



STATE ACCOUNTABILITY REPORT

GOAL 2: AFFORDABILITY

ILLINOIS BOARD OF HIGHER EDUCATION

June 2011

ILLINOIS BOARD OF HIGHER EDUCATION

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Moving Forward:

The *Illinois Public Agenda for College and Career Success*, adopted by the Illinois Board of Higher Education in 2008, presents the challenges and opportunities facing Illinois and charts a course to One Illinois, a place where all residents have access to high-quality educational opportunities that prepare them for the jobs of the present and the future.

Today, two years later, it is time to take measure of where we were, where we are, and where we want to be in 2018. This Accountability Report, the second of several performance updates to come, focuses on Goal 2, ensuring college affordability for students, families, and taxpayers. This update shows:

- Illinois ranks at the bottom of the states when measuring the ability of low income families to afford the net cost of an education at public 4-year institutions in Illinois. The net cost, as a percent of income, for a low income family in Illinois is 77.4 percent, the national average is 60.7 percent, and the midpoint of the five best-performing states is 34.1 percent. Illinois ranks 46th in the net cost as a percent of income for middle income families.
- Illinois ranks better than the national average when considering the net cost of an education at a private 4-year institution for low income and middle income families. The net costs in Illinois are 125.3 percent for low income and 34.5 percent for middle income.
- Illinois performs slightly below the national average when it comes to providing affordable public 2-year institutions to low income and middle income families.
- Illinois is very close to the national averages for student loans to full-time, first-time students. The national averages are \$6,051 per student to 44.7 percent of students during the 2008 academic year.
- Illinois ranks better than the national average in the proportion of total educational revenues from state and local appropriations. National average is 62.9 percent, Illinois is at 68.8 percent, and the midpoint of the five best-performing states is 83.4 percent.
- Illinois performs better than the national average when measuring institutional efficiency based on spending per graduate at public institutions.

Why does this matter? Because what gets measured gets attention.

And Illinois *must* focus attention on increasing **educational attainment**, improving college **affordability**, building a **skilled workforce** ready for the modern economy, and strengthening **economic development** for the state and its regions. Focused on, in other words, the *Illinois Public Agenda*.



If we are to reach our One Illinois destination, we need to know whether we're making progress.

Therein lies the value of this first Accountability Report, and those to follow: it focuses attention on important measures that show whether we – as a State – are gaining ground in our journey to that one Illinois.

Updates on Goals 3 and 4 of the *Illinois Public Agenda for College and Career Success* will be forthcoming and will be presented in the same format. As the second in a series of reports, this is a work in progress, and we welcome feedback on how to make these accountability measures more meaningful and relevant to policymakers and the citizens of Illinois.

Send your comments to the Illinois Board of Higher Education at PublicAgenda@ibhe.org or to 431 East Adams Street, 2nd Floor, Springfield, IL 62701-1404.

Dr. George W. Reid
Executive Director

Introduction:

This report consists of the performance measures for Goal 2 of the *Illinois Public Agenda for College and Career Success*.

Goal 2: Ensure college affordability for students, families, and taxpayers to match best-performing U.S. states.

Recommendation: Make Illinois one of the five most affordable states in the country to get a college education.

Measures: There are three numbers provided for each performance measure: (1) the *Public Agenda* baseline (where we started); (2) the 2010 number (where we are in year 2); and (3) the 2018 number (where we want to be, the 10-year goal). Some of the measures for Goal 2 do not have data available for the comparisons in 2010 and are noted as such in the table preceding the measures.

Comparisons: Each performance measure with available data is presented on one page with one to three charts to show how Illinois compares to the five best-performing states and neighboring states.

Sources: The National Center for Higher Education Management Systems (NCHEMS) provided the state data for percent of family income required to attend college, the State Higher Education Executive Officers (SHEEO) provided the state data for state and local support, and the Delta Project on Postsecondary Education Costs, Productivity, and Accountability provided the spending per completion.

GOAL 2

Ensure college affordability for students, families, and taxpayers.



Recommendation:

Make Illinois one of the five most affordable states in the country to get a college education.

