





EXECUTIVE SUMMARY

Illinois: A Tale of Two States

One Illinois is well off, well educated, economically dynamic, with a seemingly bright future. Consider:

- Illinois is a prosperous state.
- Illinois is an educated state.
- · Illinois is an economically healthy state.

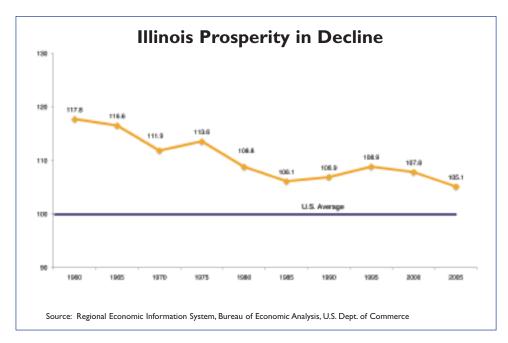


Figure 1. Per capita personal income as a percent of U.S. average — Illinois 1960-2005. Illinois' personal income exceeds the national average, but the trend shows Illinois moving steadily downward.

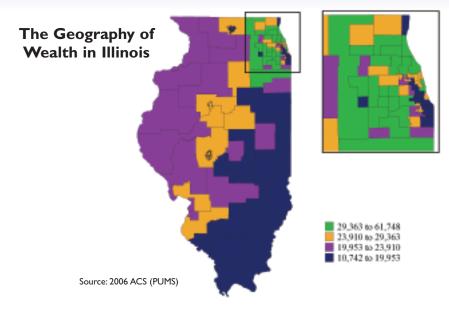


Figure 2. Personal income per capita, 2006 (Public Use Microdata Areas). While Illinois is considered a wealthy state, there are vast regional disparities.

The other Illinois struggles to make ends meet, lags in educational attainment, and is economically stagnant.

- · Illinois' prosperity is uneven and declining.
- Many Illinoisans are left behind by the education system.
- Educational attainment and demographic trends portend serious economic consequences.
- Illinois' economic health is in jeopardy.
- $\bullet\,$ Illinois is not keeping pace with the changing nature of the workforce.
- Illinois risks pricing students out of postsecondary education.

Between these two states is a **prosperity gap** that is wide and growing and the direct result of disparities in educational attainment by race, ethnicity, income, and region.

The Illinois Public Agenda for College and Career Success

VISION: Illinois will provide effective and quality education for all people. The Illinois Public Agenda for **College and Career Success** is the pathway to **one Illinois**, where all residents have affordable access to high-quality educational opportunities that prepare them for the jobs of the present and the future.

What will that one Illinois look like?

Its populace will be among the best educated in the world. Illinois will be among the leaders in the proportion of its population with a high school diploma and college credentials. It will narrow the achievement gap by race at all stages of the educational pipeline and increase college attainment for persons of color and those with disabilities. It will rank among the top states in the number of adult learners with college credentials and will raise college attainment in underserved geographic regions to levels of the best-performing counties.

It will be one of the five most affordable states in the nation in which to pursue a college education. Illinois will reduce the proportion of family income needed to pay for college for the lowest income quintile to compete with the best-performing states. Similarly, the average student debt load will be in line with leading states. And the college participation rate for low-income students will rise annually to the level of the top states.

It will have a well-educated workforce with the skills and competencies to compete in the modern economy. Illinois will increase the number of people with quality postsecondary credentials, with particular emphasis on fields of critical skills shortages, such as, initially, nursing, allied health professions, and information technology. It will remove barriers to transfer between associate's and bachelor's degree levels to meet the needs of students and employers.

It will rank among the five top states in economic growth and vitality. Illinois will use its vast research, education and training, and innovation assets as the sparkplug to ignite entrepreneurial activity and economic expansion to compete with the leading New Economy states, those which have embedded knowledge, technology, and innovation into their economies.

Illinois Public Agenda: Five Principles

- 1. Higher education is a public good.
- 2. Priorities, policies, and budgets must align with state goals.
- 3. The integrity of institutional and sector missions must be respected and supported while aligning those missions with state goals.
- 4. Adequate and equitable P-20 funding, deployed effectively and efficiently, is essential.
- 5. A P-20 longitudinal data system is vital for sound policymaking and accountability.

