

# ILLINOIS COMMISSION ON EQUITABLE PUBLIC UNIVERSITY FUNDING

## Meeting #11

Welcome to the November 17, 2023 meeting of the Commission on Equitable Public University Funding. The meeting will begin at 9:00 a.m. 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 11:15 a.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](mailto:antonacci@ibhe.org) or via text to 217-720-5269

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**ILLINOIS COMMISSION ON**

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**EQUITABLE PUBLIC UNIVERSITY FUNDING**

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Welcome

Ginger Ostro, Executive Director, IBHE

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# Approval of minutes from Oct 2023 Commission Meeting

Ginger Ostro, Executive Director, IBHE

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## Agenda Overview

Ginger Ostro, Executive Director, IBHE

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# ILLINOIS COMMISSION ON EQUITABLE PUBLIC UNIVERSITY FUNDING

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- 9:00 am Welcome & Agenda Overview
  - 9:05 am Action: Approval of Minutes from Oct 2023 Meeting
  - 9:10 am Commission Overview: Context, Charge & Objectives
  - 9:25 am Overview of Draft Formula Framework
  - 9:55 am Draft Formula Output
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# ILLINOIS COMMISSION ON EQUITABLE PUBLIC UNIVERSITY FUNDING

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- 10:25 am      Review and Discussion of Formula Components
  - 11:15 am      Implementation Topics
  - 11:40 am      Timeline
  - 11:45 am      Public Comment
  - 11:55 am      Next Steps
  - 12:00 pm      Closing Announcements and Adjournment
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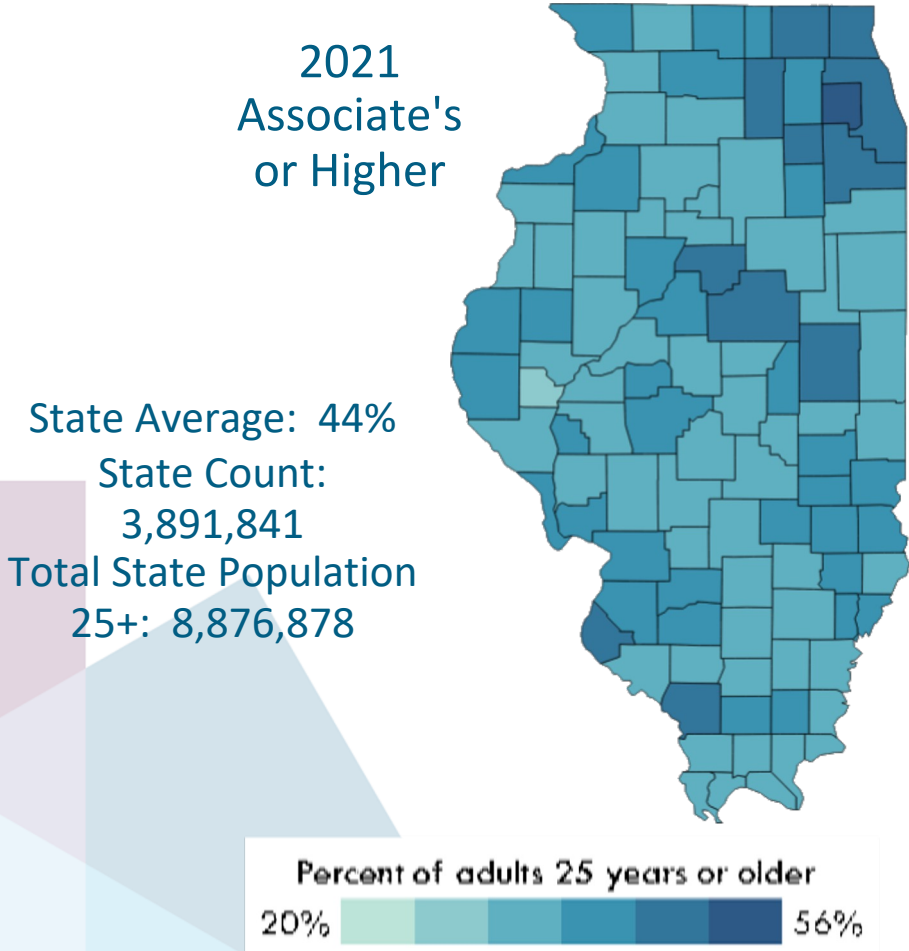
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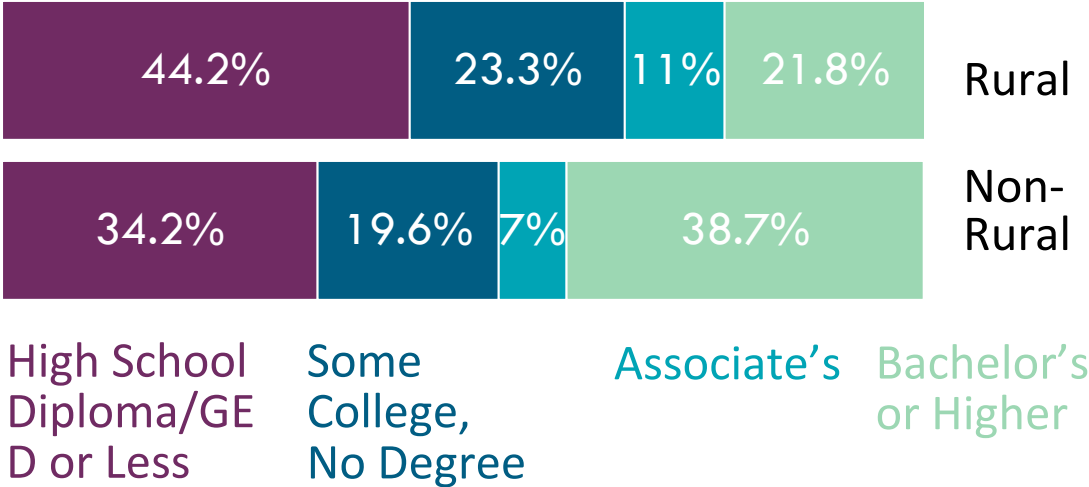
## Commission Context, Charge & Objectives

# Disparities in Postsecondary Attainment



Source: 2021 American Community Survey 5-Year Estimates

## EDUCATIONAL ATTAINMENT IN ILLINOIS (AGE 25+) BY RURALITY



See all of our interactive [Equity Maps](#)

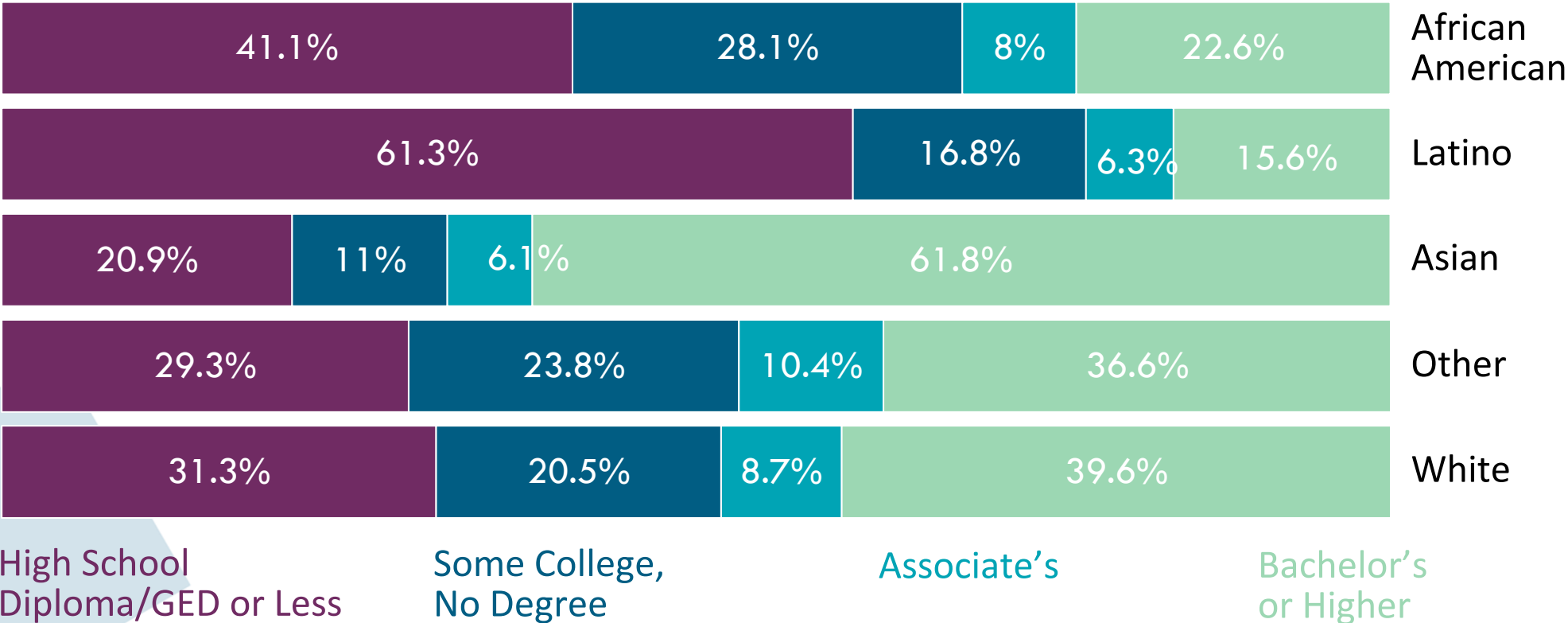
Source: 2020 American Community Survey 5-Year Estimates



# Disparities in Postsecondary Attainment



EDUCATIONAL ATTAINMENT IN ILLINOIS  
(AGE 25+) BY RACE/ETHNICITY



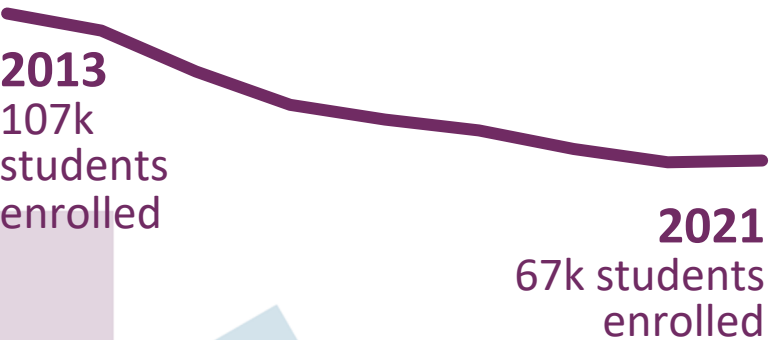
Source: 2020 American Community Survey 5-Year  
Estimates

# Equity Gaps Facing African American Students



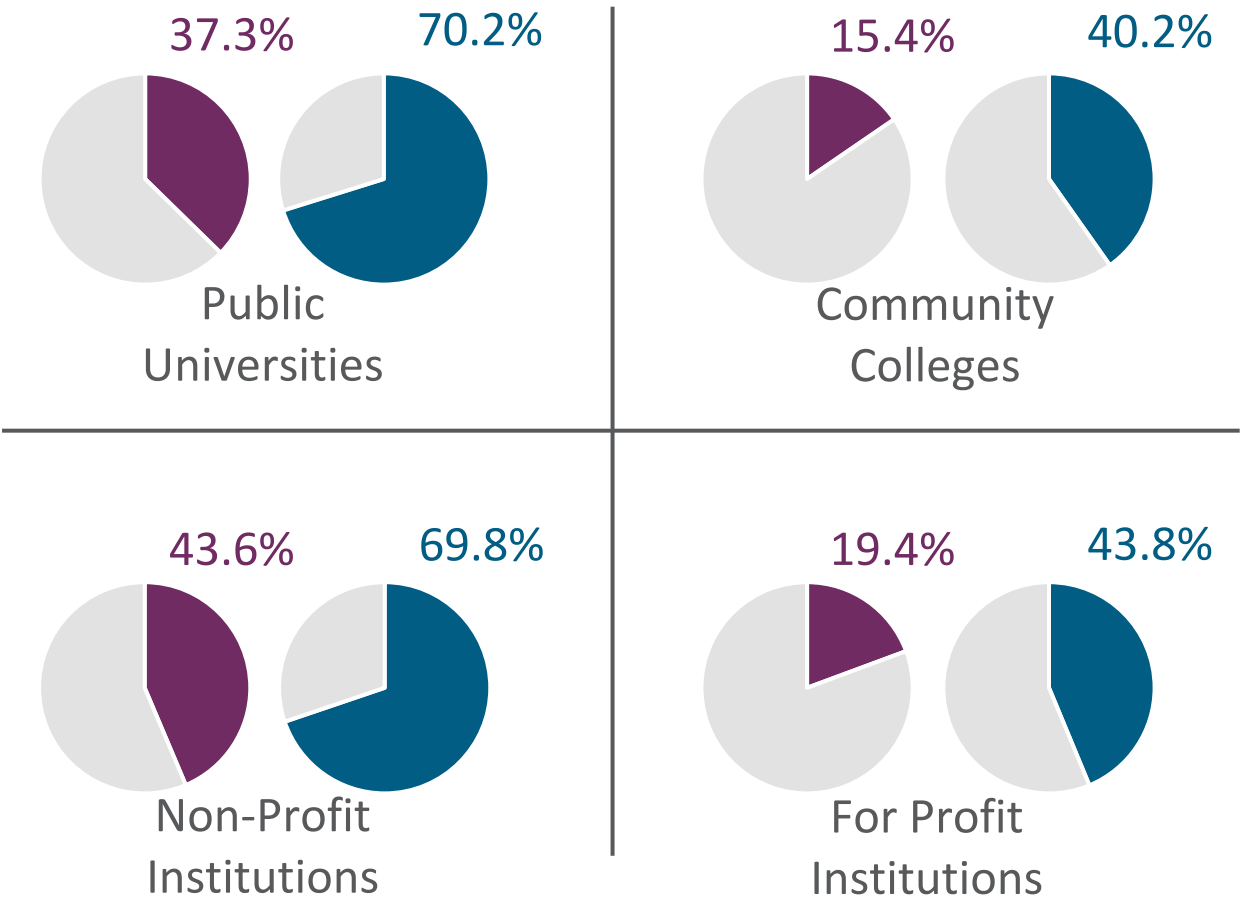
## ENROLLMENT CHANGE OVER TIME

Enrollment has decreased by **37%** for African Americans.