Performance Measures	Public Agenda Baseline	Year 2	2018 Year 10	Benchmarks	Page	
<p>Ability to Pay. Percent of family income required to pay net cost of attendance (cost less grant aid) for median-income family and low-quintile family at public four-year, private four-year, and public two-year.</p> <p>Mid = Middle Income Family (Illinois is \$66,166 and national average is \$60,968, 2008-09)</p> <p>Low = Low Income Family (Illinois is \$18,191 and national average is \$16,991, 2008-09)</p>	Public four-year			<ul style="list-style-type: none"> ➤ Illinois trends; ➤ Five best-performing U.S. states; and ➤ Selected competitor/ neighboring U.S. states 	2	
	Mid, 18.3%		Mid, 11.1%		3	
	Low, 61.8%	77.4%	Low, 34.1%		4	
			Private four-year			
			125.3%			
			Public two-year			
			47.8%			
<p>Tuition and Fees at 2-Year. Percent of low-quintile family income required to pay tuition and required fees at two-year public institutions.</p>	Mid, 3.5%		Mid, 1.8%	<ul style="list-style-type: none"> ➤ Illinois trends; ➤ Five best-performing U.S. states; and ➤ Selected competitor/ neighboring U.S. states 	5	
Low, 11.7%	14.1%	Low, 6.2%				
<p>Student Debt. Average amount of debt per student.</p>	Data by state were recently released for 2008 and are provided to compare Illinois to the national average and selected states.			<ul style="list-style-type: none"> ➤ Selected competitor/ neighboring U.S. states 	6	
<p>State & Local Support. State and local support per Full-Time Equivalency (FTE) student as a proportion of total revenues (total includes state and local appropriations plus tuition and fees).</p>	70.4%		83.4%	<ul style="list-style-type: none"> ➤ Illinois trends; ➤ Five best-performing U.S. states; and ➤ Selected competitor/ neighboring U.S. states 	7	
<p>Institution Efficiency. Spending per degree and certificate completed.</p>	Data by state were recently released for 2008 and are provided to compare Illinois to the national average and selected states.			<ul style="list-style-type: none"> ➤ Selected competitor/ neighboring U.S. states 	8	

* The number provided for the goal in 2018 is the midpoint between the best-performing and the fifth best-performing U.S. state for the performance measure and may change in the future as performance changes.

GOAL 2

Make Illinois one of the five most affordable states to get a college education.



Ability to Pay at Public 4-Year

Percent of family income required to pay net cost, middle and low income.

Baseline	Year 2	Year 10
Mid, 18.3 %	Mid, 21.3 %	Mid, 11.1 %
Low, 61.8 %	Low, 77.4 %	Low, 34.1 %

Points of Interest

- Illinois ranks in the bottom quintile of states; 46th for middle income and 50th for low income.

