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# ILLINOIS COMMISSION ON EQUITABLE PUBLIC UNIVERSITY FUNDING

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## **Illinois Commission on Equitable Public University Funding**

April 22, 2022: 12:00pm-3:00pm CT

Meeting #3 Notes

### ***Welcome & Agenda Overview***

Executive Director Ginger Ostro provided background information regarding the meeting logistics and fulfilling the requirements of the Open Meetings Act. Executive Director Ostro also walked through an overview of the agenda for the meeting with highlights of the topics to be covered. Katie Lynne Morton confirmed there was a quorum in attendance.

### ***Action: Approval of minutes from February 2022 Commission meeting***

Katie Lynne Morton called the roll to approve the minutes from the February 7, 2022 meeting.

- Commissioner Zarnikow motioned to approve the minutes. Commissioner Steans seconded.
- Commissioner Green shared that there were several edits (corrections, duplications), none that would change the nature of the minutes. Commissioner Green would email her edits in to either Executive Director Ostro or Katie Lynne Morton. The roll was called and nineteen commissioners approved.

### ***Commission Reflection: Charge, Objectives, Meeting Arc***

Co-Chair John Atkinson walked through a number of slides to help reground the Commission members in the work of the Commission, where it came from and why it is so vital. Co-Chair Atkinson reminded members of A Thriving Illinois, the IBHE Strategic Plan, which was developed through stakeholder survey responses, community engagement and virtual focus groups across the states. A thriving Illinois has an inclusive economy and broad prosperity with equitable paths to opportunity for all, especially those facing the greatest barriers. The three strategies for a Thriving Illinois are:

- Close the equity gaps for students who have been left behind,
- Build a strong financial future for individuals and institutions, and
- Increase talent and innovation to drive economic growth.

The work of this Commission sits at the intersection of these goals. When A Thriving Illinois was developed, a set of principles were outlined for a public higher education funding system that is equitable, stable and adequate. Those principles include:

- Provide equitable funding so that students can receive the best educational experience and succeed;
- Support a thriving postsecondary system that enriches the state and its residents;
- Fund institutions sufficiently to achieve student, institutional, and state goals;
- Ensure affordability for all students;
- Recognize institutional uniqueness;
- Provide predictability, stability, and limited volatility;
- Include a "hold-harmless" provisions;
- Support accountability;
- Support a collaborative higher education system; and
- Encourage partnerships outside higher education.

Leader Lightford, Representative Ammons, Deputy Governor Torres, and the other members of the General Assembly were thanked for their hard work in delivering the historic budget the Governor signed earlier this week. The investments in higher education show an

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outstanding commitment to our students, families, employers, and our higher education institutions.

Co-Chair Martin Torres shared that the Commission was established as a way to bring together the critical stakeholders necessary to drive meaningful reform for a more adequate, equitable and stable funding system for public universities. The goals and objectives of the Commission are anchored in establishing:

- a shared understanding of current funding structure in IL;
- learning from other states to understand various approaches to issues of post-secondary finance;
- and ultimately developing recommendations centered on increasing access and success for historically underrepresented students—Black, Latinx, low-income, rural, and working adults, among others who have been underrepresented and underserved;
- Approaches to state investments that address historical inequities and reflect adequate funding policies; and
- and supporting the varied missions of our universities.

Martha Snyder walked through the workplan for the Commission, which includes three phases. The Commission is currently in Phase One. Phase 1 is meant to establish common understanding and context by

- Grounding us in alignment across work - in our first meeting we made connections to A Thriving Illinois, and the principles for an equitable, adequate, and stable funding system; the Chicago State University Equity Working Group recommendations;
- Aligning around conceptual definitions of terms, through two rounds of surveys; and
- Learning from other states and sectors for how they have approached some of the concepts and objectives put forward in the legislative charge.