African American  
White

## 2021 GRADUATION RATES



# Equity Gaps Facing Latinx Students



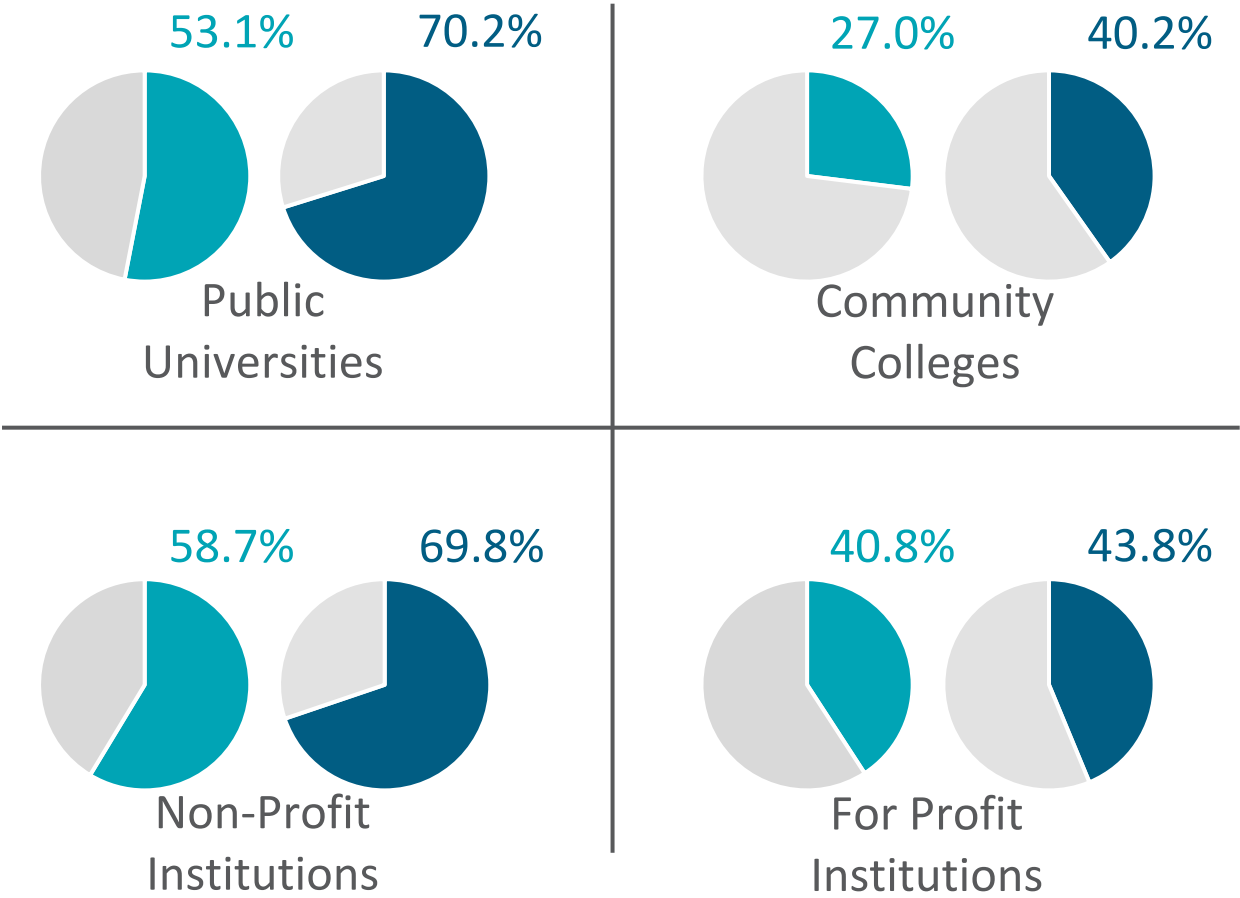
## ENROLLMENT CHANGE OVER TIME

Enrollment has increased by **3%** for Latino students.