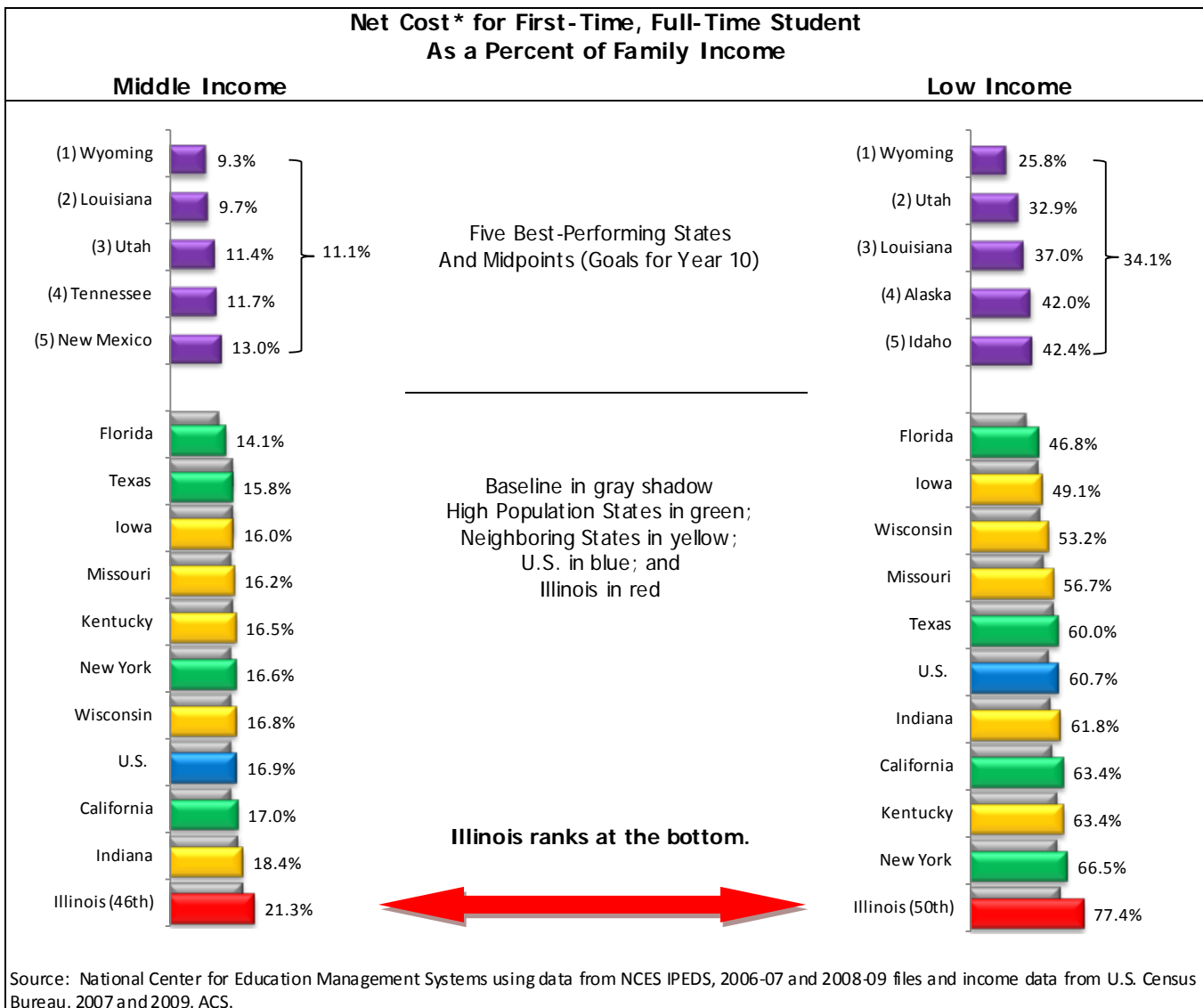


Figure 2.1. Net cost for first-time full-time undergraduates as a percent of low-quintile median income and median family income, five best performing states, four high population states, five surrounding states, Illinois, and U.S. Lowest percentage is best.

* The calculation for Net Cost is (Total Cost minus Financial Aid divided by Family Income) multiplied by 100.

GOAL 2

Make Illinois one of the five most affordable states to get a college education.



Ability to Pay at Private 4-Year

Percent of family income required to pay net cost, middle and low income.

Baseline	Year 2	Year 10
Mid, 31.8%	Mid, 34.5%	Mid, 17.7%
Low, 106.9%	Low, 125.3%	Low, 56.4%

Points of Interest

- Illinois ranks better than the national average in net cost for middle and low income families.