Today the Commission will hear from two more states and reflect on the revised conceptual definitions of terms. Looking ahead to the next meeting, the Commission will begin to transition from level-setting and conceptual understanding to more concrete analysis and application to Illinois. The Commission will look at one more state example, with a specific focus on reflecting or considering mission in funding models; and will also go deeper on conceptual approaches to adequacy in postsecondary context and have a working session to reflect on what has been presented to date, and build out some different components that can be used for the work moving forward, including concepts of equity to pursue and the charge to the adequacy workgroup.

Phase Two of the process will be focused on analysis and modeling:

- Establishing and measuring adequacy for IL universities,
- resource mapping and resource variation across universities,
- formula components and data analysis,
- modeling distribution options and various implementation scenarios.

During Phase Three, the Commission will finalize analysis and modeling and hone in on a set of recommendations. There will be obvious overlap and transition between phases to facilitate us towards conclusion.

To support the next phases of the work, the Commission plans to establish two workgroups. There will need to be a group focused on furthering the conceptual and analytical understanding of adequacy. This will be ground-breaking work. The second workgroup will be more focused on the technical and modeling aspects of any formula

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considerations. These workgroups will add additional capacity to inform the Commission's work, but will not replace it. Everything the workgroups do will come back to the Commission for further guidance, reflection, and refinement. Members will be representative of the Commission to ensure the various perspectives are reflected. The Co-Chairs plan to assign members prior to the May 25, 2022 meeting.

A deeper description of each workgroup was provided:

- **Adequacy workgroup:** The adequacy workgroup will focus on evaluating and understanding various issues and concepts of adequacy in postsecondary finance. The workgroup will support the Commission's work in identifying the components that comprise an adequate and equitable finance structure for universities as well as consideration for the varying scope of resources across institutions to consider as a factor for investing new state resources.
- **Technical Modeling Workgroup:** The technical workgroup will build upon the conceptual framework established by the Commission (informed by the adequacy workgroup) and begin identifying metrics/data, modeling distribution mechanisms and various funding scenarios/implementation options based on spending considerations. The workgroup's analysis will incorporate the varying levels of resources (revenue streams) across institutions, as outlined by the Commission.

More specific charges will be shared in advance of the May meeting and the discussion at the May meeting will set the stage for the Adequacy work group. Co-Chair Representative Carol Ammons opened up discussion to all the Commission members to offer any questions or concerns. Commissioner Steans pointed out that there may be ways to involve additional Commission members, beyond those appointed to each workgroup, and keep the process moving forward. Co-Chair Atkinson shared that Commission members with skills and desire could be used for subgroups of each workgroup. Co-Chair Representative Ammons raised that other workgroups may be needed beyond Adequacy and Technical to cover all necessary areas. Co-Chair Torres shared that reflection and refinement will be important throughout the process to best move forward in service to the goals.

### ***Survey Review: Concepts of Equitable, Adequate and Stable Funding***

Co-Chair Representative Ammons shared an overview of the survey responses (round two). Each Commission member received a full set of the responses with the pre-read materials, ahead of the meeting, so the presentation was a summative review of input provided by the Commission members.

67 percent of Commission members responded, showing overall high levels of agreement with term definitions. There were very thoughtful comments, many that elevated issues to be addressed as we actualize the conceptual term definitions; taking definitions and sorting through various analytical, modeling and implementation considerations. Some of the comments provided elevated differing perspectives, particularly as it relates to implementation. There was overall agreement with the terms. Some comments were offered that provided alternative definitions but not to fundamentally change the concepts elevated in these definitions.

Co-Chair Representative Ammons shared that many of the comments added areas or topics that will need further consideration as the Commission does its work to take definitions from concepts to recommendations. For example, analysis and modeling will need to take the concept of equity and sort through how to include specific student groups, how to consider

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not just numbers but concentration. There was a need shared to build adequacy profiles based on standard understanding of:

- Equity-centered enrollment components,
- Equity-centered success components,
- Variations in programmatic areas/different degree types, and
- Institutional Mission.

Considerations from the survey responses included:

- Necessary state investment levels,
- Prioritizing based on various funding scenarios, and
- How to balance across the three concepts recognizing that without new money or redistribution, funding inequities continue or exacerbate.