Latino  
White

## 2021 GRADUATION RATES

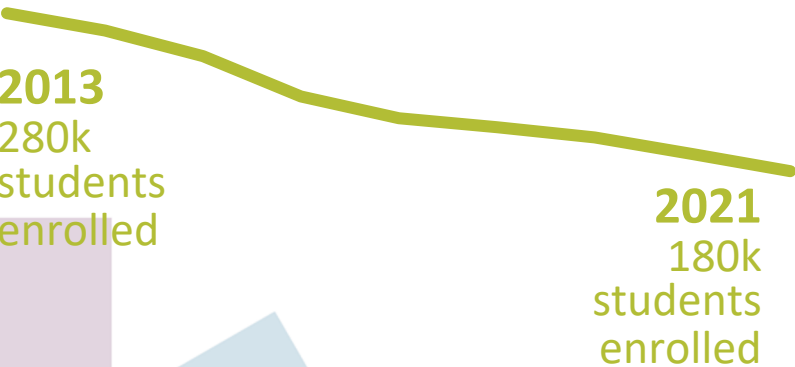


# Equity Gaps Facing Low-Income Students



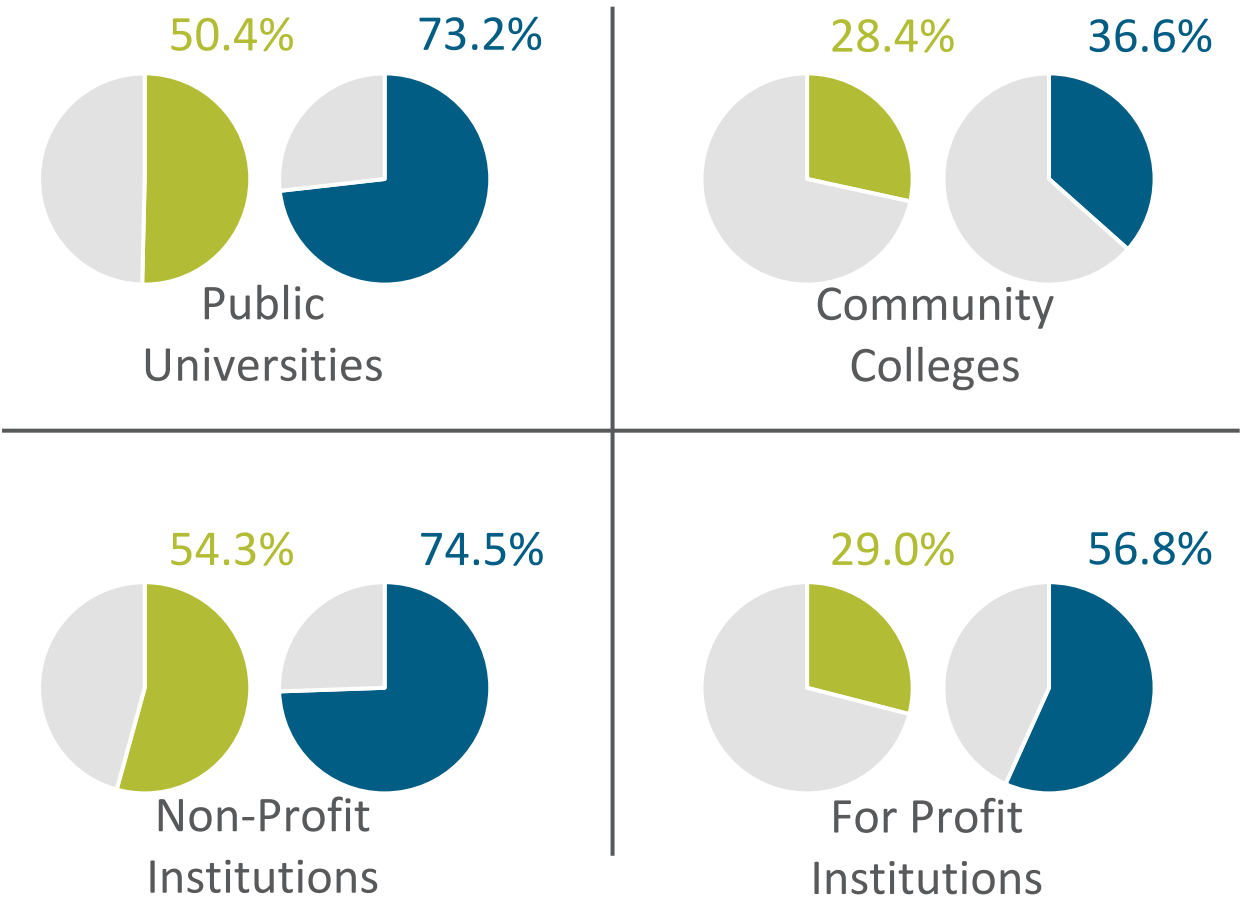
## ENROLLMENT CHANGE OVER TIME

Enrollment has decreased by **36%** for low-income students

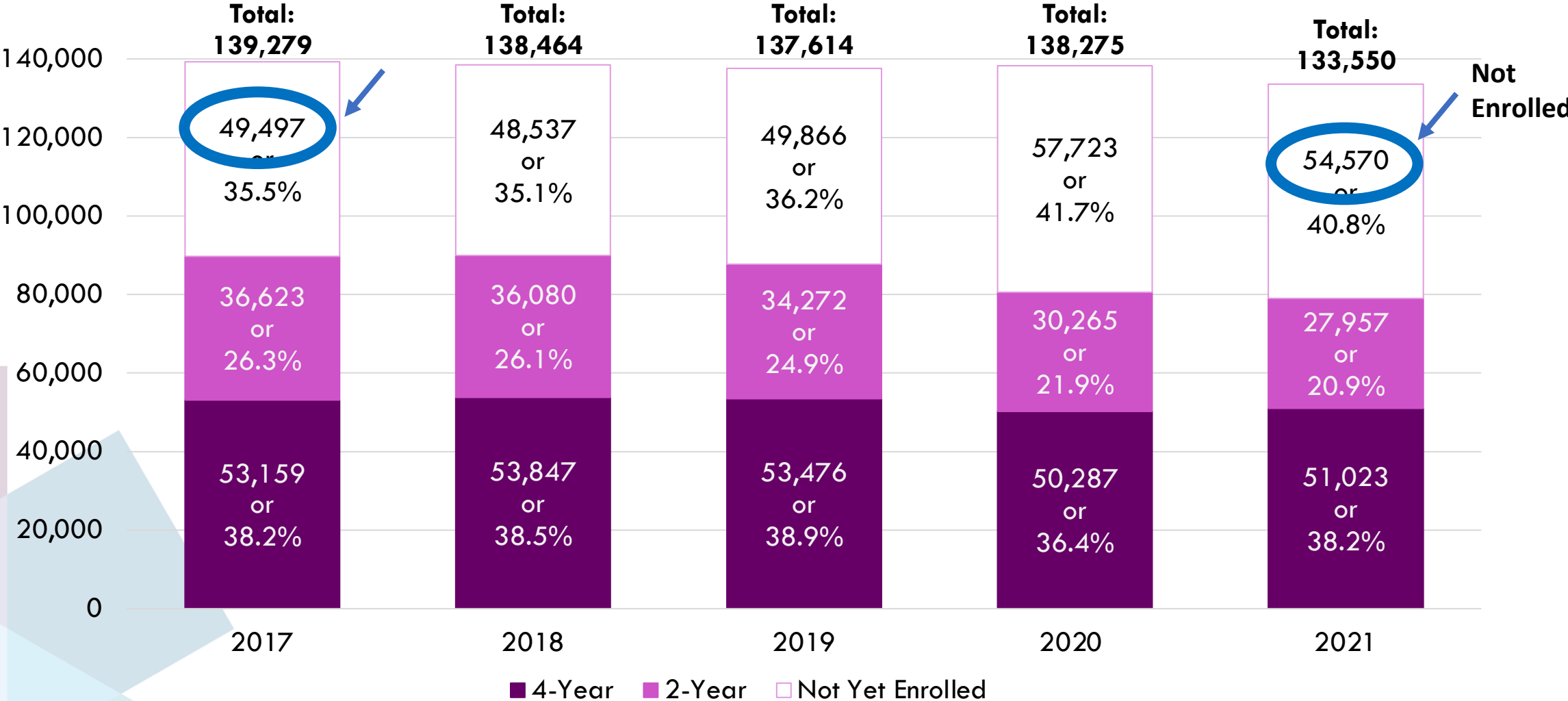


Pell  
Non-Pell

## 2021 GRADUATION RATES



# College-going rates among high school graduates haven't reached pre-pandemic levels



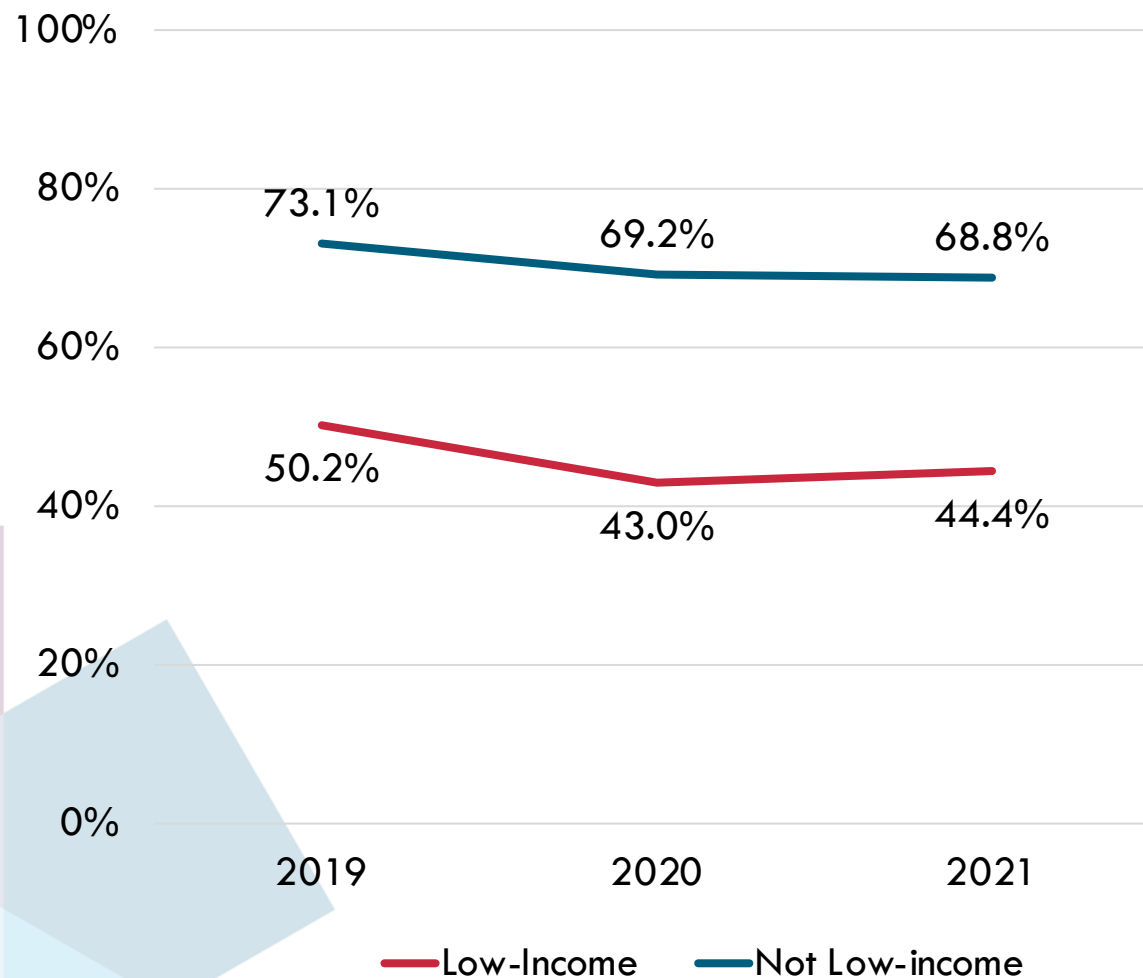
Source: Illinois State Board of Education

# College enrollment gaps by race/ethnicity persist for high school graduates

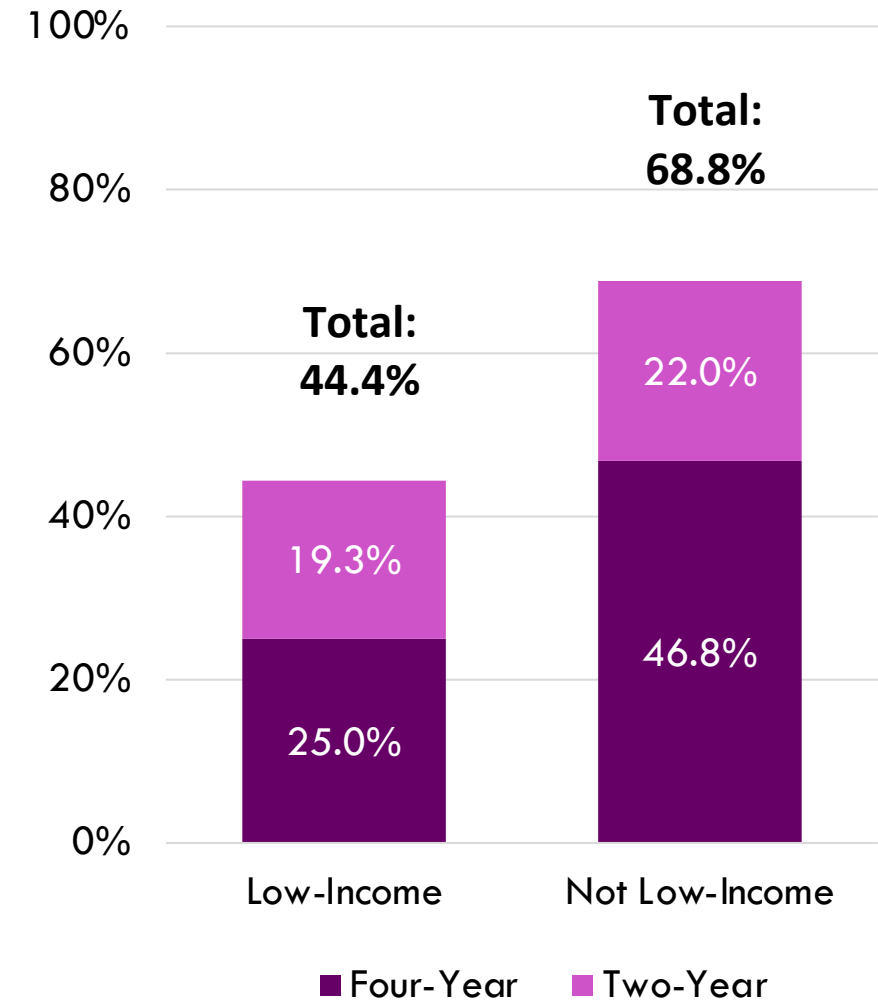


Source: Illinois State Board of Education

# College-going gaps persist for low-income high school graduates



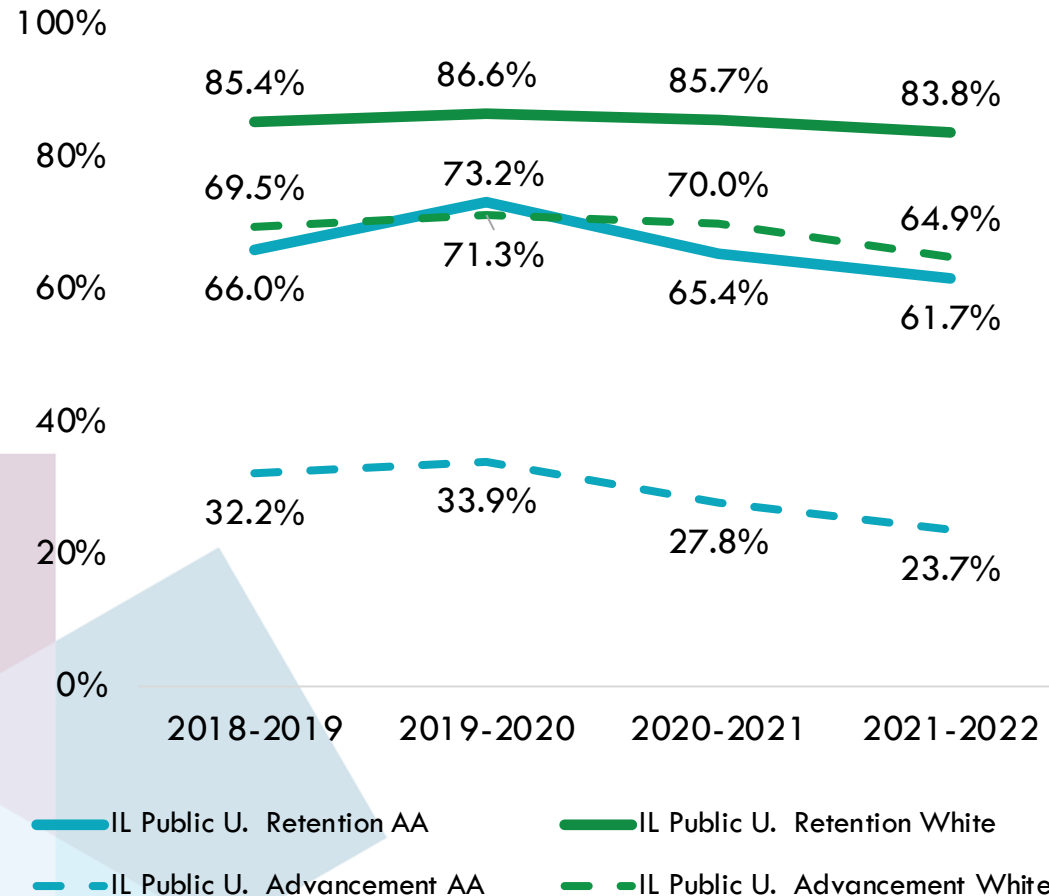
Source: Illinois State Board of Education