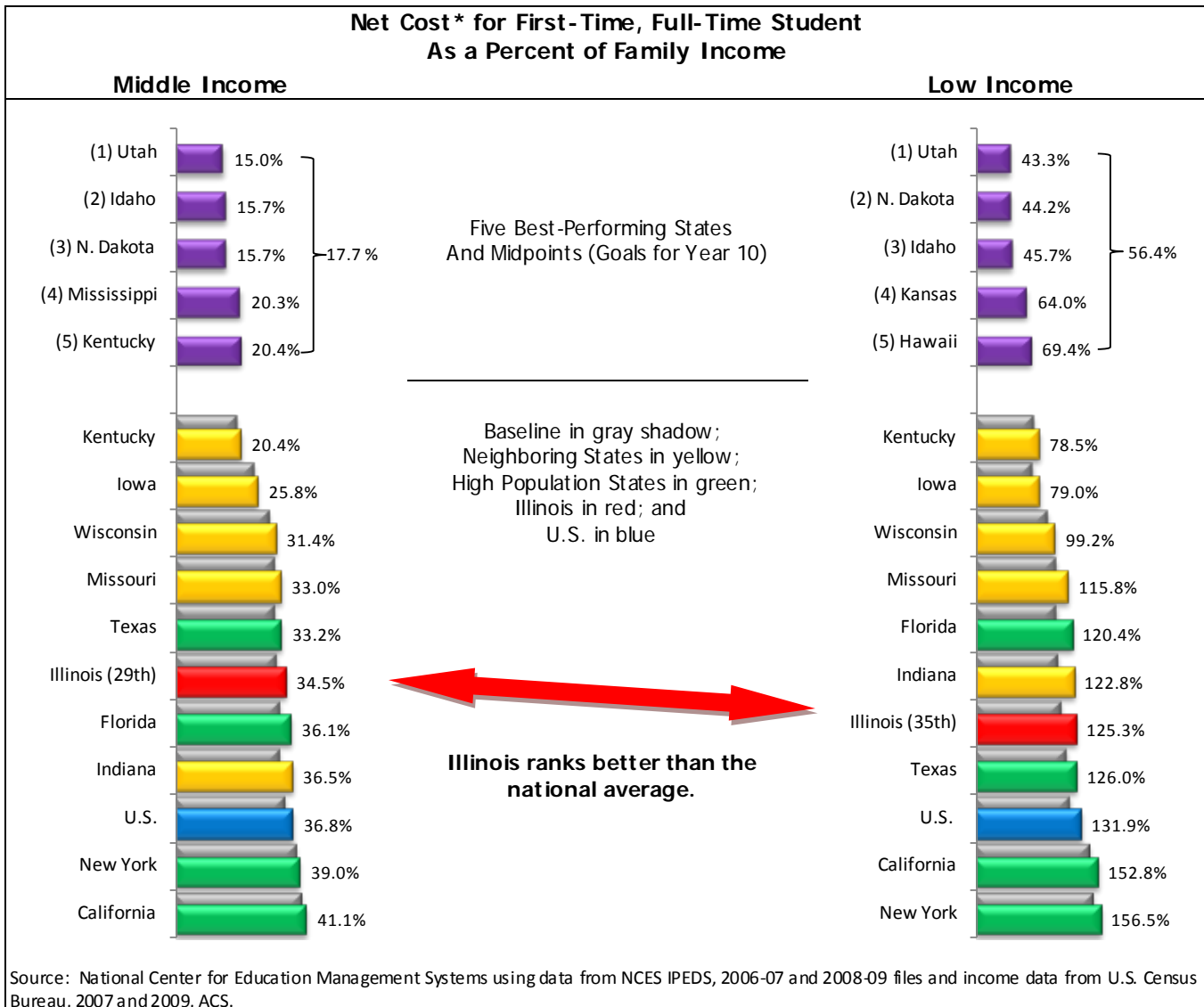


Figure 2.2. Net cost for first-time full-time undergraduates as a percent of low-quintile median income and median family income, five best performing states, four high population states, five surrounding states, Illinois, and U.S. Lowest percentage is best.

* The Net Cost calculation is (Total Cost minus Financial Aid divided by Family Income) multiplied by 100.

GOAL 2

Make Illinois one of the five most affordable states to get a college education.



Ability to Pay at Public 2-Year

Percent of family income required to pay net cost, middle and low income.

Baseline	Year 2	Year 10
Mid, 12.2 %	Mid, 13.1 %	Mid, 9.7 %
Low, 41.0 %	Low, 47.8 %	Low, 29.6 %

Points of Interest

- Illinois performs below the national average; ranks 29th for middle income and 32nd for low income.