Co-Chair Representative Ammons asked the Commission members what their reactions were to the presented responses and comments. Were there particular items that resonated?

- Co-Chair Representative Ammons shared that there is a good amount of gap between higher education funding twenty years ago versus today. The reality is there is space that needs to be taken back to the General Assembly to bring funding levels up to where they should be in 2023. The equity and stability aspects of the Commission will be very important.
- Commissioner Owino echoed Representative Ammons' comments. Commissioner Owino shared that the funding piece is very important to address the "catch up" and that co-conspirators need to see the importance of higher education so that the argument that private and non-private investors can invest in higher education.
- Co-Chair Atkinson shared the importance of the equitable funding component and understanding the affordability issue for students. Institutions need to meet students where they are on their journey and support students from different backgrounds so that can be successful at their institutions. Institutions need to be guided by the need to support students wherever they are on the journey.
- Commissioner Weffer asked whether the definitions will continue to be revised or whether there will be a consensus on the definitions. Representative Ammons recommended that the Commission accept the definitions due to the fact that both the agreement and responses to the survey were high. Executive Director Ostro shared that if tweaks need to happen as the work continues, that can be done. Seeing the broad levels of agreement, this is enough to move the work forward.
- Commissioner Martire shared that the comments shared are areas that will be present during the process of the work.
- Executive Director Ostro shared that a vote on the definitions would need to be moved to the May meeting, since there was no prior notice of an action.

### ***State Example: Louisiana***

Co-Chair Atkinson introduced Dr. Kim Hunter Reed, Commissioner of Higher Education from the Louisiana Board of Regents. Dr. Reed shared about Louisiana's effort to align funding policies to the Master Plan for higher education, including their focus on equity.

### *What does the Regents do?*

The Board of Regents is the coordinating board for the state of Louisiana, while the System Boards handle the day-to-day management of campuses. Through education, innovation and collaboration, the Regents oversees the Master Plan, including Funding Formula,

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Approval/Elimination of Programs and Departments, Capital Outlay, Regents Support Fund Allocations and Merger and Transfer of Institutions.

## *Attainment Goal*

Louisiana's goal is to double the number of credentials in the state. The attainment goal is currently 41.8 percent. The state started at 44 percent, with the goal to get to 60 percent attainment by 2030. Education is the path to prosperity and if people are going to be hurricane-proof or pandemic-proof, they need to have access to a credential of value. The funding formula is not just an allocation model, but is in alignment in service to the Master Plan. The formula is a diagnostic tool to help institutions get to the goal in 2030.

The Master Plan was approved in 2019 and the formula was aligned to the Strategic Plan.

## *Formula Composition and Evolution*

There are three components in the formula that was legislatively approved in 2014. The legislature directed the Board of Regents and the systems to work together to develop a comprehensive, outcomes-based funding formula.

- Base: prior year funding allocation;
- Cost: operational expenses; and
- Outcomes: metrics rewarded.

The outcomes portion of the formula continues to be pushed and reduce the base to drive change aligned to the Master Plan.

## *Alignment: Formula and Master Plan*

The formula is in service to the Master Plan. There are three challenges stated in the Strategic Plan:

- Expand access and success in completing Postsecondary education;
- Eliminate persistent and damaging equity gaps; and
- Significantly increase the education level for adults.

In 2019, the Board of Regents and the systems began working to align the funding formula to meet the Master Plan goal. Louisiana has one of the largest equity gaps and needs to erase gaps, leaning hard into their equity component.

## *Challenge: Eliminate Equity Gap*

Dr. Reed shared that 30+ percent of the population is African American. The largest race ethnicity groups in Louisiana are African American and Caucasian. Between now and reaching the goal of 60 percent, there needs to be a lot of interventions in terms of the fiscal policy.

