
ILLINOIS COMMISSION ON EQUITABLE PUBLIC UNIVERSITY FUNDING

Meeting #7

Welcome to the April 17, 2023 meeting of the Commission on Equitable Public University Funding. The meeting will begin at 12:00 p.m. This meeting will be recorded. Closed Captioning can be accessed by clicking on the speech bubble in the lower left corner.

Members of the general public will remain muted throughout the meeting and will have the opportunity to comment during the public comment period. To make a comment, please leave your name, the organization you represent, and the topic you would like to address in the Q&A section by 12:50 p.m. The Q&A function is at the bottom of the screen. We will call on you during the public comment period and ask that you keep your remarks to under three minutes.

If you have technical difficulties during the meeting, please contact David Antonacci at antonacci@ibhe.org or via text to 217-720-5269

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Welcome & Agenda Overview

Ginger Ostro, Executive Director, IBHE

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12:00 pm	Welcome & Agenda Overview
12:05 pm	Action: Approval of Minutes from December 2022 Meeting, November 2022 Resource Workgroup Meeting
12:10 pm	Commission Overview: Charge, Objectives & Meeting Arc
12:20 pm	Technical Modeling Workgroup Overview

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12:30 pm	Technical Modeling Workgroup Report
1:40 pm	Public Comment
1:55 pm	Next Steps
2:00 pm	Closing Announcements and Adjournment

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Approval of minutes from December
2022 Commission Meeting

Approval of minutes from November
2022 Resource Workgroup Meeting

Ginger Ostro, Executive Director, IBHE

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Commission Reflection: Charge & Objectives

Goals + Scope

- Create a shared understanding of how Illinois' public universities are funded and the alignment of these approaches to critical state goals and objectives.
- Cultivate information from other state approaches for financing postsecondary education that promotes equitable access and success.
- Consider how to address the various functions of a university and account for different institutional missions.
- Develop recommendations for an adequate, equitable and stable formula centered around increasing access and success for underrepresented and historically underserved student populations while reflecting the varied missions of Illinois' public universities.
- Complementary work supporting accountability and transparency
 - Equity Plans and Practices
 - *A Thriving Illinois* Accountability System

Workplan Phase I:

Common Understanding + National Context

Meeting 1: Alignment Across the Work

- Legislative Charge
- A Thriving Illinois
- Chicago State University Equity
- Principles for an Equitable, Adequate and Stable Funding Model

Meeting 2: Conceptual Definitions, Context from States and Sectors

- Definition survey and review
- K12 EBF Funding Model
- Oregon's Equity Lens and University Funding Model

Meeting 3: Conceptual Definitions, Context from Other States

- Definition survey 2 review and discussion
- Louisiana's Master Plan and Aligned Funding Model
- Colorado's Funding Model
- National Context

Meeting 4: Context from Other States, Adequacy

- Tennessee: Mission Components
- National Context
- Concepts/ considerations for PS Adequacy
- Working Session: Reflections, Components, Adequacy WG Charge

Workplan Phase 2: Analysis and Modeling

Meeting 5: Adequacy + Resources

Review + Discussion:

Student-centered adequacy considerations

Other considerations to include in adequacy

Review + Discussion:

Types of Resources to be Considered

Meeting 6: Adequacy + Resources

• Review + Discussion:

Types and categories of Adequacy Components

• Review + Discussion:

Types of Resources and Resource Mapping

Considerations for Students ability to pay

Meeting 7: Technical Modeling + Implementation

• Review + Discussion:

Equity adjustments

• Review + Discussion:

Base adjustments

• Review + Discussion:

Mission Components

Meeting 8: Technical Modeling + Implementation

• Review + Discussion:

O+M

• Review + Discussion:

Equitable student share

• Review + Discussion:

Other Resources

Adequacy
Workgroup
Meetings

Resource
Workgroup
Meetings

Adequacy
Workgroup
Meetings

Resource
Workgroup
Meetings

Technical
Modeling
Workgroup
Meetings



Technical
Modeling
Workgroup
Meetings

Workplan Phase 3: Cultivating and Finalizing Recommendations

Meeting 9 Technical Modeling + Implementation

- Review modeling and implementation options
- Initial recommendations

Meeting 10: Recommendations + Report Draft

- Recommendations and options

Technical
Modeling
Workgroup
Meetings

Technical
Modeling
Workgroup
Meetings

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Technical Modeling Workgroup
Overview

Technical Modeling Workgroup

- **Charge:** The technical workgroup will build upon the conceptual framework established by the Commission (informed by the Adequacy and Resource workgroups) 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 components of adequacy and varying levels of resources (revenue streams) across institutions, as outlined by the Commission.