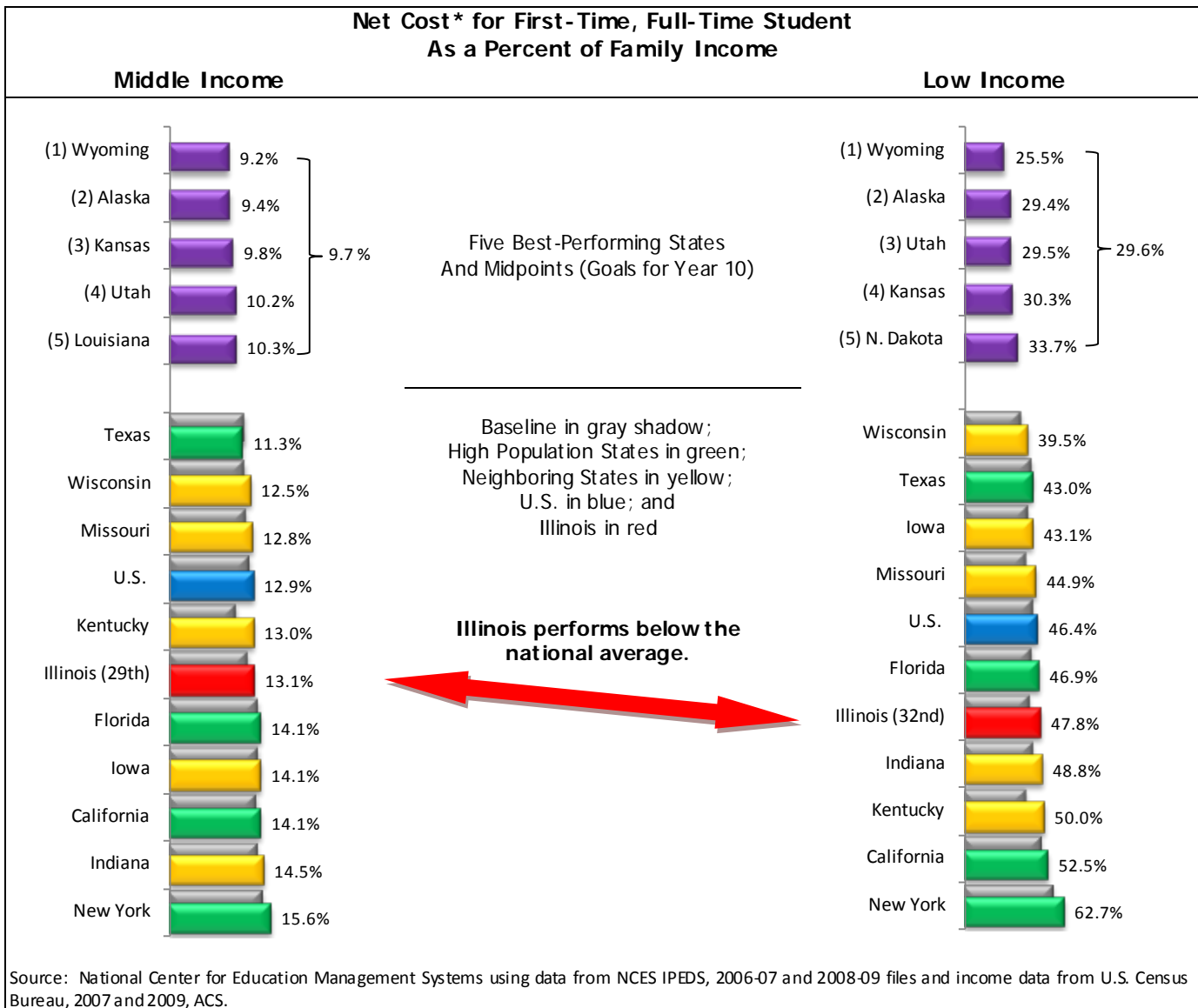


Figure 2.3. Net cost for first-time full-time undergraduates as a percent of low-quintile median income and median income, five best performing states, four high population states, five surrounding states, Illinois, and U.S. Lowest percentage is best.

* The Net Cost calculation is (Total Cost minus Financial Aid divided by Family Income) multiplied by 100.

GOAL 2

Make Illinois one of the five most affordable states to get a college education.



Tuition & Fees at Public 2-Year

Percent of family income required to pay tuition and fees, middle and low income.

Baseline	Year 2	Year 10
Mid, 3.5%	Mid, 3.9 %	Mid, 1.8 %
Low, 11.7%	Low, 14.1 %	Low, 6.2 %

Points of Interest

- Illinois performs below the national average; ranks 20th for middle income and 23rd for low income.