## *Changes: Addressing Equity Gaps*

The goal is to increase adult, economically disadvantaged, and minority student completion. A weight was added in the cost formula to make sure institutions had additional support if their underrepresented population was above the state average. Secondly, an underrepresented minority completer component was added to specifically recognize the completion of all minority students. A population ban was also added so diverse institutions would receive additional weights for graduating low income and minority students. Weights in the formula for Pell students and adult students were increased.

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## *Cost: Calculations and Approach*

The cost component includes student progression, program of study, instructional and research square footage, operational costs (faculty salaries and support services). Data items in review include student credit hours, program specific cost weights by student level, instructional and research square footage, academic and general support costs, faculty salaries and benefits, average class size and student workloads. Weights are by student level (undergraduates under/over 60 credits).

## *Outcomes: Calculations and Approach*

Outcomes measure student progression, degree completion, equity population completion, workforce alignment and economic development. Louisiana has seen early movement in African American and Adult completions. The Master Plan alignment of formula is producing intended results to eliminate equity gaps and increase education levels for adults. This is a collaborative process: work is not done in siloes. The team meets to discuss the formula each year; they talk about unintended consequences, results, variables and what is working/not working. Pre-pandemic, there was a Formula Summit held each year. In the past, institutions have not done well with the formula, resulting in meetings to discuss the variables and the formula and why they were not being successful. Louisiana will transition from an allocation model to a diagnostic tool, which will provide a report to every institution/system.

Co-Chair Atkinson facilitated a Question and Answer session between Commission Members, Dr. Kim Hunter Reed and Matthew LaBruyere.

## *What were the weights based on? What percentage of the cost of a student attending a public university is covered by state grants?*

- Weights were a determination (give and take) between the CFOs as they went through the process. The cost weights: Texas cost model, there is a large staff that compiles three year averages. Louisiana was comfortable with these weights. Outcome weights: Louisiana started with a base of 1 and worked from there. For time to degree, if any student completes a degree it's a weight of 1 for that completion. The quicker the student moves through the university, the higher the weight. Same is for the workforce piece, if it aligns to 4-5 star job, it starts at a 1 and goes up to 3.5 (most high demand job).

## *Was there a hold-harmless for individual schools or could schools get a lower appropriation as it came through the funding formula year over year?*

- In the legislation, there specifically was a request for no large swings (outcomes for institutions). There is not a hold harmless; institutions can lose funding in the formula. The formula is based on legislative appropriations for the year. The system has authority to move 5 percent within their system, which is in statute.

## *This is Louisiana's second pass at a funding formula, can you speak to that? How does the cost portion of the formula avoid reinforcing institutional level inequities?*

- This is Louisiana's third formula iteration. The formula goes back to 1980's (simple formula) until 2009 when the Board of Regions created the cost formula. In 2017, the cost formula was merged with outcomes to create the outcomes-based formula.
- Louisiana tries to differentiate between the types of institutions using pure data from SREB and using weights for the levels. PhD programs are weighted higher to account for smaller class sizes. Schools that are smaller, the cost formula accounts for that.

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*How does the student success formula correct for the issues that institutions with lower completion rates that extensively serve more diverse student populations? Does it favor better resourced institutions and are you seeing these incentives work?*

- Institutions taking on the heavy lift when it comes to completing students who are underrepresented, less prepared need to be recognized, which is why the underrepresented minority cost adjustment was added. There's not enough resource for anyone/everyone. There have been years when institutions have done better (their numbers improved), but they didn't receive a lot more money because they were not "better than the best" due to a large disinvestment of funding. There have been a number of years of standstill budgets.
- Louisiana has seen institutions, especially public HBCUs, that have been big winners in the formula. They have taken the time to show how they can succeed and what their strong points are.

*How is the external research funding component is used? What are the intended and unintended consequences? Is complex institutional identify in anyway a disadvantage in this formula?*

- On the research side, Louisiana uses the NSF higher education, research and development annual survey which allows the state to look at productivity, which is the measure used. This is the only measure used for grant funded research for institutions.
- This year, Louisiana wanted to increase faculty pay and wanted to increase the mandated costs. The legislature has had more success in very specific requests. Additional mandated costs were requested and in the future, a larger formula allocation may be asked for so that all areas can be taken care through the formula. There is a need for more operating dollars to ensure institutions are as strong as possible. The intentions of the formula have been balanced against the legislature reality of what could be promoted as strategic reinvestment.