Problem: Many students are left behind by the education system.

Illinois ranks far below the most-educated U.S. states in educational attainment. A wide and stubborn achievement gap exists that leaves minorities and low-income persons with far lower levels of educational attainment.

A high proportion of adults "stop out" of their education, including high school dropouts, individuals with college credit but no credential, and working

Other States Do Better 91.3 Best Performing State United States 80 Illinois 57.3 60 41.7 40 27.320 Of 100 Directly Enter Graduate from Enroll in 9th Graders, High School College Second Year Within 150% of with a Bachelor's How Many ... Program Time Degree

Figure 3. Illinois does better than the nation as a whole, according to these 2004 data, but it trails the best-performing states significantly in getting students through the education pipeline.

Source: NCES Common Core Data 2004; Tom Mortenson, Postsecondary Education Opportunity; NCES, IPEDS Fall 2004 Retention Rate File and Fall 2003 Enrollments, 2004 Graduation Rates; U.S. Census Bureau, 2005 ACS adults who need new skills or credentials. Illinois needs the full workforce participation of all its residents to meet the economic challenges it faces.

There are wide geographic disparities in educational attainment. Residents of many Chicago suburbs and certain pockets of downstate Illinois are far better educated than others living in inner city and rural areas.

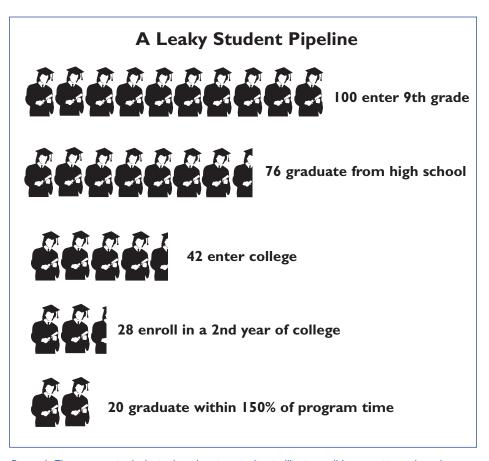


Figure 4. There are major leaks in the education pipeline in Illinois at all key transitions along the way to a college degree. For the typical four-year bachelor's degree, 150% of program time equals six years; for an associate's degree, it would equate to three years of study at the original school of enrollment.



Increase educational attainment to match best-performing states.

RECOMMENDATION 1: Increase success of students at each stage of the P-20 education pipeline to eliminate achievement gaps by race, ethnicity, socioeconomic status, gender, and disability.

> **Strategy:** Improve college readiness through curriculum alignment, access to quality preschools, postsecondary and high school partnerships, and links between student financial aid and a demanding high school curriculum.

> **Strategy:** Strengthen teacher and school leader quality through upgraded standards and professional development.

> **Strategy:** Build success for students with disabilities through assistive technologies, improved transitions from high school to college, and Perkins Programs of Study.

RECOMMENDATION 2: Increase the number of adults, including GED recipients, reentering education and completing a postsecondary credential.

> Strategy: Increase support for adult students through an emphasis on adult basic education and GED completion, financial aid, support services, and incentives for adults with substantial college credit to finish degrees.

> Strategy: Expand opportunities for adult learners through regional partnerships, baccalaureate completion programs, and new entryways for low-skilled residents.

RECOMMENDATION 3: Reduce geographic disparities in educational attainment.

> **Strategy:** Expand capacity through improved access to postsecondary education in rural areas of the state, baccalaureate completion opportunities, distance learning, and dual credit.

> Strategy: Strengthen college readiness through implementation of a High School to College Success Report and partnerships between community colleges and high schools.

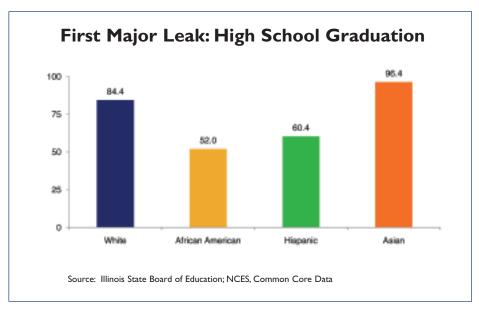


Figure 5. High school graduation rates (average of 2005-2006). The first major leak in the education pipeline comes at high school graduation when barely half of African American students and just three in five Hispanics leave with a diploma.