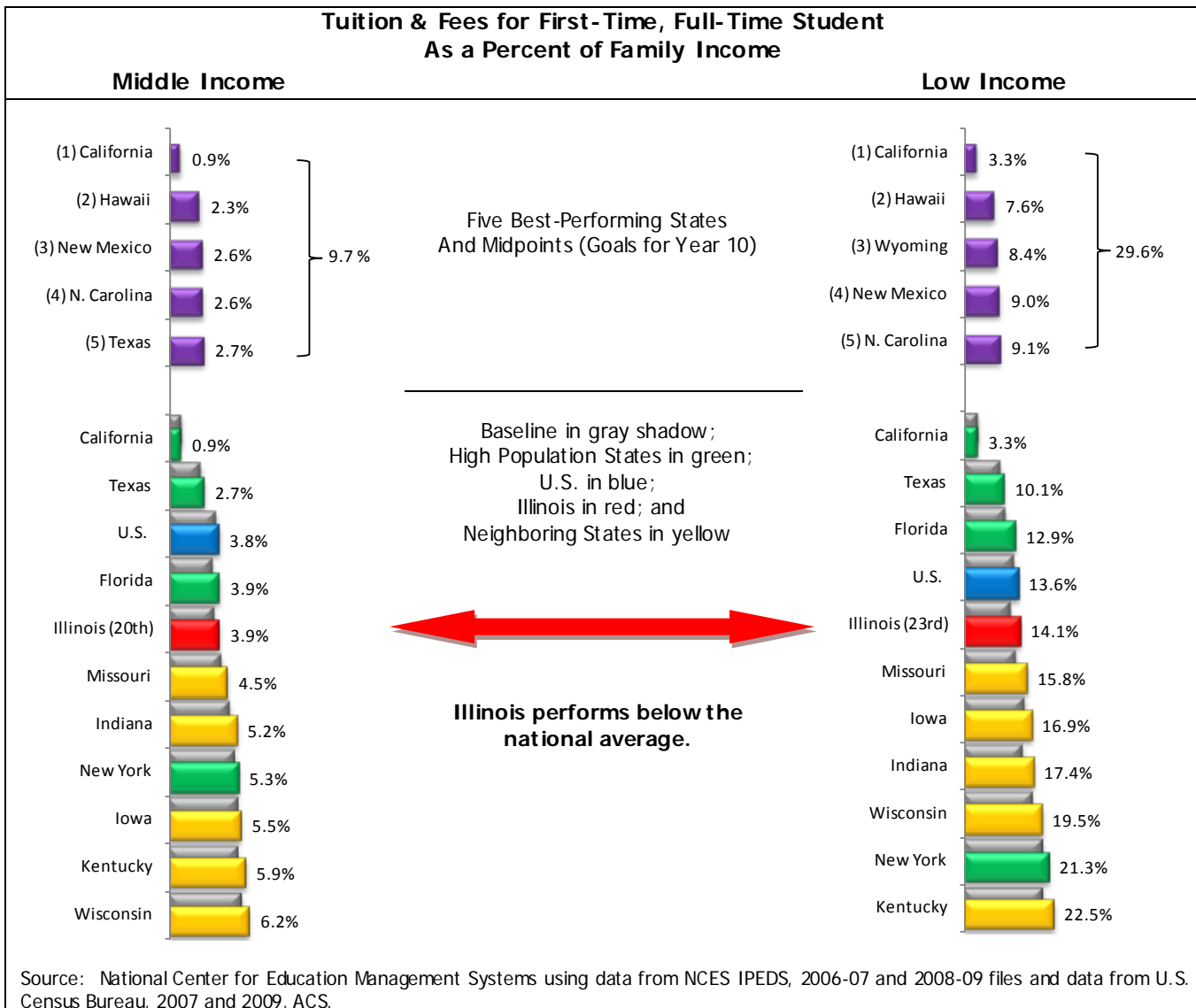


Figure 2.4. Tuition and fees for first-time full-time undergraduates as a percent of low-quintile median income, five best performing states, four high population states, five surrounding states, Illinois, and U.S. Shadows represent baseline data. Lowest percentage is best.

GOAL 2

Make Illinois one of the five most affordable states to get a college education.



Student Debt

Average amount of debt per student.

Points of Interest

- Illinois performs close to the national average in the monies borrowed and percentage of college students borrowing money.
- In Illinois, 48.4 percent of undergraduate students borrowed money in 2007-08; the average loan was \$6,077.