- **Meetings:** The workgroup meets every 2 weeks, starting Jan 5th until June 2023. The workgroup will report to the full Commission in April.

Conceptual Model: Similar to K-12 EBF

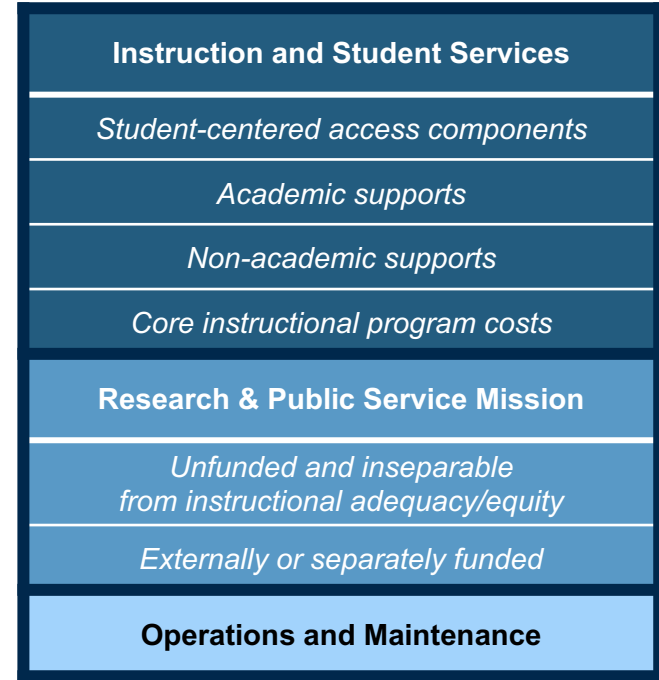
Start with an Equity-Centered Adequacy Target

Each institution will have an Adequacy Target, primarily built from student-centered components of what it costs for students to succeed.

Equity adjustments will be made based on variable student need to reflect the priority of increasing more equitable access and success for historically underserved student populations.

Adequacy will also consider research, service, and artistry missions. Cost for facilities operations and maintenance included, as well.

“University A” Adequacy Target



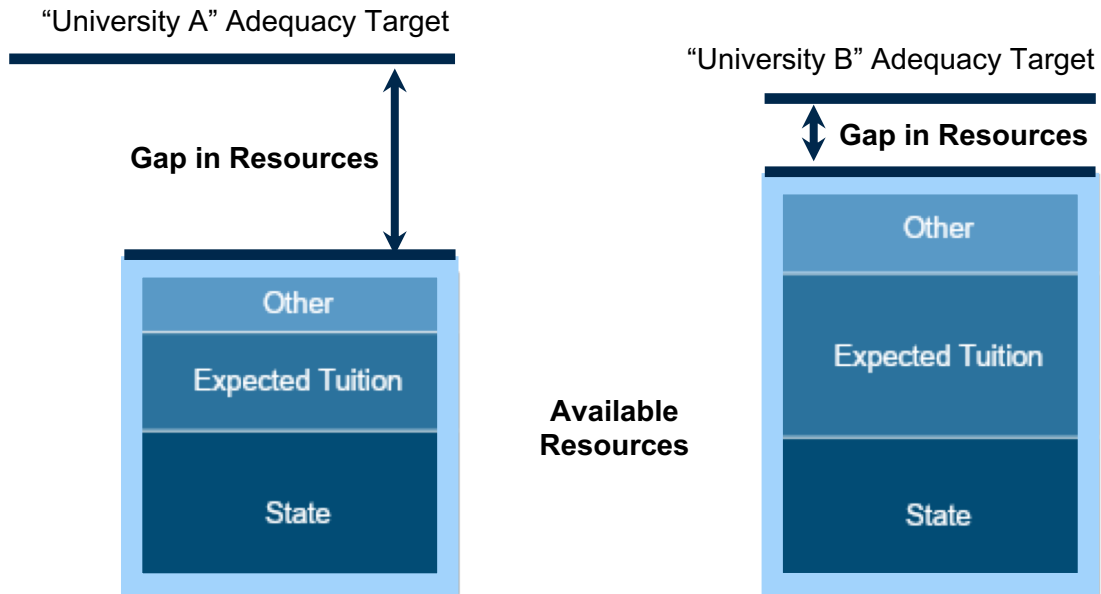
Conceptual Model

Identify Available Resources

Include existing state funding as base, account for “expected tuition,” and other resources, like endowment. “Expected tuition” rather than actual tuition helps address affordability