Problem: Illinois risks pricing students out of postsecondary education.

As college increasingly becomes a necessity, it is increasingly being priced as a luxury. Dwindling state support has resulted in soaring tuition and fees at public universities and community colleges (along with rising property taxes), while student financial aid has been outpaced by rising costs.

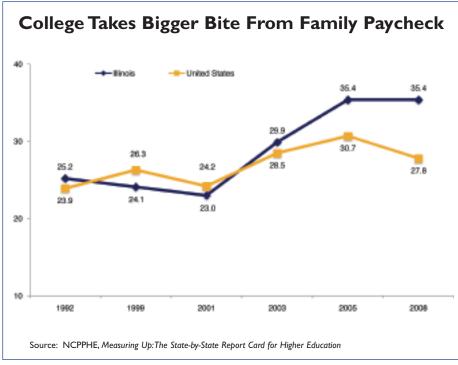


Figure 6. Percent of income (average of all income groups) needed to pay for college expenses minus financial aid — public four-year colleges. In just the past seven years, the proportion of college expenses required from families has risen dramatically.

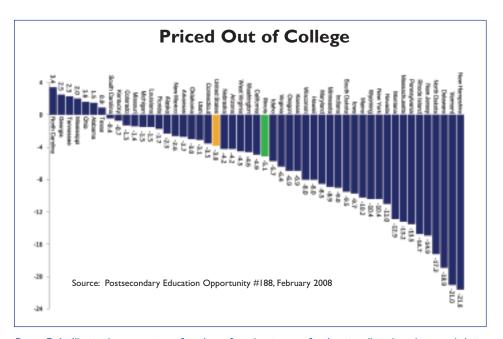


Figure 7. In Illinois, the proportion of students from low-income families in college has decreased during the past decade. This measure is calculated by dividing the number of Pell grant recipients by the proportion of 4th to 9th graders nine years earlier in the free/reduced lunch program.





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.

> **Strategy:** Review state financial aid programs for low-income students to ensure that the programs are effective, efficient, widely understood, and aligned with all Public Agenda goals.

> Strategy: Take action to help students achieve their educational objective faster.

> **Strategy:** Assist middle-income students who do not typically qualify for need-based grant aid.

> **Strategy:** Find institutional operating efficiencies that reduce costs while expanding access and maintaining quality.

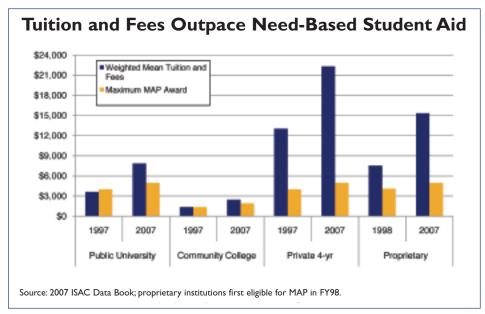


Figure 8. Average tuition and fees compared to maximum Monetary Award Program (MAP) awards, 1997-2007. The increase in student costs for tuition and fees has far surpassed increases in the maximum MAP award over the bast decade.

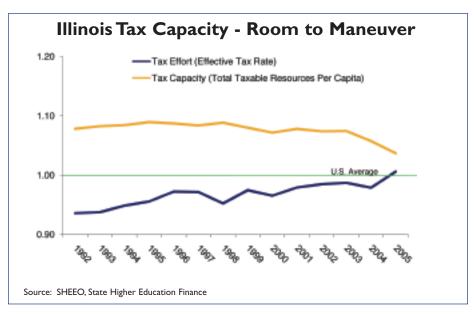


Figure 9. State tax capacity and effort — Illinois indexed to U.S. average. Illinois' economic resources exceed the national average, while the state's effective tax rate just reaches the national average.

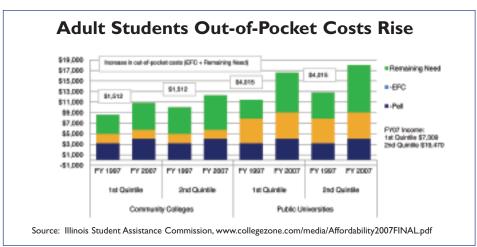


Figure 10. Low-income students who are independent of their parents but have dependents of their own experienced an erosion of affordability between FY1997 and 2007.