Average Amount of Student Loan Aid Received (\$) and Percentage Receiving Student Loan Aid (%) Per Full-Time, First-Time Student, by Control of Institution, 2007-08

	Average		Public				Private			
			2-Year		4-Year or above		Not-for Profit		For-Profit	
	(\$)	(%)	(\$)	(%)	(\$)	(%)	(\$)	(%)	(\$)	(%)
Illinois	\$6,077	48.4%	\$3,053	10.6%	\$5,594	49.3%	\$5,819	61.6%	\$6,953	71.1%
U.S.	\$6,051	47.7%								
High Population States										
California	\$6,480	34.2%	\$4,075	2.4%	\$4,134	31.6%	\$5,857	48.1%	\$7,595	68.0%
Florida	\$7,432	39.9%	\$3,537	7.5%	\$4,125	23.7%	\$7,353	53.6%	\$8,780	72.8%
New York	\$5,464	48.4%	\$2,812	32.8%	\$4,993	39.8%	\$6,599	57.1%	\$5,990	69.5%
Texas	\$5,926	46.3%	\$3,583	15.7%	\$4,913	41.2%	\$6,821	55.4%	\$6,774	75.8%
Neighboring States										
Indiana	\$5,844	53.0%	\$3,987	34.0%	\$5,011	47.5%	\$6,377	64.7%	\$7,837	69.5%
Iowa	\$6,437	59.7%	\$4,418	55.2%	\$6,243	55.0%	\$7,439	76.3%	\$9,377	53.4%
Kentucky	\$4,948	48.6%	\$3,835	27.5%	\$4,614	51.1%	\$4,812	60.4%	\$6,885	59.8%
Missouri	\$5,045	52.7%	\$3,511	17.7%	\$4,557	53.9%	\$5,084	63.4%	\$5,990	82.8%
Wisconsin	\$5,255	55.0%	\$3,626	45.4%	\$5,080	51.3%	\$6,255	72.1%	\$6,742	69.3%

Source: National Center for Education Statistics (NCES), Integrated Postsecondary Education Data System (IPEDS), State Data Center, Financial Aid, 2007-08 academic year, 2011.

Figure 2.5. Average amount of student loan aid received by first-time full-time undergraduates in Illinois, the U.S., four high population states, and five state surrounding Illinois. Undergraduate level includes those enrolled in a bachelor's degree program, an associate's degree program, or a vocational or technical program below the baccalaureate. Loan amounts include all Title IV subsidized and unsubsidized loans and all institutionally- and privately-sponsored loans but does not include PLUS and other loans made directly to parents. Institutions reported to IPEDS in Spring 2009 for the 2007-08 academic year. The data for private includes 2-year and 4-year or above institutions.

GOAL 2

Make Illinois one of the five most affordable states to get a college education.



State & Local Support per FTE

State and local support per Full-Time Equivalency (FTE) student as a proportion of total revenues (total of state and local appropriations plus tuition and fees).

Baseline	70.4%	Year 2	68.8%	2018 Year 10	83.4%
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Points of Interest

- Illinois ranks better than the national average with 68.8 percent of revenue coming from state and local sources.