State Funds Fill in Gap in Resources

Model to be developed, but goal to distribute new resources equitably, with more going to institutions furthest from Adequacy Target



Translating Concepts to a Model

The Adequacy and Resources Work Groups identified practices and elements of each component of the conceptual model.

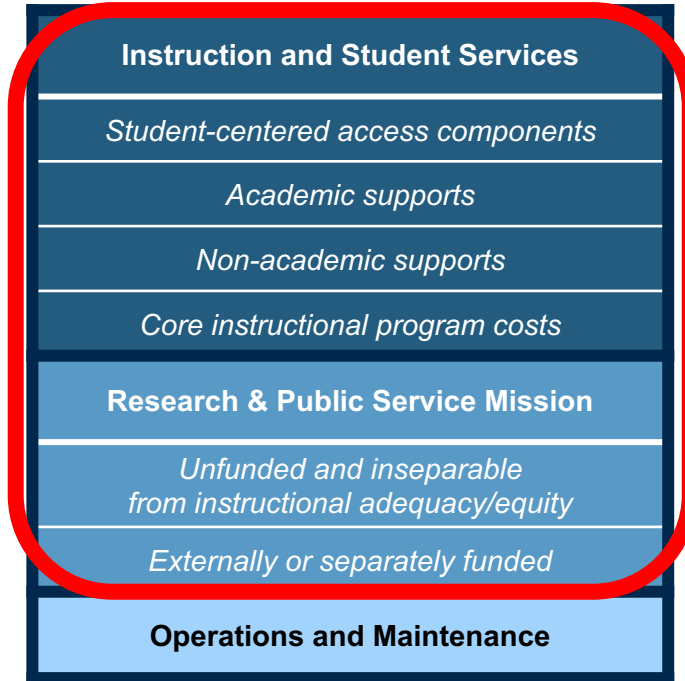
They also identified key variables (student, program, institutional) that would require adjustments to ensure equity and account for different missions and contexts.

The Technical Work Group has relied on those to identify costs of each component and the relationships between them.

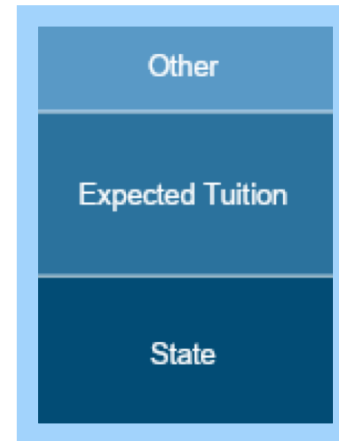
Description	Rationale	Evidence-Based Practices (examples)	Potential Measures to Calculate Costs
Costs to support outreach, recruitment and enrollment of students	Outreach, recruitment and enrollment activities have costs for all students and will be higher to achieve more equitable access for underserved populations.	<ul style="list-style-type: none">•Financial aid/FAFSA application support•Targeted information to low-income students and students of color from those who have gone (mentorship)•Admission application support•Financial Literacy	<ul style="list-style-type: none">•Student services expenditures•Admissions office expenses•Other identifiable direct outreach/marketing expenses•Financial aid admin expenses attributable to incoming undergraduates•Student-Level Finance Measures•Cost of individual student access strategies

Today's Focus: Instruction & Student Services and Mission

Adequacy Target



Resource Profile



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Technical Modeling Workgroup:
Work Plan and Update