Problem: Illinois needs more degree-holders to meet economic demands.

Illinois has historically relied on a significant in-migration of educated individuals to meet its economic needs.

Baccalaureate completion opportunities exist between community colleges and public and private four-year institutions, but expansion of opportunities, particularly for place-bound students, is needed. In a 2007 IBHE-ICCB survey, 17 colleges reported the need for additional baccalaureate completion programs, particularly in high-demand fields such as nursing, special and early childhood education, and math and science.

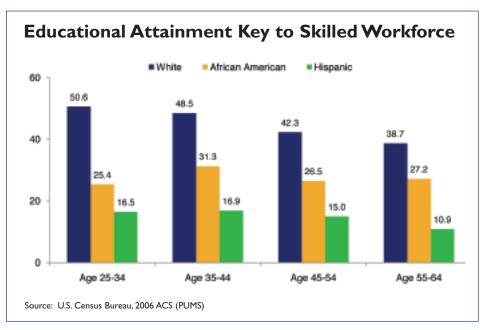


Figure 11. Percent of adults with associate's degree or higher, by age and race/ethnicity, 2006. Increasing college degrees among minorities will be crucial for Illinois to meet the workforce needs of the future.

"Middle skill jobs," which require more than a high school education but less than a four-year degree, make up the largest segment of jobs in Illinois. According to Skills2Compete-Illinois, demand for employees in middle skill jobs, which include many occupations in construction, healthcare, public safety, and mechanical fields, is expected to account for almost half of all job openings in Illinois between 2004-2014.

Regional Gaps in College Attainment Hamper Economic Growth

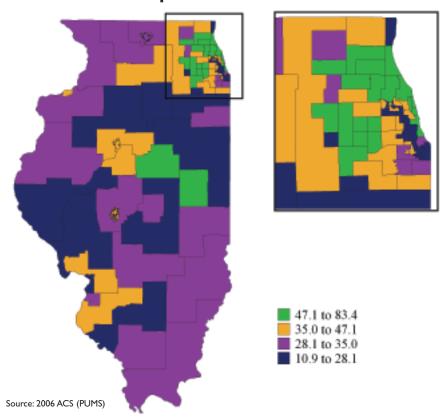


Figure 12. Percent of population, 25-64, with associate's degree or higher. Regional variations in college credentials show large gaps — and opportunities — in raising the level of educational attainment in Illinois.



Increase the number of high-quality postsecondary credentials to meet the demands of the economy and an increasingly global society.

RECOMMENDATION: Increase the number of people with high-quality postsecondary credentials to ensure the state has an educated workforce and an engaged citizenry.

> **Strategy:** Provide incentives to complete degrees, focusing on compacts between working adults and employers and on individuals with substantial college credit but no degree.

> Strategy: Use competency-based assessments, professional development, and employers as classroom mentors to improve skill levels and work readiness.

> Strategy: Strengthen accountability through national assessments with publicly reported results.

RECOMMENDATION: Improve transitions all along the education pipeline.

Strategy: Strengthen articulation through stable funding and expansion of transfer tools such as u.select and the Illinois Articulation Initiative and through development of an objective measure of transfer and acceptance of credits.

Strategy: Expand baccalaureate completion opportunities through funding incentives for distance learning and degree-completion compacts, and enhanced use of creative relationships involving high schools, community colleges, and senior institutions.

RECOMMENDATION: Increase the number of postsecondary degrees in fields of critical skills shortages.

Strategy: Expand capacity through grants, public/private partnerships, and financial inducements.