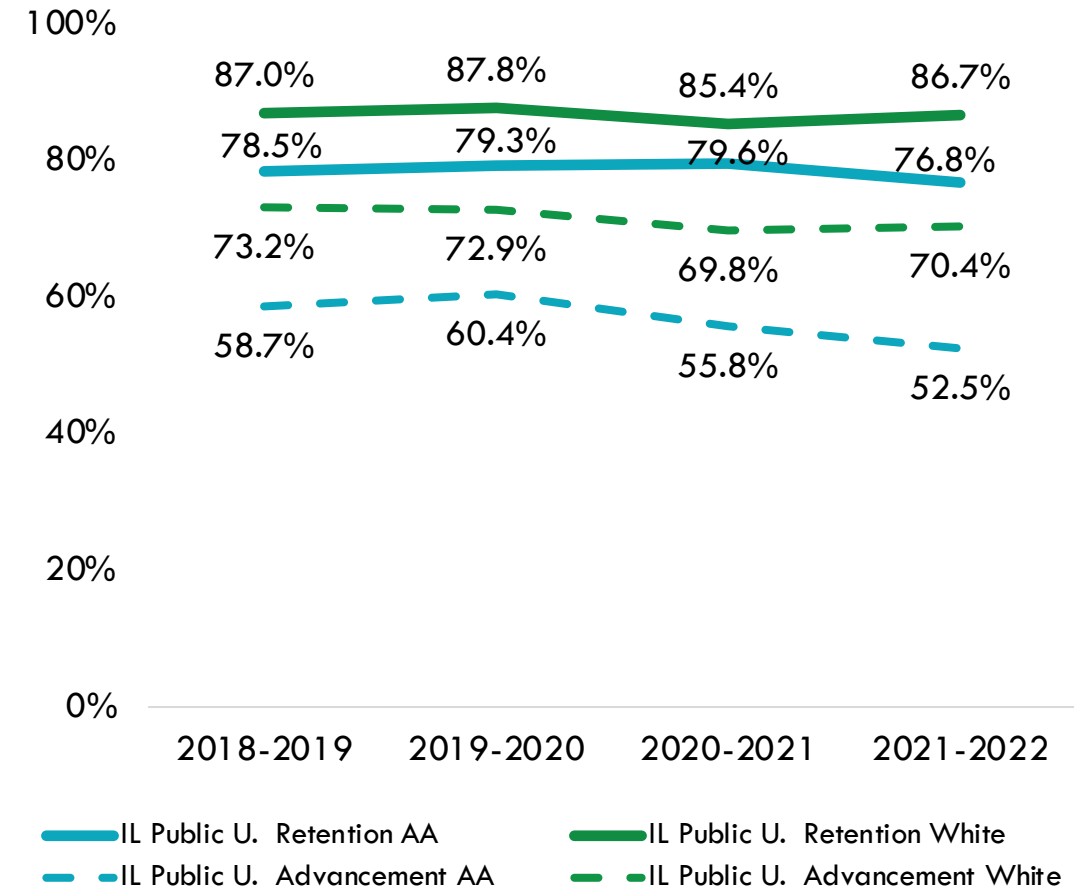
# Retention and advancement gaps persist for African American students



**Retention and Advancement of New First-Time Full-Time Students at all Illinois Public Universities**



**Retention and Advancement of New IL CC Transfer Full-Time Students at Illinois Public Universities**



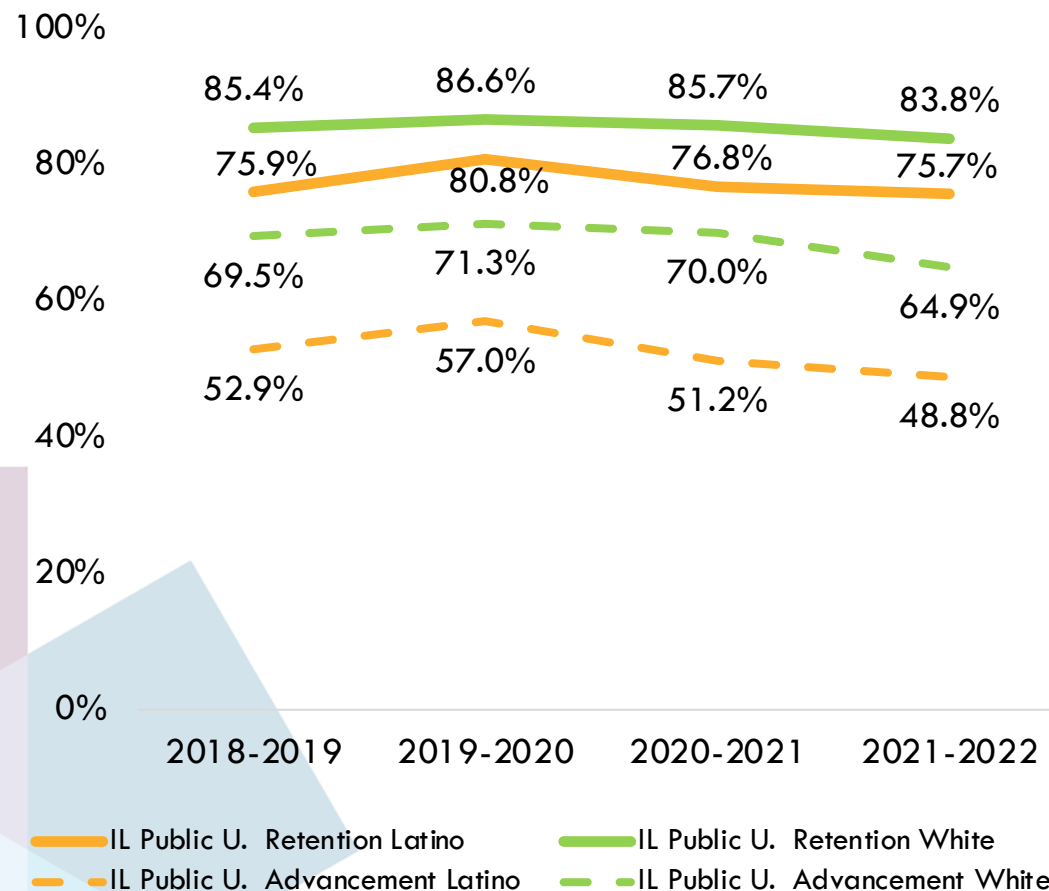
Source: IBHE IHEIS Fall 2018-19 to Fall 2021-22 Enrollment Collections – New Transfer Full-Time Students from Fall of AY2018-19, Fall of AY2019-20, Fall of AY2020-21 tracked to the next Fall.



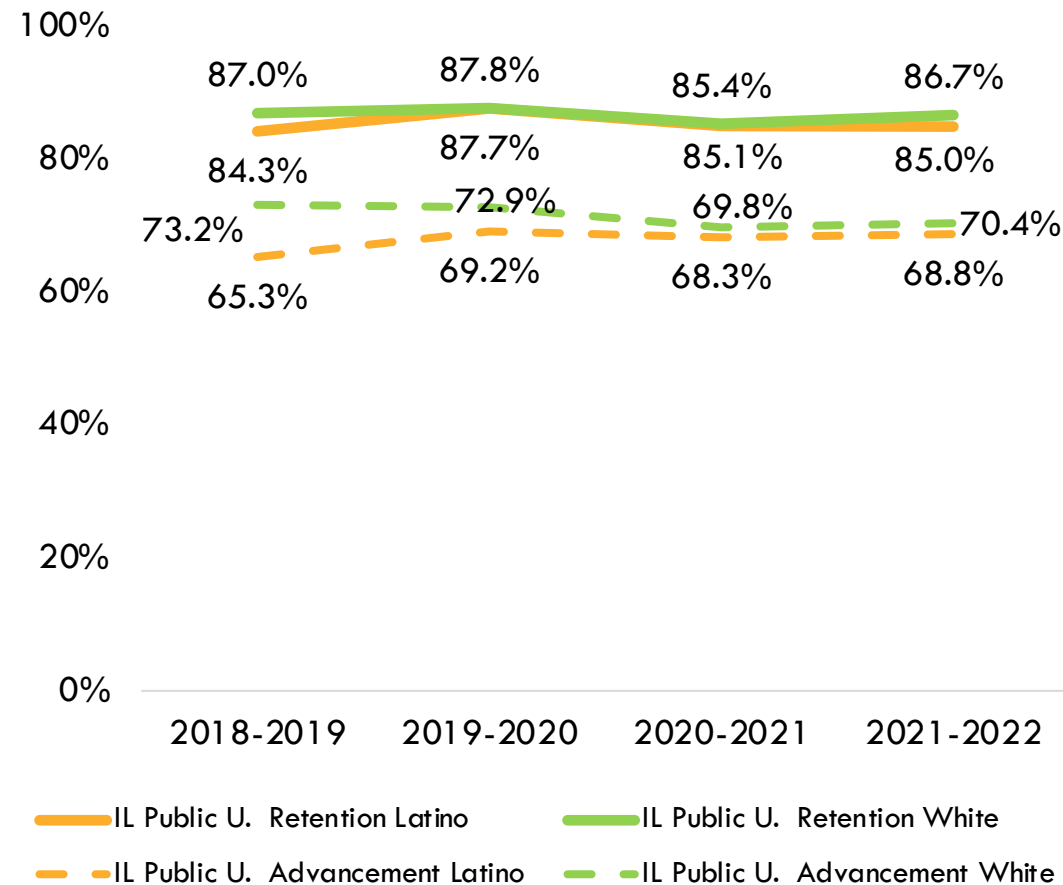
# Retention and advancement gaps persist for Latino students



**Retention and Advancement of New Full-Time Freshmen  
Illinois Public Universities**



**Retention and Advancement of New IL CC Full-Time  
Transfer Students at Illinois Public Universities**

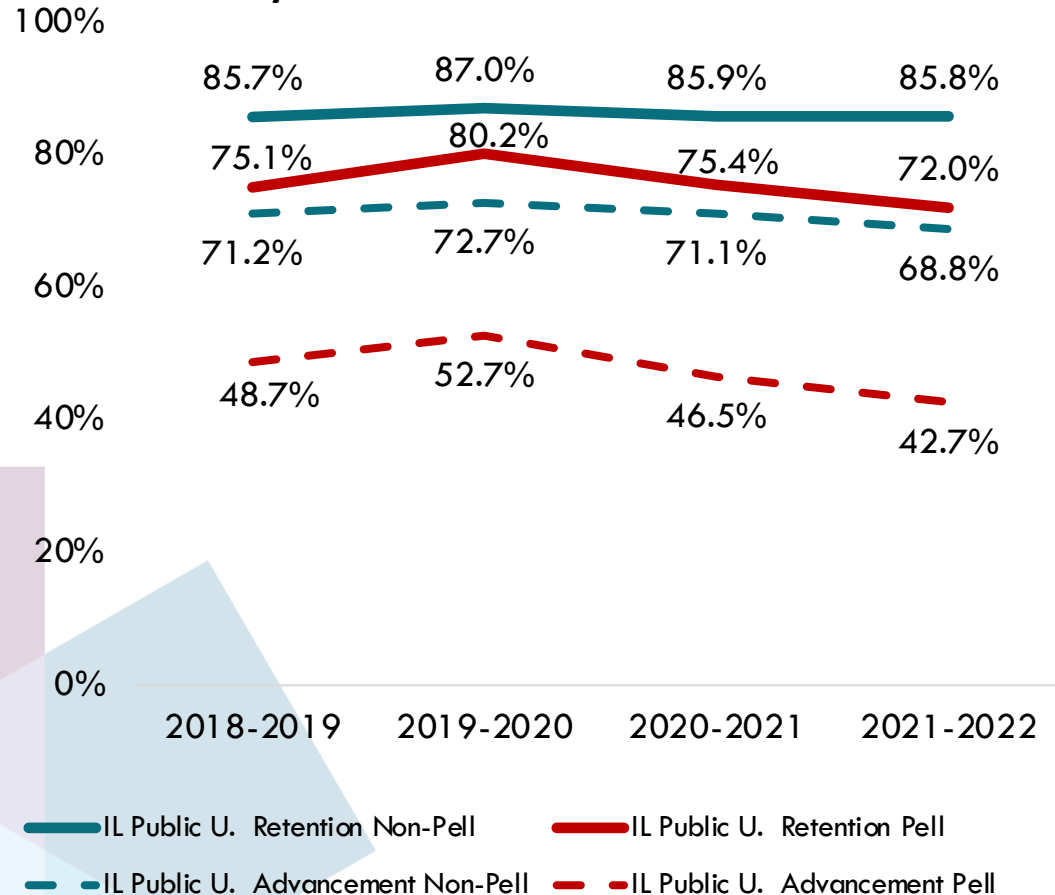


Source: IBHE IHEIS Fall 2018-19 to Fall 2022-23 Enrollment Collections – First-Time Full-Time Students from Fall of AY2018-19, Fall of AY2019-20, Fall of AY2020-21 tracked to the next Fall.