*What was the rationale when you were looking at outcomes, as far as having a bachelor's and graduate level both be four years, when it usually takes four years for a bachelor's degree and additional time for a graduate level?*

- Within completers, there are measures for two-year and four-year institutions. The formula looks at how well certificates, associate's, bachelor's and graduate programs are being completed, depending on the type of institution as well as a workforce alignment for completers and transfer. There is a weight for students under 60 hours and a weight for students over 60 hours.

*The minority cost adjustment was initially at 2.6 percent and rose to 23.4 percent, is that correct? When you shared the credentials for African Americans, it went from 9821 to 11827, which is over 20 percent. Have been there conversations on return on investment and the alignment of the weight adjustment? Would the increases maintain themselves overtime?*

- The overall equity weight in the formula went from 2.6 to 24.
- There have been some ROI conversations. There have been more conversations about how to get back on track due to major disruptions. There was a statewide Student Success Council. The state is trying to lean into policies and high-impact practices that will make a different in moving students to and through. There are a number of conversations occurring. Yes, the state is looking into what the return is and what is the success.

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*This is the third pass on the formula. What did you learn from previous iterations? What were the issues that you saw that you're trying to learn from? Is there an institutional breakdown that shows how institutions have moved over time? What are the levers that you're finding are the most powerful in driving towards equity and other priorities?*

- Levers and priorities are at the center of the Student Success work that Louisiana is doing. There has been a year of work, the council has identified a number of subgroups to ensure equity gaps are being erased and making sure policy and practice is aligned with a focus to get more students through.
- Results matter, incentives matter. There has to be a road with an end goal. If there aren't variables that are aligned to and in service to your big goal, the model will not have the potential to accelerate success. We moved from a cost model to an outcomes model then to an outcomes model that is specifically aligned to the funding formula. Moving the model to a diagnostic model with reports back to the institutions with allow a more proactive conversation to try to nail the 2030 goal.

*What were the changes between iterations one, two and three?*

- Version one was a cost model, version two had outcomes but didn't have the equity weight, version three is aligned to the Master Plan, increased the equity component and weight on Pell and adult.

*Are the institutions breakdown over time available?*

- Yes, these can be provided.

*How flexible is flexible and how dynamic is dynamic? Do discussions include topics learned through the pandemic? Has the Student Success Council looked at equity gaps from virtual learning?*

- Virtual learning: as soon as the pandemic hit, Louisiana stood up a statewide digital inclusion taskforce to understand who didn't have a hotspot, laptop, access to broadband and how do they get it? Governor's emergency funds were used to infuse technology support where possible. There have been policy conversations around whether laptops, notebook and pen are all the same. The state looked at learning management system to see retention and completion of students through the pandemic (by race, gender, ethnicity). Emergency funds have also been used to stand up a connectivity and broadband office for the state of Louisiana. This year, \$10 million is allocated for broadband workforce to continue to develop connectivity. There is a focus on virtual learning through delivery, student success, technology and workforce.
- Retooling for women: a childcare specialist was added to the Board of Regents office to ensure there is an increase in the number of institutions with affordable childcare on campus. Traditionally, more women are enrolled and completing in Louisiana as are across the country.
- There is a Governor's Education workforce taskforce which includes K12, higher education, juvenile and adult corrections, economic development, workforce, healthcare and housing representation.
- The Summit provides an opportunity to look back at results and look forward at where the state is trying to go. The state can look at results of retention and completers, look to see "are we getting there?" and if there has been improvement. When resources are limited, how is change driven? There are a lot of conversations with consensus so there is buy-in across the board. The systems in Louisiana are partners and not competitors.

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*Was the base cost calculated if the goal of 60 percent is achieved?*

- The CFOs set a goal of 50 percent base, 25 percent cost and 25 percent outcomes many years ago.