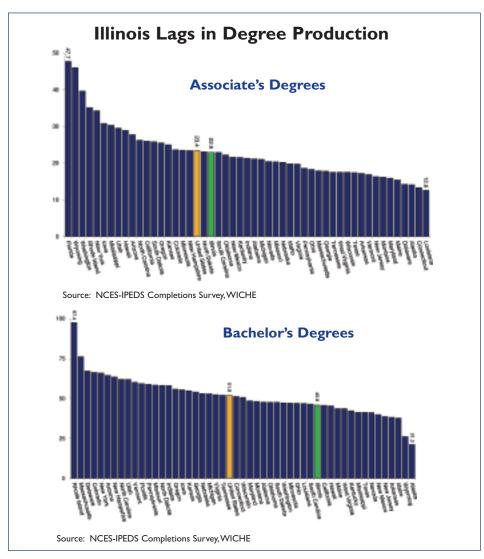


Figure 13. Illinois is slightly below the national average in the number of associate's degrees awarded and far below the U.S. average in the number of bachelor's degrees per 100 high school graduates three and six years earlier, 2004.

Problem: Illinois' economy trails leading New Economy states, and regional differences in economic performance within Illinois are great.

When considering such innovation assets as investment in academic research and development or the number of businesses created from university research, Illinois does no better than average in incorporating such assets into its economy. Illinois also needs to improve its performance in making venture capital available to finance business startups, in creating and growing technology startups, and translating its enviable university research standing into entrepreneurial activity.

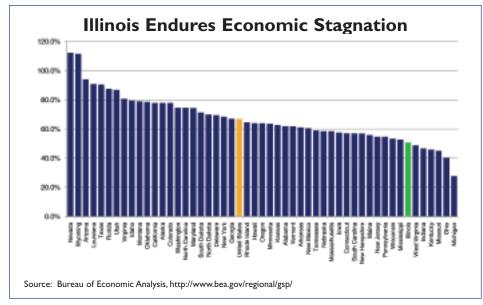
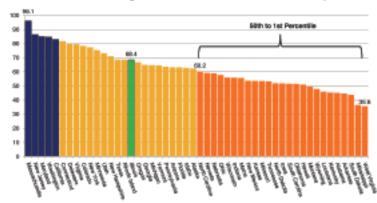


Figure 14. Change in gross state product, 1997-2007. Like its Midwestern neighbors, Illinois' economic growth over the past decade has been far below the national average.

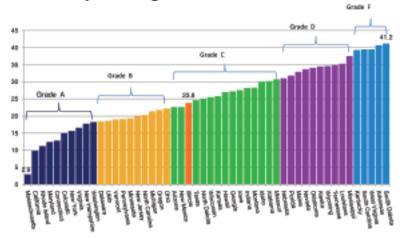
Illinois Shows Progress on New Economy Index ...



Source: Information Technology and Innovation Foundation, 2007

Figure 15. New Economy Index, 2007. In spite of its slow economic growth over the past decade, Illinois ranks 16th in the most recent Index, up six places since 1999.

... But Only Average in Innovation Assets



Source: Corporation for Enterprise Development (CFED), 2007

Figure 16. Overall state scores on measures of innovation assets, 2007. Illinois is in the middle of the pack in the number of assets commonly required for future innovation and growth of the state economy.



Better integrate Illinois' educational, research, and innovation assets to meet economic needs of the state and its regions.

RECOMMENDATION: Boost Illinois into the ranks of the five states with the fastest growing economies.

Strategy: Develop resource pools and incentives that capitalize on state and regional strengths and address state and regional weaknesses.

Strategy: Develop cutting-edge educational programs across the P-20 spectrum that will prepare students to succeed in the global economy.

Strategy: Remove barriers that impede the entrepreneurial spirit without jeopardizing public service, protection, and safety.

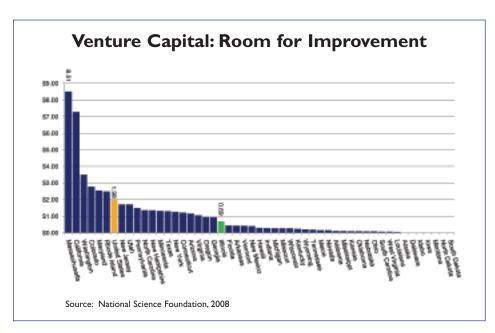


Figure 17. Venture capital disbursed per \$1,000 of gross domestic product by state, 2006. Illinois ranks below the national average in the amount of venture capital and far below the leading New Economy states.



Illinois needs effective and quality education for all people. The Illinois Public Agenda for College and Career Success will create one Illinois ready to face the future.



Illinois Board of Higher Education

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