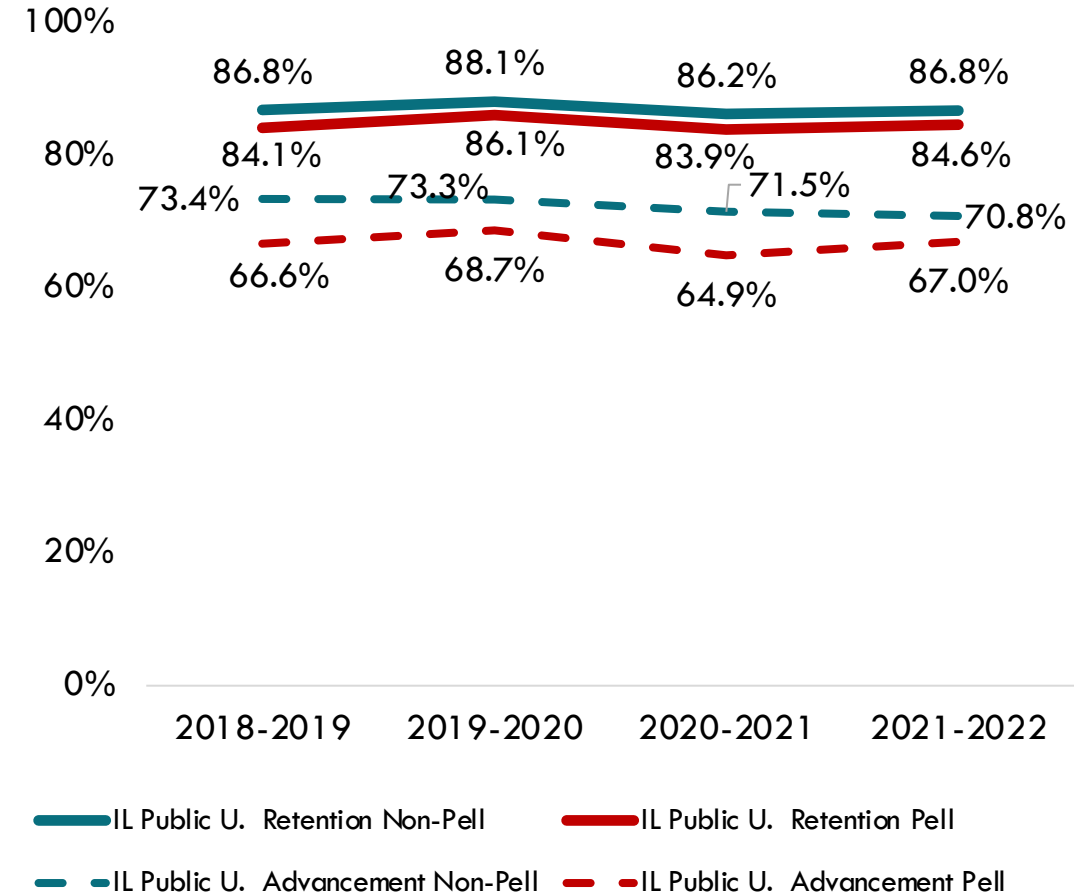
# Increase retention and advancement for low-income students



**Retention and Advancement of New First-Time Full-Time Students By Pell Status at All Illinois Public Universities**



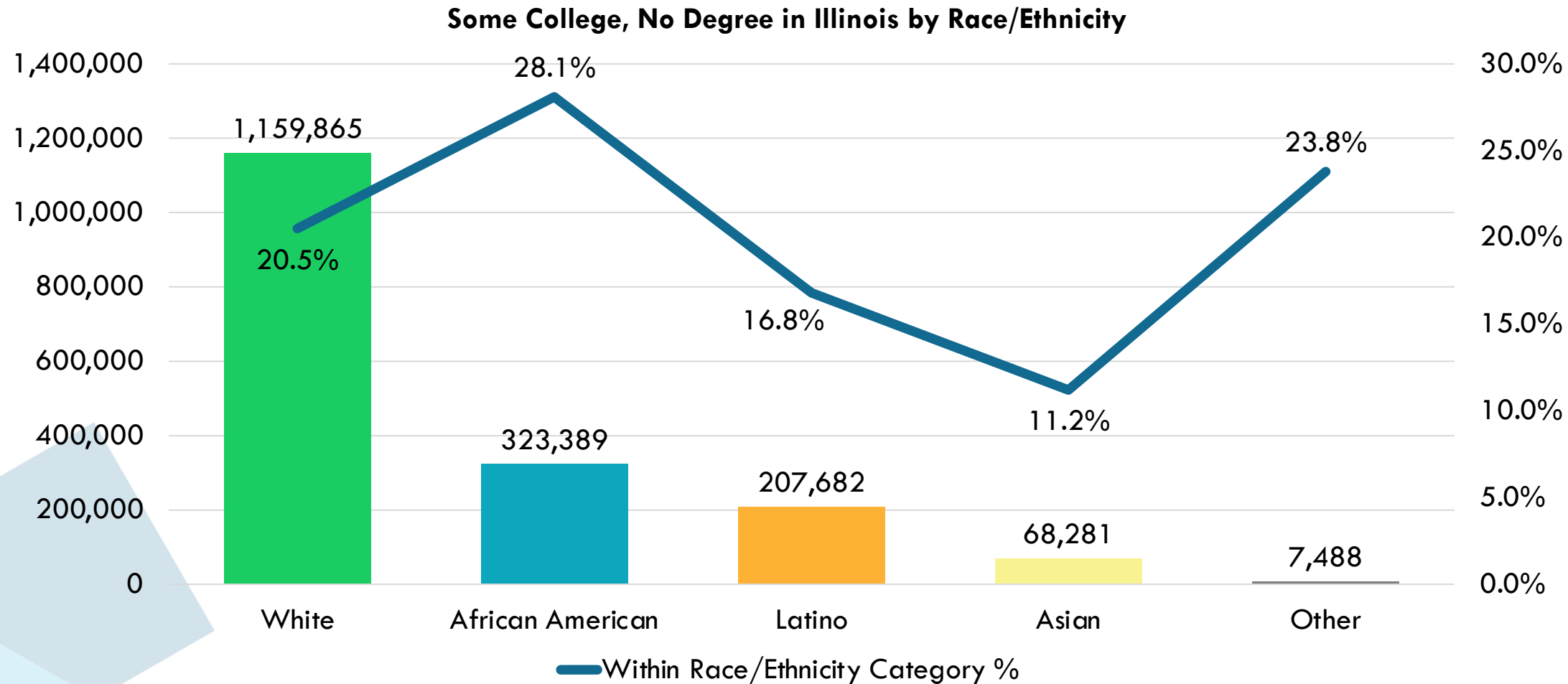
**Retention and Advancement of New IL CC Transfer Full-Time Students By Pell Status at All Illinois Public Universities**



Source: IBHE IHEIS Fall 2018-19 to Fall 2022-23 Enrollment Collections – New FT transfer Students from Fall of AY2018-19, Fall of AY2019-20, Fall of AY2020-21, Fall of AY2021-22 tracked to the next Fall.

For discussion purposes only 18

# Over 1.7 million adults have some college but no degree



Source: 2020 American Community Survey 5-Year Estimates

# Retention and Advancement Gaps Persist for Low-income Students



## ILLINOIS COMMISSION ON EQUITABLE PUBLIC UNIVERSITY FUNDING

### Charge from PA 102-0570

Make recommendations on “specific data-driven criteria and approaches to the General Assembly to **adequately, equitably, and stably fund public universities** in this State and to evaluate existing funding methods.”

**Must fulfill principles of Higher Ed Strategic Plan**

**Be informed by Chicago State University’s Equity Working Group**

### Commission Co-Chairs

Senate Majority Leader Kimberly Lightford  
Representative Carol Ammons

John Atkinson, Chair, IBHE  
Martin Torres, Deputy Governor for Education,  
Governor’s Office

### Timeline and Operations

Report due by July 1, 2023 (to be extended)  
IBHE provides Administrative Support

# Legislative Charge

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By July 1, 2023, evaluate the existing funding methods and recommending specific, data-driven criteria and approaches to ADEQUATELY, EQUITABLY, and STABLY fund our public universities.

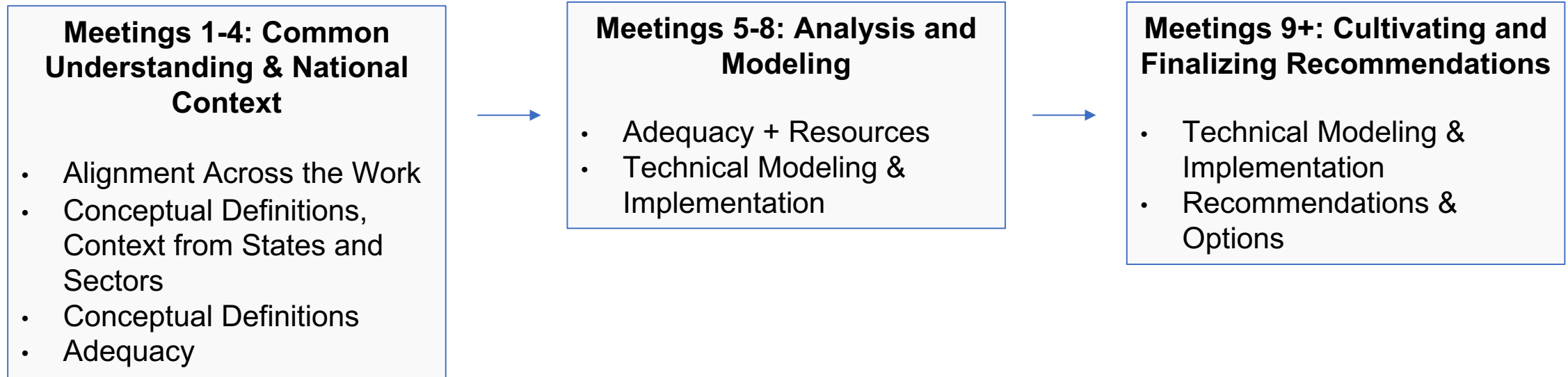
The recommendations must fulfill the principles established in the strategic plan and also be informed by the findings of the Chicago State University Equity Working Group.

Recommendations must be equity-centered and consider 13 areas, including

- **Remediating inequities** that have led to disparities in access, affordability, and completion for underrepresented students
- Providing incentives to **enroll underrepresented students**
- Allowing ongoing monitoring and **continuous improvement** in funding models, with **transparency and accountability**
- Funding for institutions that serve underrepresented students, **including graduate and professional students**
- Supporting individual institution **missions**, including research and health care
- Holding all universities **harmless to their current funding level**

# Workplan Phases

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# Framework of a Funding Model

# Conceptual Model: *Similar to K-12 Funding Model*

## 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

Instruction and Student Services
<i>Student-centered access components</i>
<i>Academic supports</i>
<i>Non-academic supports</i>
<i>Core instructional program costs</i>
Research & Public Service Mission
<i>Unfunded and inseparable from instructional adequacy/equity</i>
<i>Externally or separately funded</i>
Operations and Maintenance



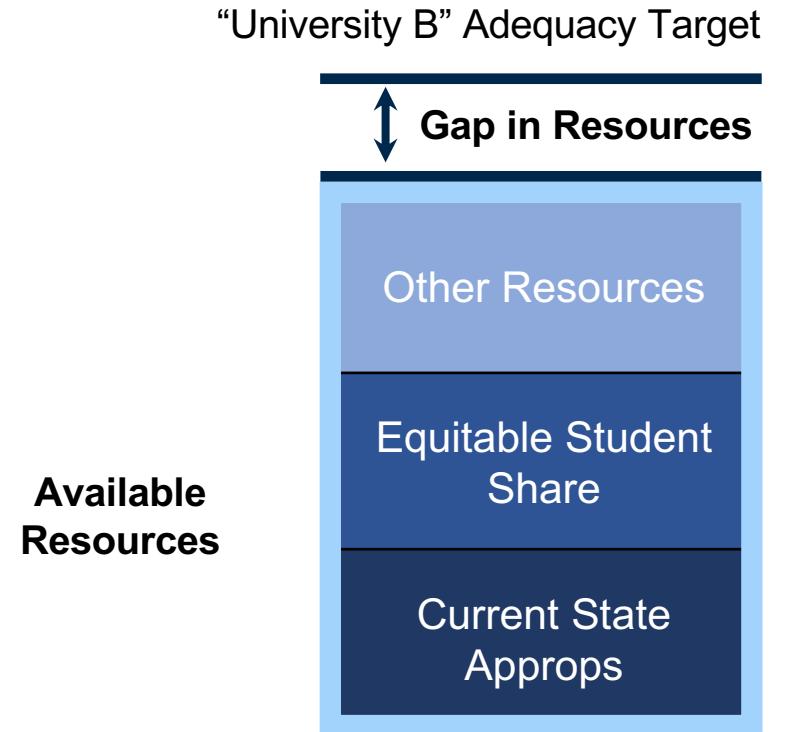
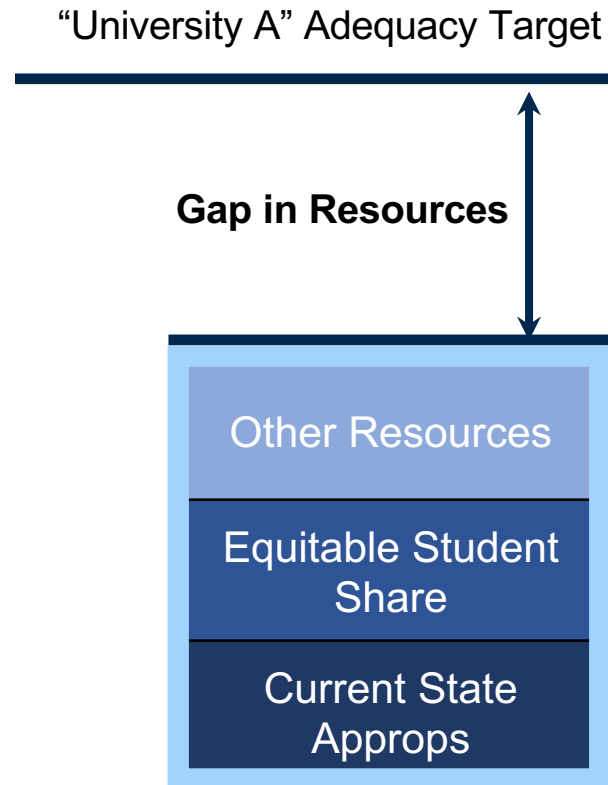
# Conceptual Model: Resources