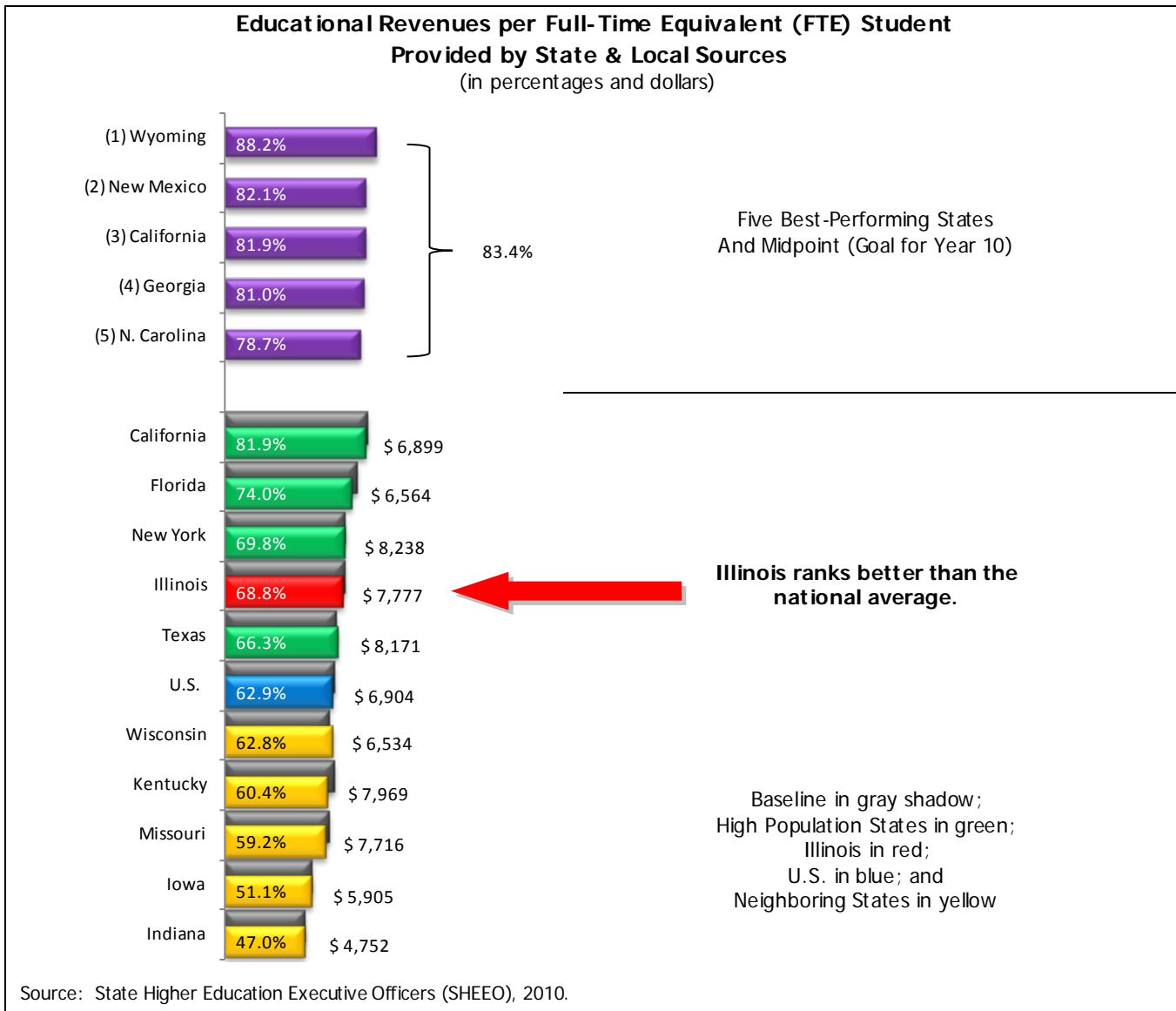


Figure 2.6. Educational revenues for public higher education, five best performing states, four high population states, five surrounding states, Illinois, and U.S. Shadows represent baseline data.

GOAL 2

Make Illinois one of the five most affordable states to get a college education.



Institution Efficiency

Spending per degree and certificate completed.

Points of Interest

- Illinois performs better than the national average; Illinois public institutions spend less per graduate.

Education and Related Spending per Completion
(in dollars)

	Community Colleges	Public Bachelor's Institutions	Public Master's Institutions	Public Research Institutions
Illinois*	\$ 34,182	-	\$ 46,343	\$ 59,453
U.S.	\$ 45,949	\$ 84,896	\$ 54,135	\$ 62,839
High Population States				
California	\$ 62,545	\$ 96,029	\$ 50,876	\$ 80,969
Florida	30,578	125,818	38,463	42,963
New York	59,484	104,567	52,439	88,789
Texas	44,352	60,747	44,162	43,973
Neighboring States				
Indiana	\$ 30,773	\$ 42,274	\$ 46,981	\$ 67,848
Iowa	36,093	-	46,620	58,979
Kentucky	-	106,025	49,917	70,985
Missouri	41,879	96,709	60,585	58,126
Wisconsin	41,092	57,373	50,335	60,625

Source: Delta Project on Postsecondary Education Costs, Productivity, and Accountability, 2008 data, 2010.

Figure 2.7. The dollar amount represents the total education and related spending per degree and certificate completed. Education and related spending includes instruction, student services, administration, and facility maintenance, but excludes sponsored research and auxiliary enterprises such as hospitals and dormitories which are funded with dedicated resources. Lowest number is best.

* Illinois public postsecondary institutions included in this data: all 48 community colleges; zero public bachelor's; seven public master's universities (Chicago State University; Eastern Illinois University; Governors State University; Northeastern Illinois University; Southern Illinois University – Edwardsville; University of Illinois Springfield; and Western Illinois University); and five public research universities (Illinois State University; Northern Illinois University; Southern Illinois University – Carbondale; University of Illinois, Chicago; and University of Illinois, Urbana/Champaign).

See also the report by the Higher Education Finance Study Commission, December 2010, Illinois Board of Higher Education website (www.ibhe.org).