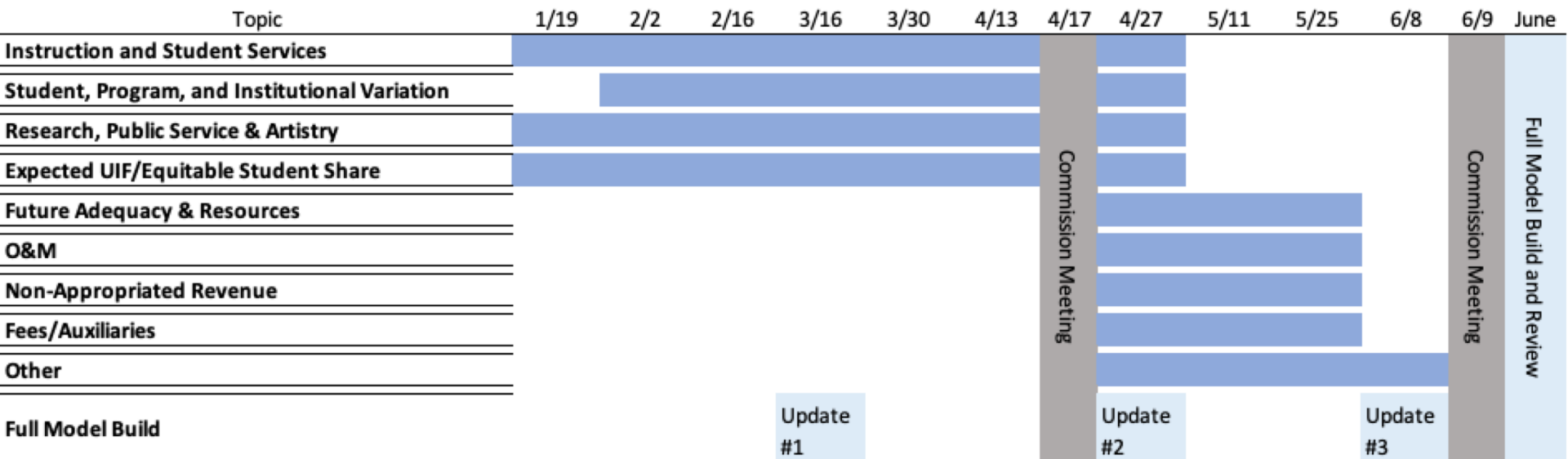
Technical Modeling Workgroup Membership

Name	Title	Organization
Corey Bradford	VP for Admin & Finance	Governors State University
Dan Mahony	President	Southern Illinois University
Michael Moss	Associate Vice Chancellor	University of Illinois Chicago
Mike Abrahamson	Senior Manager of Research and Policy	Partnership for College Completion
Beth Ingram	Executive Vice President and Provost	Northern Illinois University
Ralph Martire	Executive Director	Center for Tax and Budget Accountability
Robin Steans	President	Advance Illinois
Simón Weffer	Associate Professor	Northern Illinois University
Sandy Cavi	Associate Vice President for Budgeting and Planning	Illinois State University
Kim Tran	Chief of Staff	Chicago State University
Andrew Rogers	Director, Financial Analysis and State Budget Reporting	Northern Illinois University
Ketra Roselieb	Executive Director, Financial Affairs	Western Illinois University

Process to Date

- 1) Reviewed Adequacy and Resource Group findings and recommendations
- 2) Assigned Technical Workgroup members to subcomponents (topics) of Adequacy and Resources
- 3) Topic teams dug into data, research, and institutional expertise to answer key questions and develop recommendations for how to define and calculate adequacy in each component
- 4) Full Workgroup discussed topic team findings, HCM combined them into a conceptual model, which is still being discussed and refined

Work Plan



Topic Teams

Instruction and Student Services					
Student Centered-Access	Academic Supports	Non-Academic Supports	Core Instructional Program Costs	Research, Public Service & Artistry	Equitable Student Share
Sandy Cavi	Robin Steans	Mike Abrahamson	Dan Mahony	Beth Ingram	Corey Bradford
Michael Moss	Kim Tran	Andrew Rogers	Jeanette Malafa	Simón Weffer	Ralph Martire

Instruction and Student Services: Key Questions

- 1) What is the benchmark for this component? What is the desired outcome?
- 2) How many/what level of resources are required to achieve the benchmark/outcome?
- 3) What do those resources cost?
- 4) What adjustments need to be made for student, program, and institutional variation?