## Identify Available Resources

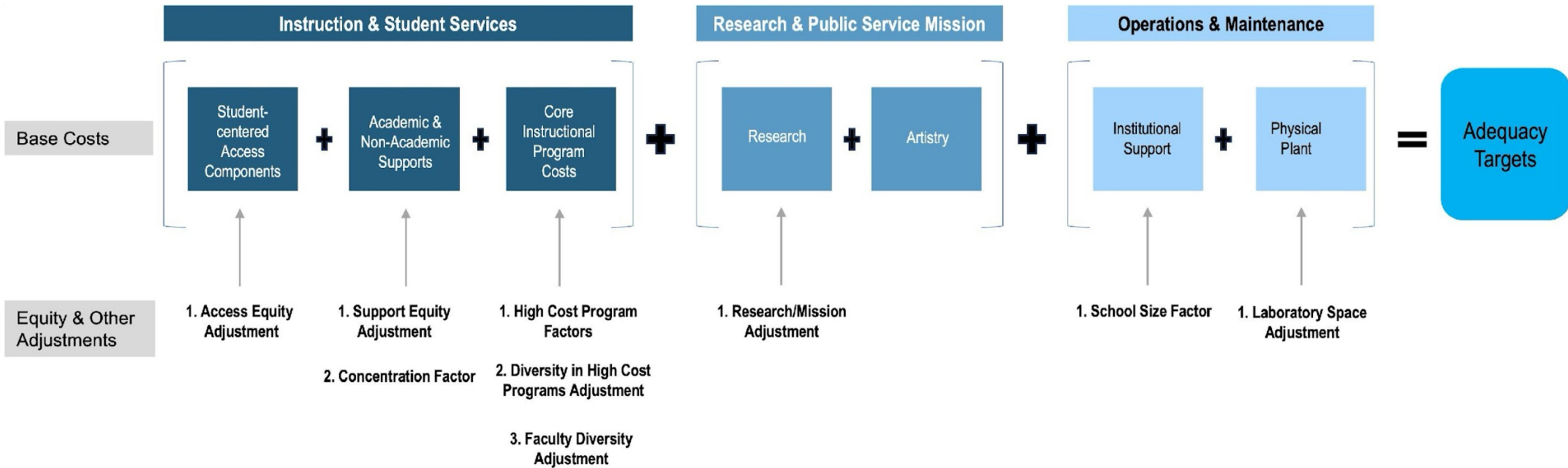
Include existing state funding as base, account for an expected tuition and other resources, like endowment. Expected tuition, or “Equitable Student Share,” rather than actual tuition helps address affordability

## 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



# Proposed Approach to Calculating Adequacy Targets



This flowchart represents the model's calculation of an adequate funding level. Each adequacy component consists of a base cost for all students, which is increased by equity and other adjustments for certain student and institution characteristics. The following slide summarizes the base costs and the amounts for each adjustment. More details on each adjustment are in slides 55-67.

Adequacy Component		Base Cost Per Student	Adjustment 1	Adjustment 2	Adjustment 3
Instruction and Student Services	Student-Centered Access	\$1,136	<b>Access Equity Adjustment</b> Medium/Low +\$1000/\$500		
	Academic & Non-Academic Supports	\$2,196	<b>Support Equity Adjustment</b> Intensive/High/Medium/Low +\$8000/\$6000/\$4000/\$2000	<b>Concentration Factor</b> >75% of UG in Int/High: +30% 60-75%: +20% 50-60%: +10%	
	Core Instructional Program Costs	\$10,706	<b>High-Cost Programs Factor</b> Med/Doc/Prof: +100% Other High-Cost: +20%	<b>Diversity in High-Cost Programs Adjustment</b> Med/Doc/Prof: +30% Other High-Cost: +50%	<b>Faculty Diversity Adjustment</b> +\$422
Research & Public Service Mission	Research	\$600	<b>Research/Mission Adjustment</b> R2, R3: +\$600 R1: +\$1200		
	Artistry	\$200	N/A		
Operations & Maintenance	Institutional Support	\$1,941	<b>School Size Factor</b> Small: +30% Medium: +15%		
	Physical Plant	\$7.78 (per sq ft)	<b>Laboratory Space Adjustment</b> +\$1.54 per lab sq ft		

# Equity and Institutional Adjustments

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## Student Equity Adjustments

- Adult (UG)
- Rural (UG)
- EBF Tier 1/2 (UG)
- Low-income (UG)
- Underrepresented minority (UG & Grad)
- URM in high-cost program (UG & Grad)
- Student parents
- First-gen
- Students with disabilities

## Institutional Adjustments

- High-cost programs
- School size
- Concentration of equity-adjustment-eligible students
- Carnegie Classification
- Lab space

The adjustments are intended to accomplish two objectives:

- Incentivize enrollment and success of underrepresented student groups, and
- Reflect the different levels of resources necessary to deliver different programs and missions, and to generate outcomes for different groups of students.

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Crosswalk with Commission  
Legislation and Adequacy  
Framework

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	Per Student Base Funding	Access Equity Adjustme nt	Acad/Non-Acad Supports Equity Adjustment	High-Cost Programs	High-Cost Program Diversity Adjustment	Diverse Faculty Adjustment	Mission Cost	O&M	Small School Adjustment	Concentrati on Adjustment	Equitable Student Share
<a href="#">Legislation Guidance</a>											
Remediate Inequities for Underserved Groups		x	x		x					x	x
Adequate, Equitable, and Stable funding	x	x	x	x	x	x	x	x	x	x	x
Incentives to 4-year Institutions to Enroll Underrepresented Student Groups		x	x		x						x
Funding for IHEs that Serve Underrepresented Student Groups		x	x		x					x	x
Support the Missions of Each Public University Including Research and Healthcare				x	x		x				
Foster the Economic Activity and Innovation Generated by a University's Activities							x				
Consider Percentage of Institutional Aid											x
Consider the Number of UG Students Engaged in Research at Each University							x				
Support Institutional Efforts to Recruit and Retain World-Class Faculty and University leaders						x	x				

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## Review of Draft Model Output



# Adequacy Target Summary

## Adequacy Target Summary

Institution	Total Base Funding	Total Equity Adjustment	Total Adequacy Target	Adequacy Target per Student	Base Funding Per Student	Equity Adjustment per Student
Chicago State University	\$54,033,864	\$20,027,154	\$74,061,018	\$31,307	\$22,841	\$8,466
Eastern Illinois University	\$125,088,043	\$39,878,379	\$164,966,422	\$26,023	\$19,732	\$6,291
Governors State University	\$83,490,183	\$28,360,254	\$111,850,438	\$25,315	\$18,896	\$6,419
Illinois State University	\$391,259,895	\$86,537,033	\$477,796,928	\$23,392	\$19,156	\$4,237
Northeastern Illinois University	\$116,557,073	\$47,670,588	\$164,227,661	\$27,449	\$19,481	\$7,968
Northern Illinois University	\$323,573,116	\$84,389,512	\$407,962,628	\$25,729	\$20,407	\$5,322
Southern Illinois University Carbondale	\$246,193,237 +	\$49,162,102 =	\$295,355,340	\$26,606	\$22,178	\$4,429
Southern Illinois University Edwardsville	\$262,835,022	\$66,017,262	\$328,852,284	\$25,976	\$20,761	\$5,215
University of Illinois at Chicago	\$722,997,415	\$187,489,924	\$910,487,339	\$27,569	\$21,892	\$5,677
University of Illinois at Springfield	\$76,613,647	\$16,091,769	\$92,705,417	\$23,549	\$19,462	\$4,088
University of Illinois at Urbana / Champaign	\$1,116,885,692	\$126,518,964	\$1,243,404,656	\$23,181	\$20,822	\$2,359
Western Illinois University	\$149,821,423	\$45,584,133	\$195,405,555	\$26,443	\$20,274	\$6,169
<b>Illinois</b>	<b>\$3,669,348,611</b>	<b>\$797,727,074</b>	<b>\$4,467,075,685</b>	<b>\$25,218</b>	<b>\$20,714</b>	<b>\$4,503</b>



# Adequacy Gap

Institution	Degree-Seeking Enrollment (3yr avg)	Adequacy Target	Resource Profile	Adequacy Gap	Percent of Adequacy Target Funded	Share of Total \$ Adequacy Gap
Chicago State University	2,366	\$74,061,018	\$54,048,147	\$20,012,871	73.0%	1.5%
Eastern Illinois University	6,339	\$164,966,422	\$98,212,426	\$66,753,996	59.5%	4.9%
Governors State University	4,418	\$111,850,438	\$52,214,920	\$59,635,518	46.7%	4.4%
Illinois State University	20,425	\$477,796,928	\$243,397,153	\$234,399,775	50.9%	17.2%
Northeastern Illinois University	5,983	\$164,227,661	\$67,736,282	\$96,491,379	41.2%	7.1%
Northern Illinois University	15,856	\$407,962,628	\$220,216,710	\$187,745,918	54.0%	13.8%
Southern Illinois University Carbondale	11,101	\$295,355,340 -	\$264,601,410 =	\$30,753,929	89.6%	2.3%
Southern Illinois University Edwardsville	12,660	\$328,852,284	\$195,571,568	\$133,280,716	59.5%	9.8%
University of Illinois at Chicago	33,026	\$910,487,339	\$588,762,425	\$321,724,914	64.7%	23.6%
University of Illinois at Springfield	3,937	\$92,705,417	\$64,902,689	\$27,802,728	70.0%	2.0%
University of Illinois at Urbana / Champaign	53,640	\$1,243,404,656	\$1,132,528,221	\$110,876,434	91.1%	8.1%
Western Illinois University	7,390	\$195,405,555	\$119,513,308	\$75,892,247	61.2%	5.6%
<b>Illinois</b>	<b>177,141</b>	<b>\$4,467,075,685</b>	<b>\$3,101,705,259</b>	<b>\$1,365,370,426</b>	<b>69.4%</b>	<b>100.0%</b>

Annual Funding to close Adequacy Gap in 15 years: \$91.0m

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## Overview of Draft Model Comments from TWG

# Summary of Comments

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- Overall, the model is “directionally correct” in producing an adequate, equitable and stable funding approach.
- Work remains to:
  - Verify/revisit particular adjustments and/or data (e.g., Medical program premium, School size factor, Endowment)
  - Formalize and strengthen data-driven rationale in certain areas (e.g., ESS subsidy levels)
  - Streamline and clearly communicate the objectives of each model component in the context of legislative charge

# Summary: Items To Be Discussed/Finalized

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*These topics/model components will guide our meeting agendas and work*

- Benchmark adjustment
- ESS subsidy levels and groups
- Faculty diversity equity adjustment
- Headcount vs FTE
- School Size and Concentration Factors
- Student characteristics for equity adjustments
- Med/Doc premium
- Acad/Non-Acad Support amounts for grad students
- Other Resources: endowment/private gifts
- Addressing Systems and S<sup>U</sup> School of Medicine
- Auxiliaries: non T&F support
- O&M calculation

# For Commission Discussion

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Having seen the components of the model, legislative charge, and model output, is the model “directionally correct” in producing an adequate, equitable and stable funding approach?

