 42/PA 100-23) will provide the certainty higher education leaders and supporters have been calling for to start moving Illinois forward again. All sectors of the state's higher education system will benefit. In combination with the stopgap funding (PA 99-524) approved last June, SB 6 provided FY17 higher education funding levels equal to what was available in FY15, the last year for which there was a full state budget. With the budget crisis behind us, we look forward to cooperating with the General Assembly and Governor's office to address the systemic and structural challenges facing higher education in Illinois.

The FY18 state budget cuts public universities, community colleges, operating agencies and most grant programs by 10% from the FY15 base level but knowing this at the beginning of the year allows colleges and agencies to make more informed and thoughtful adjustments to their operations. Also, appropriations for the Monetary Award Program (MAP) will increase by 10% in FY18. Knowing the appropriation before the allocation process starts will provide ISAC, students and colleges the certainty that funds will be there for them to depend on.

[Available on IBHE's website](#) are Tables 1-5 which provide the detailed budget figures for Illinois higher education included in the budget package, with comparisons to the so-called base year of FY15.

SB 6 (P.A. 100-21) Higher Education Budget Summary

- **OVERALL** – Higher education received a total of \$4.125B in funding for FY17, including \$1.181B from SB 6. The total for FY17 includes \$1.676B for SURS which was the certified amount. Funding for FY18 is \$3.823B, including \$1.592B for SURS.
- **PUBLIC UNIVERSITIES** – Universities were allocated \$1.214B for FY17 in all funds. SB 6 added \$560.5M to the \$653.7M available from the stopgap funding bill. (Some universities used their stopgap allocations to cover FY16 costs, which was allowed.) The total FY17 funding level means allocations effectively equal to FY15, considered the base year. For FY18 total public university appropriations equal \$1.093B. Universities will receive 10% less than they did for FY15 and FY17.
- **COMMUNITY COLLEGES** – Including adult education program funding, community colleges received total appropriations of \$448.8M for FY17. SB 6 added \$221.7M to the \$227.2M included in the stopgap funding bill. However, all \$51.3M provided in the stopgap bill was used for FY16 costs in order to meet maintenance of effort requirements. There was no FY16 (Stopgap 1) funding for those programs in FY16. FY18 funding was reduced to \$368.0M, generally in line with the 10% across the board reduction from the base year, although, some ICCB grants were not reduced from FY15/17 levels. There was a shift of \$103.5M from the Educational Assistance Fund (EAF) to the Personal Property Tax Relief Fund between the FY15 and FY18.
- **STUDENT ASSISTANCE COMMISSION** – ISAC received \$729.0M for FY17, including \$377.6M from SB 6. All \$377.6M in general funds (GRF & EAF) for ISAC were received in SB 6. All of their remaining \$351.4M in appropriations were received previous from the stopgap bill. Dependents Grants are funded at \$1.7M for FY17 and \$1.2M for FY18. The FY15 appropriation was \$1.1M. The program was underfunded in FY16 with funding in the first Stop Gap bill only providing for a portion of the FY16 claims. Golden Apple Scholars of Illinois appropriations maintain a consistent level with the FY15 appropriation (\$6.5M) with an appropriation of \$6.6M in FY17 and \$6.5M in FY18. The \$364.9M in MAP funding for FY17 is equal to the FY15 amount. SB 6 provides \$401.3M for FY18, representing a 10% increase. Initial claims for FY17 will be issued soon. ISAC will make more decisions on FY17 distribution at their next meeting at the end of July.
- **HIGHER EDUCATION OPERATING AGENCIES** – For FY17 Operations budgets for the State University Civil Service Commission, the Board of Higher Education and the Community College Board were funded at FY15 levels but were reduced by 10% from the FY15 base level for FY18.
- **IBHE GRANTS** – Grants provided through IBHE with general funds were funded at FY15 levels for FY17 but were cut by 10% for FY18, with the exception of DFI, Grow Your Own, and STEM CAHMCP which received flat funding from the FY15 base level.
- **ILLINOIS MATH AND SCIENCE ACADEMY** – IMSA received \$21.1M for FY17, including \$18.0M in EAF. They received \$21.6M for FY18 with the increase coming from their income fund.
- **CAPITAL** – SB 6 includes appropriations of up to \$127.7M for 20 capital projects at seven universities and five community colleges plus three projects at the Math and Science Academy. It also provides \$139.0M in new appropriations for 16 capital projects at three universities and 11 community colleges.
- **STATE UNIVERSITY RETIREMENT SYSTEM** – SURS received \$1.676B in FY17 through a continuing appropriation based on certified amounts. \$1.592B was approved in SB 6 for SURS for FY18. In addition, SB 42 (BIMP) made a number of pension changes that will impact education and will shift some of the burden to schools moving forward. The most significant change is the creation of a Tier 3 pension system for new employees. Savings are assumed from these changes. SURS is still assessing the impact of these changes.

IBHE Student Art Exhibition

Queen Hibbler, Western Illinois University



Cierra's Grace



D'nia

Student Laureates

Northern Illinois University



Rebecca Rasmussen
Franklin Park, IL
Music Education &
Chemistry/Biochem
Biological Sciences

Olivet Nazarene University



Kaleb Miller
Canton, IL
Business

Principia College



Annika Erickson
Petaluma, CA
Computer Science
Business
Administration

Quincy University



Nicholas Nosbisch
Effingham, IL
Biological Sciences

Robert Morris University



Tameka Mason
Peoria, IL
Business
Administration

The Lincoln Academy wants to know what past Laureates have been up to since being named [the Lincoln Academy of Illinois](#) Student Laureate. Please call 217.785.5030 or e-mail [Julie Kellner](mailto:Julie.Kellner) to share your story!

IBHE

1 North Old State Capitol Plaza | Suite 333 | Springfield, Illinois 62701
217-782-2551 | TTY 888-261-2881 | email info@ibhe.org to subscribe