Proposed Approach to Calculating Adequacy Targets

Baseline Spending



Equity Adjustment



Base Adjustment due
to Underfunding



Adequacy Target

Start with the per pupil funding levels derived from expenditures in IBHE's Revenue & Expenditure (R&E) report

Close equity gaps by adjusting the baseline spending for certain student, program, and institutional characteristics

Recognizing IL's history of underfunding higher education, increase the baseline per pupil expenditures to a sufficient level

Baseline Spending - Instruction and Student Services

Adequacy Component	Base IL Expenditures per Student
Student Centered Access	\$1,073
Academic Supports	\$1,073
Non-Academic Supports	\$1,003
Core Instruction Costs	\$10,714

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Equity Adjustments

Equity Adjustments - Best Practice Interventions

We identified research-based interventions specific to each adequacy component that improve outcomes and equity for target populations, building off of the elements identified by the Adequacy Work Group.

Universities would not be required to spend the funding on these interventions. It merely serves as a benchmark for how much is needed in each component to close equity gaps.

Complementary efforts support Accountability, including Institution-Level Equity Plans and Practices and *A Thriving Illinois* Accountability System

Equity Adjustments - Best Practice Interventions

Adequacy Component	Equity Adjustment Focus
Student-Centered Access	Advising interventions to increase enrollment of historically underrepresented populations
Academic & Non-Academic Supports	Holistic wrap-around services aimed at eliminating equity gaps in retention and completion
Core Instruction Costs	Programs to increase faculty diversity and increase equitable representation in high-cost and high-value programs

Academic & Non-Academic Supports

Organizations and Interventions Reviewed:

- One Million Degrees
- CUNY ASAP/ACE
- Bottom Line
- Project QUEST
- Opening Doors
- TRIO Student Support Services
- National Louis University
- iMentor
- HOPE Chicago program (Northern Illinois University data)
- University of Illinois - Chicago student services

Common Elements of Holistic Interventions:

Intensive Advising - less than 1:125 advisor ratio

Academic Tutoring

Financial Supports for basic needs

Academic & Non-Academic Support Costs

Tiers of Academic & Non-Academic Support “Packages” and Cost/Student for Equity Adjustment			
Intensive	High	Medium	Low
\$8,000	\$6,000	\$4,000	\$2,000

Package costs based on best-practice interventions – the most effective had higher costs around \$5,000 per student, but interviews indicated that some students required more services than what the average cost implies.

Academic & Non-Academic Support Tiers

Recommended approach to identifying which students would be eligible for the equity add-on associated with each “package”:

- Base the level of service needed on the current outcomes gap in IL (retention rate), creating tiers based on natural breaks in the data
- Students with multiple characteristics would be placed into the tier above the tier of their highest characteristic

Academic & Non-Academic Support Tiers

Tier	Student	Retention Rate Gap
Intensive	High + Other	
High	American Indian	-22.1%
	Black/African-American	-20.3%
	Developmental Education	-17.2%
	Tier 1 EBF	-14.8%
	Medium + Other	
Medium	Adult Learner	-12.5%
	Pell Recipient	-10.4%
	Latinx	-8.9%
	2 or more races	-7.6%
Low	EBF Tier 2 school	-5.4%
	Rural	-2.1%

- Other populations to consider, using data from other sources:
 - Students with children
 - Students with disabilities
 - First-generation students
- Relevant and available data on Grad/Professional students is limited to race/ethnicity
 - Could consider collecting some SES indicator going forward

Academic & Non-Academic Support Adjustments

Discussion Questions:

- Does the tiered services approach make sense?
- Do the number of tiers and costs seem right?
- Is the approach to identifying which students get which tier of service right?

Next Steps:

- Refine tiers for remaining student characteristics
- Calculate university adjustments using actual data

Student-Centered Access: Equity Adjustments

Best Practices in Enrolling Historically Marginalized Students

Upward Bound	\$4,900 per student
Bottom Line	\$1,000 per student
Talent Search	\$540 per student
College Advising Corps	\$170 per student

For student-centered access, the adjustment would be based on interventions that increase the enrollment of traditionally underrepresented students.

Possible characteristics to account for:

- Race, income, transfer, rural, adult

Next Steps: Develop tiers and funding levels, with students assigned to each tier based on college-going rates.