- Are Medical program costs in the model adequate and reflective of the state’s interest in medical education? (Slides 38, 39)
- Does the adjustment for school size reflect the Commission’s intent? (Slides 40, 41)
- Does the inclusion of an annual share of Endowment funds reflect the Commission’s goals? (Slides 42, 43)
- Should a factor to support a diverse faculty and staff be included in the funding formula? (Slides 44, 45)

# Adequacy Targets Components: High-Cost Programs

Instruction and Student Services
<i>Student-centered access components</i>
<i>Academic supports</i>
<i>Non-academic supports</i>
<i>Core instructional program costs</i>
Research & Public Service Mission
<i>Unfunded and inseparable from instructional adequacy/equity</i>
<i>Externally or separately funded</i>
Operations and Maintenance

## Core Instruction Program Costs

High-Cost Program Adjustment
<b>Applicable programs:</b> Select high-cost and medical/professional programs
<b>Amounts:</b> 20% (high-cost) & 100% (medical/professional) weights applied to the average core instructional program cost for enrollment in these programs. Amounts are based on analysis of IL's cost per credit hour.
<b>Purpose:</b> Recognize the variation in costs of certain programs and the different mix of programs at universities. High-cost programs are those where costs are consistently high in multiple years and at multiple institutions for the particular level (Lower, Upper, Grad I, Grad II).

# High-Cost and Med/Doc/Prof programs

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- Currently, medical programs are grouped with other health doctorates (e.g. audiology, pharmacy) with a 100% premium over base instruction (+\$10,706).
- But medical programs have a uniquely high cost. SIU and UIU have estimated they spend about \$160,000-\$170,000 per medical student (+140,000-\$150,000 over the model's base student)
- An estimate of the average cost of medical education nationally is about \$65,000 per student (+\$45,000)
  - Average out-of-state public tuition = \$61,642
  - Average private tuition = \$64,369
  - Average expenditure per student at public/private stand-alone medical schools = \$65,016



# Adequacy Targets Components: School Size

Instruction and Student Services
<i>Student-centered access components</i>
<i>Academic supports</i>
<i>Non-academic supports</i>
<i>Core instructional program costs</i>
Research & Public Service Mission
<i>Unfunded and inseparable from instructional adequacy/equity</i>
<i>Externally or separately funded</i>
Operations and Maintenance

Operations and Maintenance
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School Size Factor
<b>Amounts:</b> 30% premium for schools under 10,000 students; 15% for schools between 10,000-20,000. Premium is applied to the base cost for O&M Institutional Support (\$1,941).
<b>Purpose:</b> Account for efficiencies of scale and ensure a stable base of funding to support fixed costs regardless of enrollment size.



# School Size Factor

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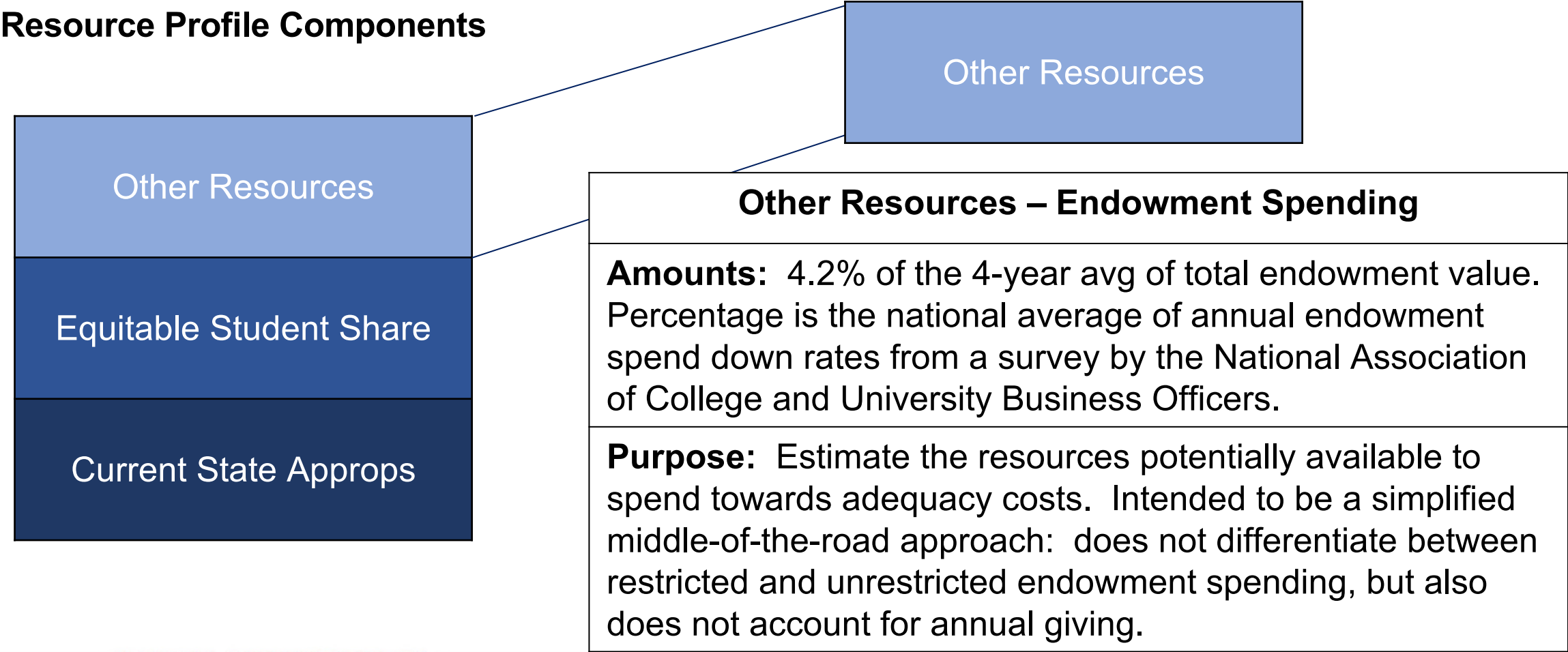
- The current thresholds and premiums are not based in research of university's economies of scale.
- The cutoffs for the premiums create large “cliffs” that can cause large swings in dollars with the addition or loss of a single student.

Other states with small school adjustments:

- **Texas:** \$1.3m supplement to each university with <5,000 students; diminishing amount for each student above 5,000 up to 10,000.
- **Oregon:** Provides additional funds to universities under 4,000 students; amount varies based on the exact enrollment; ranges from \$500-\$3,200 per student

# Resource Profile Components: Other Resources

## Resource Profile Components



# Other Resources: Endowment

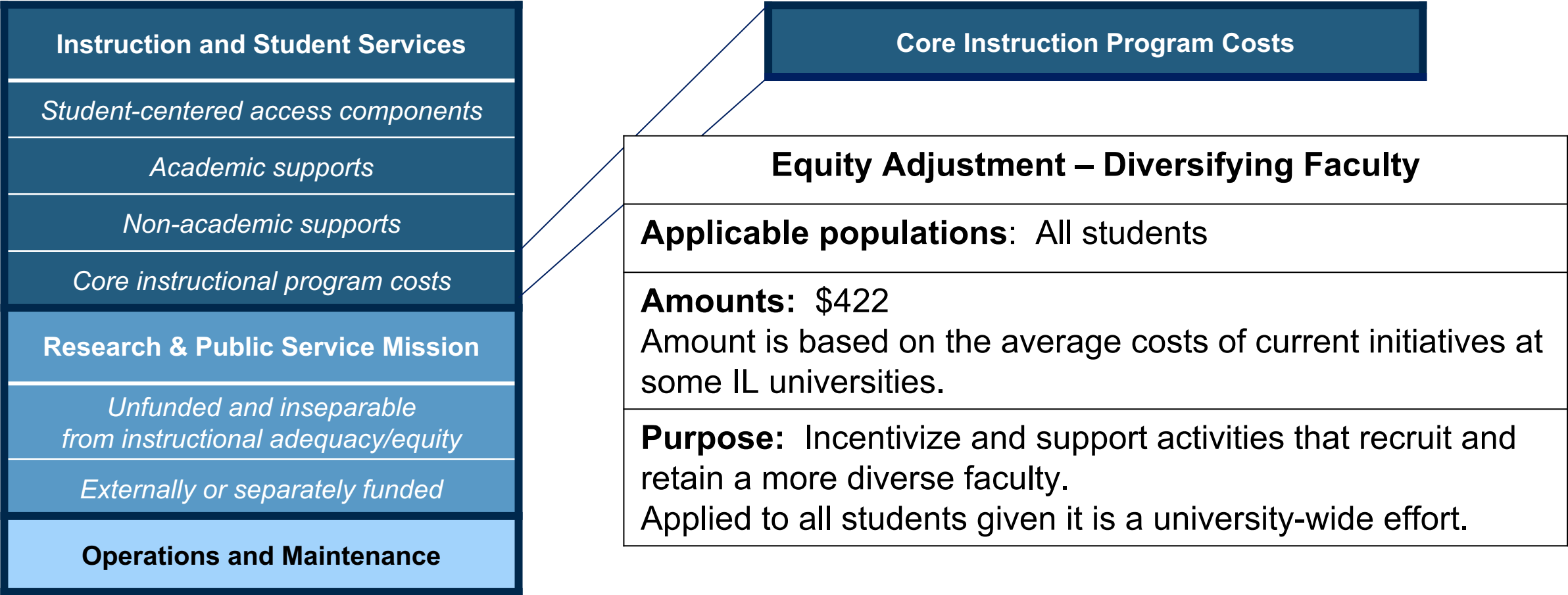
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**TWG Feedback:** Some members felt that annual giving should also be included; others felt it should not and that including endowments will disincentivize philanthropic gifts. But there is agreement that some portion of giving needs to be included in the formula.

## **Considerations:**

- Private gifts is the one source of Other Revenue the TWG is considering including in the formula. Other sources (e.g., government grants) are recommended to be excluded due to inapplicability to adequacy costs or lack of data.
- Some portion of endowed and annual gifts come with restrictions, but difficult to parse out how restrictions impact applicability to adequacy.
- Endowment may be a more appropriate revenue source in the formula than annual giving, as it is a more stable figure and has more readily available data.

# Adequacy Targets Components: Diversifying Faculty



# Faculty Diversity Adjustment

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**TWG Feedback:** Applying the \$422 to all students does not create incentives or provide support to increase diversity of the faculty; rewards general enrollment.

## **Alternatives discussed by TWG:**

- Leave as is. This is something all institutions should be doing and is part of the concept of an adequate and equitable education.
- Target the adjustment. Tie the funds to the percent of BIPOC faculty or BIPOC students, to create better incentives.
- Remove entirely. The formula cannot adequately incentivize or ensure that institutions address this important issue, and it should be funded through a separate initiative.

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## Implementation Topic Teams

# Implementation Topics

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## Accountability & Transparency

- Use of, or reporting on use of funds
- Accountability for or reporting on outcomes
- Other reporting requirements (e.g., institutional reports to IBHE; IBHE reports)

## Formula Upkeep

- Review process (structure and timeline)
- Keeping components of the formula up to date (inflation, high-cost program list, etc)
- New data (low-income, first-gen, student parents)

## Allocation Formula

- Formula for allocating new funds based on adequacy gaps
- Path to full funding
- Hold harmless implementation

## Future Adequacy

- Should initial adequacy targets be based on a target/projected enrollment rather than current levels?
- Should the adequacy target include some amount for growth/innovation?

# Accountability and Transparency

November 2023



# Theory of Action

To be effective, a funding model must not only set expectations for universities, and reward achieving them, but also have consequences for missing the mark on them. This proposal seeks to avoid past formula mistakes by improving on the **timing** of institutional accountability, the **issues of interest** for which institutions are being held accountable, and the **actionable measures** taken to regulate institutions actions and decisions in order to align them with stated goals.

While it's reasonable to hold institutions accountable for how they spend new funds, they must be “sufficiently” resourced before they can be expected to meet their target affordability, enrollment, and outcomes goals.

However, if they are still not doing so, it may be because they have not adequately invested in the supports, put the right systems in place, and/or equitably targeted specific student groups. As a result of missing targets, institutions could face *category-specific* consequences that could start with increased monitoring, move to receiving direction on spending, and end with diminished access to additional funds.

# Four Accountability Categories

## Spending

Given the substantial new investments institutions should expand spending transparency and be held accountable for how additional funds are being directed.

## Affordability

With significantly additional funding going toward lowering students' expected share of costs, universities should demonstrate an equitable reduction in the overall price of attendance for students.

## Enrollment

Universities will have more funds dedicated to increasing affordability and access, which should drive enrollment increases.

## Persistence & Outcomes

Outcomes improvements should result from increased resources. However, it takes time to improve supports, and the benefits on student outcomes lag.

- Including both absolute and progress metrics and reductions gaps.

