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
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.
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.
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**
- 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**

*Illinois Commission on Equitable Public University Funding*
## 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>
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<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:

- **Intensive Advising** - less than 1:125 advisor ratio
- **Academic Tutoring**
- **Financial Supports** for basic needs
## 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
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

<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>

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

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

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 statewide 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% statewide 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**

**Note:** These graduation rate comparisons are not targets or expectations for all IL universities; their purpose in the model is only to help determine a level of funding associated with that outcome benchmark on a statewide level.
## Base Adjustment Costs

<table>
<thead>
<tr>
<th>Adequacy Component</th>
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<th>70% Grad Rate Benchmark</th>
<th>Adjusted Base</th>
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<tbody>
<tr>
<td>Student Centered Access</td>
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<td>+ $4,276</td>
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<td>$14,019</td>
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**Adjusted Baseline plus Equity Adjustments**

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<th>Adequacy Component</th>
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**ILLINOIS COMMISSION ON EQUITABLE PUBLIC UNIVERSITY FUNDING**
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.

**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