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.
Welcome & Agenda Overview

Ginger Ostro, Executive Director, IBHE
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
<table>
<thead>
<tr>
<th>Time</th>
<th>Session Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>12:30 pm</td>
<td>Technical Modeling Workgroup Report</td>
</tr>
<tr>
<td>1:40 pm</td>
<td>Public Comment</td>
</tr>
<tr>
<td>1:55 pm</td>
<td>Next Steps</td>
</tr>
<tr>
<td>2:00 pm</td>
<td>Closing Announcements and Adjournment</td>
</tr>
</tbody>
</table>
Approval of minutes from December 2022 Commission Meeting

Approval of minutes from November 2022 Resource Workgroup Meeting

Ginger Ostro, Executive Director, IBHE
Commission Reflection: Charge & Objectives
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

**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

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Adequacy Workgroup Meetings
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Resource Workgroup Meetings
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Technical Modeling Workgroup Meetings
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Technical Modeling Workgroup Meetings

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Illinois Commission on
Equitable Public University Funding
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
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.

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### “University A” Adequacy Target

<table>
<thead>
<tr>
<th>Instruction and Student Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Student-centered access components</td>
</tr>
<tr>
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</tr>
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</tr>
<tr>
<td>Core instructional program costs</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Research &amp; Public Service Mission</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unfunded and inseparable from instructional adequacy/equity</td>
</tr>
<tr>
<td>Externally or separately funded</td>
</tr>
</tbody>
</table>

| Operations and Maintenance |
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.
Today's Focus: Instruction & Student Services and Mission

Adequacy Target

- **Instruction and Student Services**
  - Student-centered access components
  - Academic supports
  - Non-academic supports
  - Core instructional program costs

- **Research & Public Service Mission**
  - Unfunded and inseparable from instructional adequacy/equity
  - Externally or separately funded

- **Operations and Maintenance**

Resource Profile

- Other
- Expected Tuition
- State
Technical Modeling Workgroup: Work Plan and Update
## Technical Modeling Workgroup Membership

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

<table>
<thead>
<tr>
<th>Instruction and Student Services</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Student Centered-Access</strong></td>
</tr>
<tr>
<td>Sandy Cavi</td>
</tr>
<tr>
<td>Michael Moss</td>
</tr>
</tbody>
</table>
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

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

Equity Adjustment

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

Base Adjustment due to Underfunding

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

Adequacy Target
### Baseline Spending - Instruction and Student Services

<table>
<thead>
<tr>
<th>Adequacy Component</th>
<th>Base IL Expenditures per Student</th>
</tr>
</thead>
<tbody>
<tr>
<td>Student Centered Access</td>
<td>$1,073</td>
</tr>
<tr>
<td>Academic Supports</td>
<td>$1,073</td>
</tr>
<tr>
<td>Non-Academic Supports</td>
<td>$1,003</td>
</tr>
<tr>
<td>Core Instruction Costs</td>
<td>$10,714</td>
</tr>
</tbody>
</table>
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

<table>
<thead>
<tr>
<th>Adequacy Component</th>
<th>Equity Adjustment Focus</th>
</tr>
</thead>
<tbody>
<tr>
<td>Student-Centered Access</td>
<td>Advising interventions to increase enrollment of historically underrepresented populations</td>
</tr>
<tr>
<td>Academic &amp; Non-Academic Supports</td>
<td>Holistic wrap-around services aimed at eliminating equity gaps in retention and completion</td>
</tr>
<tr>
<td>Core Instruction Costs</td>
<td>Programs to increase faculty diversity and increase equitable representation in high-cost and high-value programs</td>
</tr>
</tbody>
</table>
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:

<table>
<thead>
<tr>
<th>Intensive Advising</th>
<th>less than 1:125 advisor ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Academic Tutoring</td>
<td></td>
</tr>
<tr>
<td>Financial Supports</td>
<td>for basic needs</td>
</tr>
</tbody>
</table>
## Tiers of Academic & Non-Academic Support “Packages” and Cost/Student for Equity Adjustment

<table>
<thead>
<tr>
<th>Intensive</th>
<th>High</th>
<th>Medium</th>
<th>Low</th>
</tr>
</thead>
<tbody>
<tr>
<td>$8,000</td>
<td>$6,000</td>
<td>$4,000</td>
<td>$2,000</td>
</tr>
</tbody>
</table>

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.
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

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

- 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
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
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.

### Best Practices in Enrolling Historically Marginalized Students

<table>
<thead>
<tr>
<th>Program</th>
<th>Cost per Student</th>
</tr>
</thead>
<tbody>
<tr>
<td>Upward Bound</td>
<td>$4,900</td>
</tr>
<tr>
<td>Bottom Line</td>
<td>$1,000</td>
</tr>
<tr>
<td>Talent Search</td>
<td>$540</td>
</tr>
<tr>
<td>College Advising Corps</td>
<td>$170</td>
</tr>
</tbody>
</table>
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

<table>
<thead>
<tr>
<th>Adequacy Component</th>
<th>Base IL Expenditures per Student</th>
<th>Equity Adjustments (certain students)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Student Centered Access</td>
<td>$1,073</td>
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<td>$1,003</td>
<td>$2,000-$8,000</td>
</tr>
<tr>
<td>Core Instruction Costs</td>
<td>$10,714</td>
<td>$667</td>
</tr>
</tbody>
</table>
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.
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.

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.

Ways to Adjust to Benchmarks

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**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)
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

<table>
<thead>
<tr>
<th>Adequacy Component</th>
<th>Base IL Expenditures per Student</th>
<th>70% Grad Rate Benchmark</th>
<th>Adjusted Base</th>
</tr>
</thead>
<tbody>
<tr>
<td>Student Centered Access</td>
<td>$1,073</td>
<td></td>
<td>$1,404</td>
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<tr>
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<tr>
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<td></td>
<td>$14,019</td>
</tr>
</tbody>
</table>
## Adjusted Baseline plus Equity Adjustments

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<thead>
<tr>
<th>Adequacy Component</th>
<th>Base IL Expenditures per Student</th>
<th>70% Grad Rate Benchmark</th>
<th>Adjusted Base (all students)</th>
<th>Equity Adjustments (certain students)</th>
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For Discussion

● Does this benchmarking approach make sense?
● Is a 70% grad rate the right target?
Mission
(Research, Public Service & Artistry)
Objective: Set a floor of what students and communities have access to at all universities, then adjust for differences in mission and size.

Approach to Assessing Mission Adequacy

- **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
Next Steps
Next Steps

Adequacy Target

- **Instruction and Student Services**
  - Student-centered access components
  - Academic supports
  - Non-academic supports
  - Core instructional program costs

Research & Public Service Mission

- Unfunded and inseparable from instructional adequacy/equity
- Externally or separately funded
- Operations and Maintenance

Complete Adequacy Target components:
- Refine and model the equity adjustments
- Finalize Mission amounts
- Develop per student O&M funding levels

Resource Profile

- Other
- Expected Tuition
- State

Develop and model Resource Profile components:
- Determine Equitable Student Share approach
- Assess how to count other sources of revenue (endowments, grants, contracts)

ILLINOIS COMMISSION ON
EQUITABLE PUBLIC UNIVERSITY FUNDING
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.
Closing Announcements and Adjournment

Dr. Toya Barnes-Teamer, HCM Strategists