*How is equity measured?*

- The equity component was originally a low income and adult component. When the formula was aligned to the Master Plan, an underrepresented minority completer component was added. A population ban to support institutions that have the most diverse students in completing them and an underrepresented minority cost adjustment to provide additional dollars to support student success for minority students. Those items were added to the formula in line with the Master Plan.

*The Master Plan is made by who?*

- The Board of Regents adopted the Master Plan in 2019. The legislature requires a strategic plan for the state with annual reporting of how the work is going.

*The established formula, it was based on low income and adult completion rates. It did not include a historical analysis, right?*

- Historically, African American students have been locked out of higher education, which is why it's included in the cost and outcomes specifically. So, the base dollars are the prior year dollars. A minority adjustment was added to the cost piece and to the outcomes piece to try to further support that work. The formula is not a "one size fits all, magic bullet" but is part of an overall strategy to try to erase equity gaps in the state of Louisiana.
- Continued case making needs to happen to increase the formula. The formula is a proposition worth of investment and not investing is not an option in Louisiana. The state is trying to move fiscal policies forward in the reality of the budget. The budget previously has not been in support of higher education. Healthcare and higher education are two areas not protected in the budget, so strategic reinvestment needs to happen.
- Louisiana will continue to weight the kinds of behavior change that needs to be seen. Projects were done when the formula was approved in 2019. This data was pre-pandemic, pre-hurricanes. If the environment would calm down, but the reality is that education happens as life and challenges happen. Louisiana will continue to tweak and invest in places where it can help close equity gaps.

*Fluctuations in state revenue can impact a state's ability to continue increasing funding for higher education. Is there a public expectation amongst stakeholders and the legislature that there will be annual increases in higher education?*

- There is a renewed interest. Last year, a \$100 million increase was requested and supported. Collectively, as a higher education ecosystem, the case has been made for strategic reinvestment. "If you invest in us, we'll invest in our people" which will help folks support their families and move out of poverty.

*Is the work of the multiple taskforces around equity incorporated into the work of planning around the funding formula?*

- The course of the work on a daily basis (teacher work, dual enrollment) all has an equity lens. The question is really how are we addressing equity gaps in every part of daily work? It does inform the strategic plan and formula. Everything is in service to getting to the 2030 goal. Every taskforce and work has an equity lens.

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## ***State Example: Colorado***

Executive Director Ostro introduced Kaycee Gerhart Director of Government Affairs in the Office of the President at Metro State University in Denver. Kaycee was instrumental in building advocacy for the revision to the funding model for institutions, including reflection on student demographics, concentration of these groups at different institutions and an approach to address historical and existing inequities by prioritizing new investments.

Kaycee shared the institutional perspective around the evolution in the Colorado funding formula. Higher education in Colorado includes 31 public institutions. MSU Denver primarily serves undergraduate students and also serves the urban access institution for the state. There are three statewide systems in the state, serving 250,000 students and about 85 percent of those students are residents. Colorado Rises is the higher education Master Plan which sets an credential attainment goal of 66 percent by 2025 for Colorado's adult population. The four strategic goals are:

- Increase credential completion,
- Erase equity gaps,
- Improve student success, and
- Invest in affordability and innovation.

## *Higher Education Funding in Colorado*

Historically, has been based on proportionate changes driven by increases/decreases in the state budget, perpetuating disparities across institution types and sizes. In 2014, some performance metrics introduced through ~80 percent of funding remained rooted in enrollment factors. In 2019, the legislature passed SB 19-095, requiring CCHE to review the formula to better align to the state's master plan goals.

## *2020 Funding Formula Revision*

Step One: Ongoing additional funding

- To recognize progress toward state goals,
- Address historic disparities, and
- Award other metrics beyond S2.

Step Two: Performance Funding

- Growth of:
  - Enrollment,
  - Credential production,
  - Special population enrollment,
  - Graduation rates, and
  - Retention.