Core Instructional Costs: Equity Adjustments

Two adjustments for equity:

1. Recruiting and retaining more diverse faculty
 - Example: UI-Chicago's Underrepresented Faculty Recruitment Programs: \$667 per student

1. Diversifying student enrollment in high-cost and high-value programs (e.g., STEM).

Next steps: The workgroup will identify the equity gaps in high-cost and high-value programs to assign adjustments.

Equity Adjustments

Adequacy Component	Base IL Expenditures per Student	Equity Adjustments (certain students)
Student Centered Access	\$1,073	\$1,000
Academic Supports	\$1,073	+ \$2,000-\$8,000
Non-Academic Supports	\$1,003	
Core Instruction Costs	\$10,714	\$667

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Base Adjustment to Address
Underfunding

Reasons for Base Adjustment

- The framework starts with current spending levels, but higher education has been underfunded
- The funding formula should close equity gaps and ensure all students receive enough support to succeed

Ways to Adjust the Base

1) Increase Funding to Reach an Outcome Target

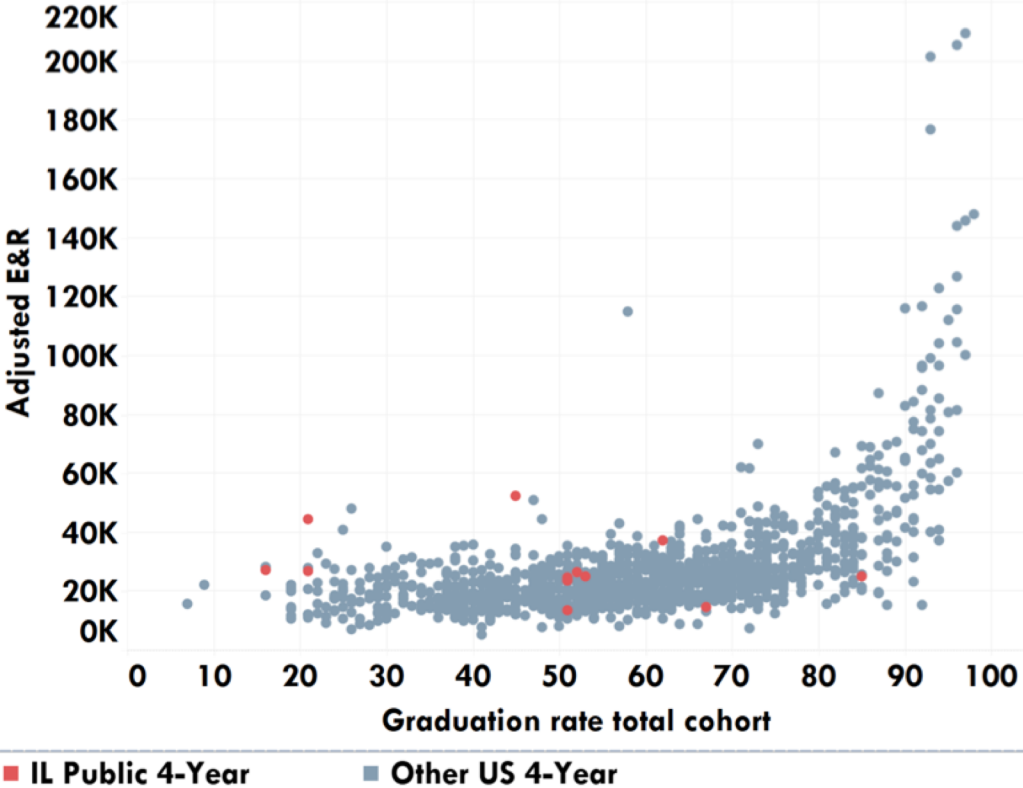
- Calculate an adjustment necessary to move from current levels to a target level (e.g., graduation rate) based on research and data analysis linking spending to outcomes.
- "...a \$1,000 per-FTE increase in state appropriations ...increases the likelihood of earning a bachelor's degree by age 25 by 1.5pp for students first enrolled at a four-year institution." (Chakrabarti et al 2020)

2) Identify Funding Levels of High-Performing Institutions

- Compare to institutions with diverse student bodies and strong, equitable outcomes to make informed decision about benchmarking adjustment to current spending levels.