Step Three: Temporary Additional Funding

- Special purpose, as designed by the legislature.

## *2021 Colorado Case Study*

The use of Step Two of the formula was replicating disparities resulting from a prior funding model. Step One was leveraged to focus the investment on the state's share of enrollment and retention of focus student populations: Pell-eligible, underrepresented minorities, and first-generation students. New money was invested to fund higher education, resulting in disproportionate growth in funding for access institutions, community colleges and rural campuses.

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## *Looking Ahead*

Every five years, the legislature requires the formula to be reexamined. Colorado's formula will be revised in 2024 to include metrics that capture student beyond "first time, full time," considering role and mission in goal-setting, and incentivizing innovation.

Executive Director Ostro facilitated a Question and Answer session.

*Was Step Three up for discussion and how is Colorado guarding against the ability to end run the equity component?*

- Colorado has not yet seen an inverse reaction. Step One is utilized when new funds are on the table. This was intentionally created. Some institutions are gaining ground quicker than others. Step One has been the mechanism in which equity can be more greatly prioritized. Proposals come to the table in a collective way and work directly with the legislature to find shared priorities before the ultimate proposal goes to the Governor's desk.

*What types of ideas, philosophies or action steps went into addressing historical disparities?*

- MSU Denver has been the least funded four-year institution in the state, which serves 51 percent students of color, 60 percent first-generation students and about a third of students are Pell-eligible. These percentages are significantly larger than any other four-year institution in the state. MSU Denver is about \$5,000 per student, much less than others.
- There is a responsibility that comes with stewarding additional investment. Last year, MSU Denver utilized Step One to double down on an investment to continue to close gaps. MSU Denver created a coalition to figure out how best to direct funds in a way that recognizes the service to students and to the state while still recognizing a desire from the institution and the state to be held accountable.

*How will part time students and transfer students be added into the formula?*

- This is a gap in the formula and a solution has not yet been agreed upon. Having a robust ecosystem is just as important as having a high performing institution. The mechanism that accounts for all student types ends up playing against the idea of a robust ecosystem.
- The formula does lend itself well to everyone being "on the same page." The reality is that in 2021, MSU Denver was solely the access institution to speak up and share the Step Two was insufficient. This required a building of political capital and partnership with the legislature. The coalition built was able to arrive at a solution that benefited all institutions but more greatly benefited the access institutions. The flexibility of Step One has the opportunity for positive change.

*Given the number of students not returning to school, what kind of coordination with local high schools is there to ensure students attend college? What kind of programs are there for adult students to finish high school (block scheduling, flexible opportunities)?*

- There are one-time funds directed in this way. Concurrent and Dual Enrollment allow high school students to earn college credit while in high school. There is a large matriculation of students with some credit. Career pathways have been created to start in the K12 area that connect to the higher education ecosystem, which creates a very clear path for students.
- The concept for adult learners is not dissimilar but exists outside the K12 system. A recently passed bill infuses \$90 million specifically toward building out flexible and no longer time-bound credentials in the higher education space. This offers a "pop in,

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pop out” engagement. Stackable credentials for adult learners is a new concept in Colorado.

*Is there a ballpark figure of the number of adult who don't have a high school diploma?*

- Colorado is at about 55-57 percent towards 66 percent goal. About 40-45 percent of adults (ages 25-34) don't yet have a postsecondary credential.

## **Reflections & Discussion**

Co-Chair Torres opened up the floor for general discussion and reflection from the Commission members.

- Co-Chair Representative Ammons shared that there is some difficulty in pursuing a model that does not have, at its base, the historical context. It's important to note that there is no way to get to equity by piling onto one group that already has, the same that you give to those that don't have. Co-Chair Representative Ammons reflected on the fundamental difference in using the term "equity" and then operating in the equality space.

What considerations were elevated that can help inform how Illinois can more equitably fund institutions?