E&R Expenditures and Grad Rates

Education and Related Expenses (Est. 2024 \$) per FTE Student, by Graduation Rate 2015-21 (Excess Public IL Fringe Benefits Normalized to National Average)



Base Adjustment Options

Outcome Target

- Goal: Increase grad rate from 63.3% to 80% (16.7 pp)
- An additional \$600/FTE increases undergraduate completion by 1 pp
- Needed investment: **\$10,659 per headcount**
 - *For a 70% grad rate goal, needed investment = \$4,276*

High-Performing Institution Comparison

- Goal: Fund at a level comparable to those that achieve >80% grad rates
- E&R expenditures for high grad-rate schools are 48% higher than IL
- Needed investment (48% increase over base): **\$9,653 per headcount**

Base Adjustment Costs

Adequacy Component	Base IL Expenditures per Student	70% Grad Rate Benchmark	Adjusted Base
Student Centered Access	\$1,073	+ \$4,276 =	\$1,404
Academic Supports	\$1,073		\$1,404
Non-Academic Supports	\$1,003		\$1,313
Core Instruction Costs	\$10,714		\$14,019

Adjusted Baseline plus Equity Adjustments

Adequacy Component	Base IL Expenditures per Student		70% Grad Rate Benchmark		Adjusted Base (all students)		Equity Adjustments (certain students)
Student Centered Access	\$1,073				\$1,404		\$1,000
Academic Supports	\$1,073				\$1,404		
Non-Academic Supports	\$1,003	+	\$4,276	=	\$1,313	+	\$2,000-\$8,000
Core Instruction Costs	\$10,714				\$14,019		\$667

Base Adjustment Options

For Discussion

- Does this benchmarking approach make sense?
- Is a 70% grad rate the right target?

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Mission
(Research, Public Service & Artistry)

Approach to Assessing Mission Adequacy

Objective: Set a floor of what students and communities have access to at all universities, then adjust for differences in mission and size.

Research

- Focus on undergraduate research
- Consider variation in research mission

Public Service

- Consider costs of community education, museums, coop extension services, etc.

Artistry

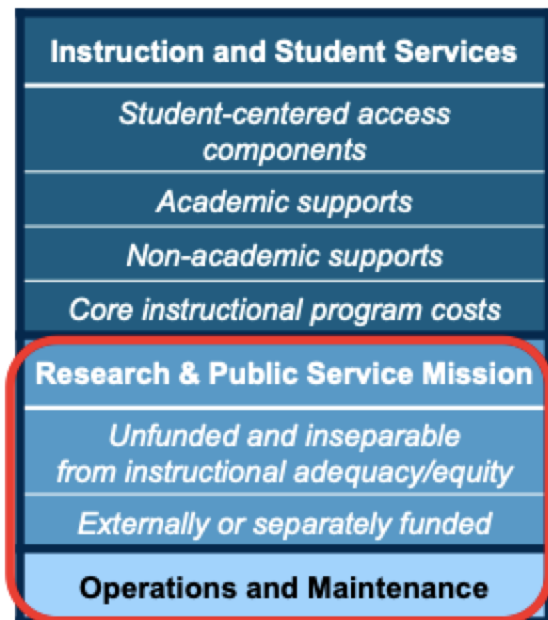
- Consider costs per credit hour for students in the arts

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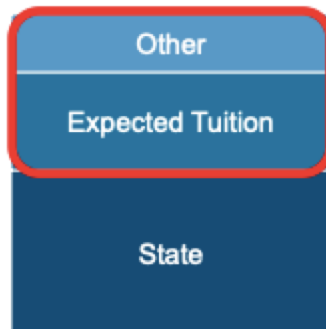
Next Steps

Next Steps

Adequacy Target



Resource Profile



Complete *Adequacy Target* components:

- Refine and model the **equity adjustments**
- Finalize **Mission** amounts
- Develop per student **O&M** funding levels

Develop and model *Resource Profile* components:

- Determine **Equitable Student Share** approach
- Assess how to count **other sources of revenue** (endowments, grants, contracts)

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Public Comment

Facilitated by Dr. Toya Barnes-Teamer, HCM Strategists

Instructions for Members of the Public:

Please wait for your name to be called. Public comments will be limited to three (3) minutes per person. People participating by phone should dial *3 to raise their hand, we will call on you to provide comment.

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Closing Announcements and Adjournment

Dr. Toya Barnes-Teamer, HCM Strategists