- Commissioner Caldwell shared that part of the definition of "equity" is to make right. Unless historical wrongs are considered, you can't make right. This is not represented in the Commission's definition. The wrongs need to be acknowledged in order to make right. Commissioner Caldwell asked if a hold-harmless model is in place, unless more funding is provided, how will the equity piece be achieved?
- Commissioner Weffer raised the need for a "carrot and stick" mechanism to hold people accountable. Those working in the DEI space, grapple with holding faculty or departments accountable and a similar process is needed here. Commissioner Weffer also offered a recommendation that there be an overlap in workgroup members to ensure translation between workgroups is clear.
- Commissioner Ellens shared that without a hold-harmless, nothing will get past the General Assembly. If that is the case and equity is the goal, the Commission needs to be committed to being aggressive in equity targets in the new money and making sure there is enough new money coming in to support the formula. A formula without funding is just a commitment statement without action. What is an appropriate timeline to implement a new formula to properly serve students?
- Co-Chair Torres reacted that a huge success to the K12 funding was the creation of the public expectation with annual step increases toward the ultimate goal.
- Commissioner Steans shared that the hold-harmless is a priority only when there is new money available. A common theme across presentations is that other states have tried different formulas and if they haven't worked as planned, they have been able to come back and revise. An element similar to a professional review panel may be a good takeaway to remember. Elements from each of the presentation can be brought into the working groups and modeling for Illinois. Overlap in the workgroups to ensure cross-pollination would be helpful.
- Commissioner Martire endorsed what Commissioner Ellens shared regarding the hold-harmless. In the K12 evidence-based funding formula, if there is a situation where not as much money is added to the formula in the following year, the first school district to get cut is those at the top of the list. The districts farthest away from having adequate resources are those who receive the allocation.
- Commissioner Mahoney shared that when there isn't a hold-harmless, there tends to be another iteration that reverts back towards a hold-harmless model. New money

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needs to be focused on the new goal of equity gaps; something that people can buy into. Multiple models have seen this notion of no one losing money, which is then baked into the model and may not be helpful to Illinois.

- Commissioner Scott offered additional background from when she grew up in Louisiana. The state has a long ways to go to right the wrongs, and endorsed Co-Chair Representative Ammons' point that the Commission needs to look at where past disinvestments in higher education have been.

### ***Public Comment***

There were no members of the public that requested to make public comment.

### ***Next Steps, Closing Announcements and Adjournment***

Co-Chair Torres closed out the meeting by sharing that the Co-Chairs would follow up to discuss appointments to the workgroups prior to the May 25, 2022 meeting. The next meeting was rescheduled to May 25, 2022. At this next meeting, the Commission will hear from Tennessee, dig deeper into adequacy in postsecondary education and synthesize what has been heard from the state presentations.

### ***Commission Members in attendance***

Representative Carol Ammons, Co-Chair  
John Atkinson, Co-Chair  
Deputy Governor for Education Martin Torres, Co-Chair  
Sheila Caldwell  
Andreas Cangellaris  
Lisa Castillo-Richmond  
Dr. Wendi Wills El-Amin  
Cherita Ellens  
Lisa Freeman  
Gloria Gibson  
Cheryl Green  
Dr. Diane Otieno Owino  
Guiyou Huang  
Terri Kinzy  
Dan Mahony  
Ralph Martire  
Javier Reyes  
Zaldwaynaka "Z" Scott  
Robin Steans  
Respicio Vazquez  
Simón Weffer  
Jack Wuest  
Eric Zarnikow

### ***Commission Members not in attendance***

Senate Majority Leader Kimberly Lightford, Co-Chair  
Senator Scott Bennett  
Representative Mike Marron  
Assistant Republic Leader Chapin Rose

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Deputy Republic Leader Dan Brady  
Senator Dale Fowler  
Representative Katie Stuart  
David Glassman  
Brandon Kyle  
Dennis Papini

*Support Team Members in attendance*

Ginger Ostro  
Ja'Neane Minor  
Jaimee Ray  
Emily Chase  
David Antonacci  
Toya Barnes-Teamer  
Martha Snyder  
Jimmy Clarke  
Katie Lynne Morton