**\*Metrics in each category should address absolute and progress metrics as well as reduction in gaps.**

# General Structure

- **Expectations of all institutions**

- Build out data capacity to satisfy reporting requirements
- Annual reports of progress against targets
  - Spending transparency at a student level by group
- Annual spending plans and report of previous years' use of new funds

- **Accountability structure**

- As noted in the theory of action, this accountability structure is centered on adequacy
  - Institutions will be held responsible for making progress on metrics **once they receive sufficient resources** to lower prices and build systems necessary to make progress in enrollment, persistence, and completion.
    - However, they will be measured throughout
- Accountability measures are layered in consistently as institutions are increasingly better funded.
- The metrics that will be used for the accountability and transparency oversight will be integrated into the ongoing work that IBHE has already been doing in *A Thriving Illinois*

# Proposed Principles of Accountability System



## Timing

Institutions will not be responsible for new accountability measures until they receive new funding and reach a threshold of adequacy

- Institutions need resources to make improvements toward goals
- The state is responsible for funding increases
- Categories are phased in over time



## Categorical accountability

Universities must spend new funds such that they improve toward goals in *affordability, enrollment, and persistence and outcomes*.

- Consistent accounting standards will be introduced for all institutions for ease of transparency and accountability
- Institutions will be expected to improve overall metrics as well as close gaps among student populations



## Oversight for new funds

Universities must spend new funding toward achieving goals, and report that transparently

- The state has an interest in seeing how the formula's new funding is being spent and how that's leading to change



## Effective & equitable consequences

If universities are not achieving goals, they will be held accountable in ways that inform and direct new funds rather than defunding institutions existing resources.

- Accountability that pulls needed funding away is counter-productive and inequitable, even when metrics aren't being met

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# Timeline

# Next Steps

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<b>November 17</b>	Commission Meeting (9am-12pm CT)
<b>November 30</b>	Technical Modeling Workgroup meeting
<b>December 14</b>	Technical Modeling Workgroup meeting
<b>2024 TBD</b>	Future Workgroup and Commission meetings

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## Public Comment

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.

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Adjournment

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# Appendix

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# Equity-Centered Adequacy Targets

# Equity and Other Adjustments to Adequacy Target

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The following slides walk through the purpose and methodology behind each adjustment made to the base cost per student.

Overall, the adjustments are intended to accomplish two objectives:

- 1) Incentivize enrollment and success of underrepresented student groups, and
- 1) Reflect the different levels of resources necessary to deliver different programs and missions, and to generate outcomes for different groups of students.

# Adequacy Targets Components: Access

Instruction and Student Services
<i>Student-centered access components</i>
<i>Academic supports</i>
<i>Non-academic supports</i>
<i>Core instructional program costs</i>
Research & Public Service Mission
<i>Unfunded and inseparable from instructional adequacy/equity</i>
<i>Externally or separately funded</i>
Operations and Maintenance

## Student Centered Access Components

### Equity Adjustment - Access

**Applicable populations:** Adults, underrepresented minorities (URM), low-income, rural (undergraduates only)  
Possible additions: low-college-going-rate zip codes or schools

**Amounts:** \$500 and \$1,000  
Amounts derived from costs of evidence-based practices that increase college enrollment among historically underrepresented students.

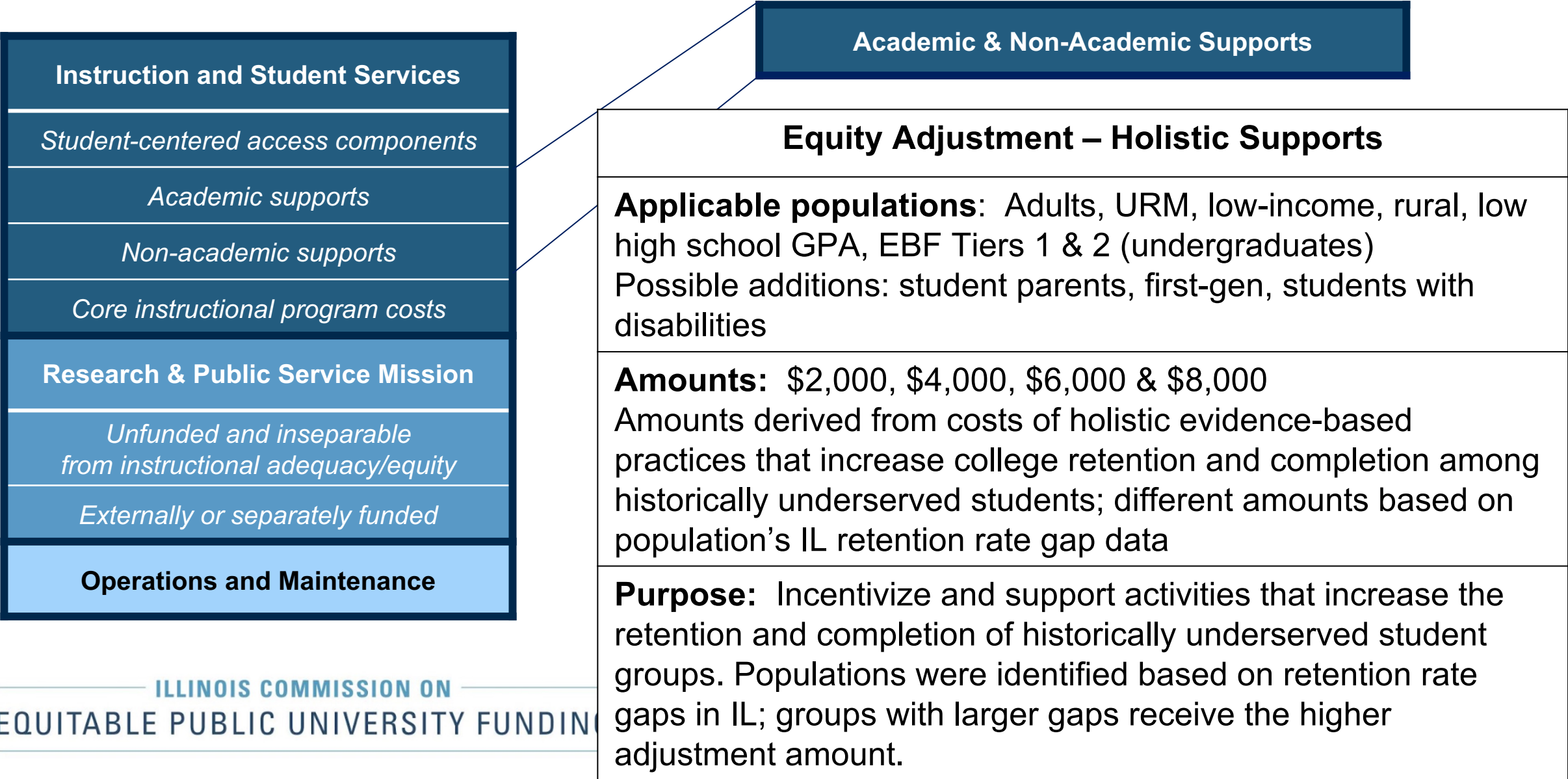
**Purpose:** Incentivize and support activities that increase the enrollment of historically underrepresented student groups. Populations were identified based on 4yr-college enrollment rate gaps in IL; groups with larger gaps receive the higher adjustment amount.

# Student-Centered Access: Equity Adjustments

4-yr College Going Rate	Student Characteristic	Tier	Equity Adjustment Amount
Statewide Gap			
-21.8%	Low-Income/Not Low-Income	Medium	\$1000
-19.0%	Rural/Not Rural	Medium	
-16.2%	Latinx/White	Medium	
-9.8%	Black/White	Low	\$500
-9.1%	Native/White	Low	
N/A	Adult	Low	
TBD	Low-college-going-rate zip code or high school	TBD	TBD

- Applies to Undergraduates
- Consider including other factors in the future, pending data availability (e.g., high school-specific college going rate).
- Consider refining tier assignments to reflect interaction and impact of multiple characteristics (e.g., EBF and low-income)

# Adequacy Targets Components: Supports



# Academic & Non-Academic Support Tiers to Close Gaps

Retention Rate Gap	Student	Tier	Equity Adjustment Amount
	High + Other	Intensive	\$8000
-22.1%	American Indian	High	\$6000
-20.3%	Black/African-American		
-14.8%	Tier 1 EBF		
	Medium + Other		
-12.5%	Adult Learner	Medium	\$4000
-10.4%	Pell Recipient		
-10.2%	Low high school GPA		
-8.9%	Latinx		
-7.6%	2 or more races		
-5.4%	EBF Tier 2 school	Low	\$2000
-2.1%	Rural		
TBD	Student parents, first-gen, students with disabilities	TBD	TBD

Applies to Undergraduates

Consider including other populations in the future (pending data availability):

- Students with children
- Students with disabilities
- First-generation students

# Academic & Non-Academic Support Tiers to Close Gaps

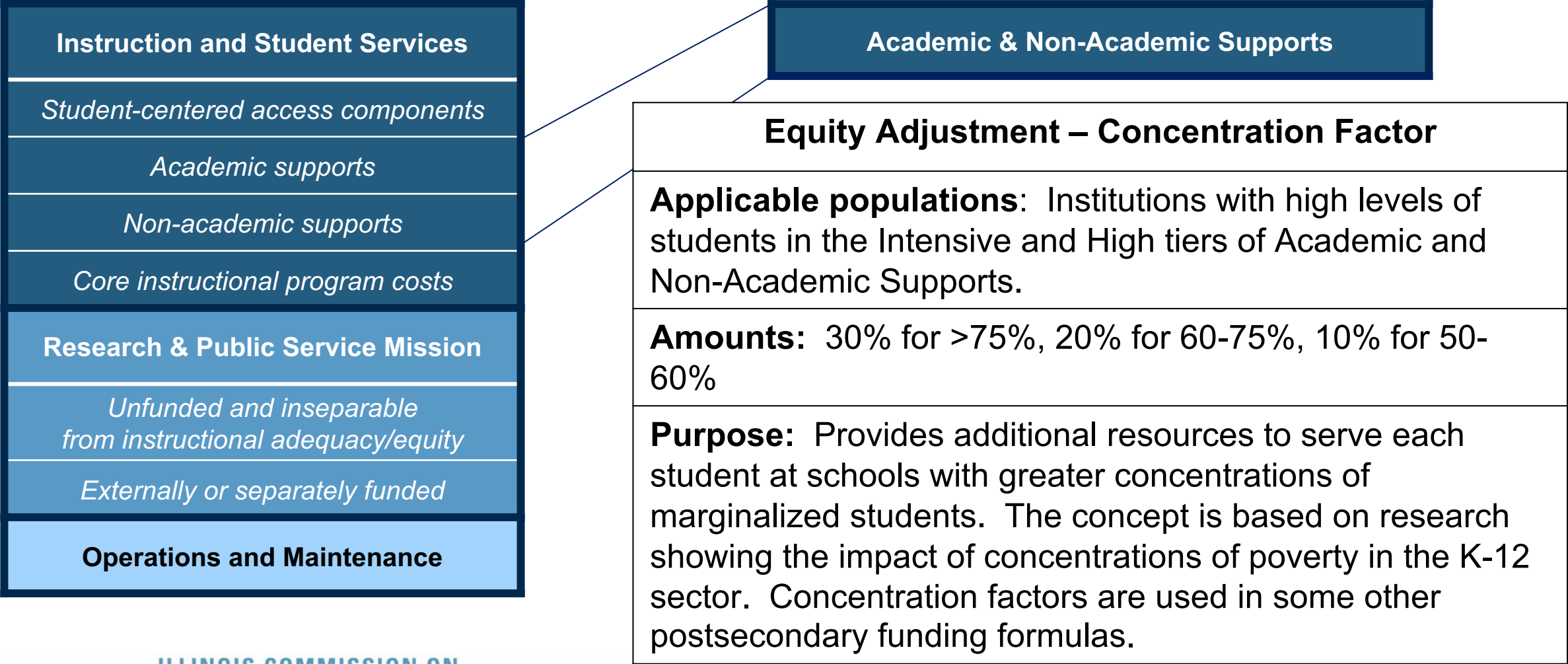
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- For Graduate/Professional students, relevant available data is limited to race/ethnicity
  - Could consider collecting some SES indicator going forward
- Tiers are based on the groupings of the race/ethnicities in the undergrad data.
- Use of lower funding levels is due to few examples of intensive services provided to graduate students

Student	Tier	Equity Adjustment
Black	Medium	\$1,000
American Indian		
Hispanic	Low	\$500
2+ races		



# Adequacy Targets Components: Concentration Factor



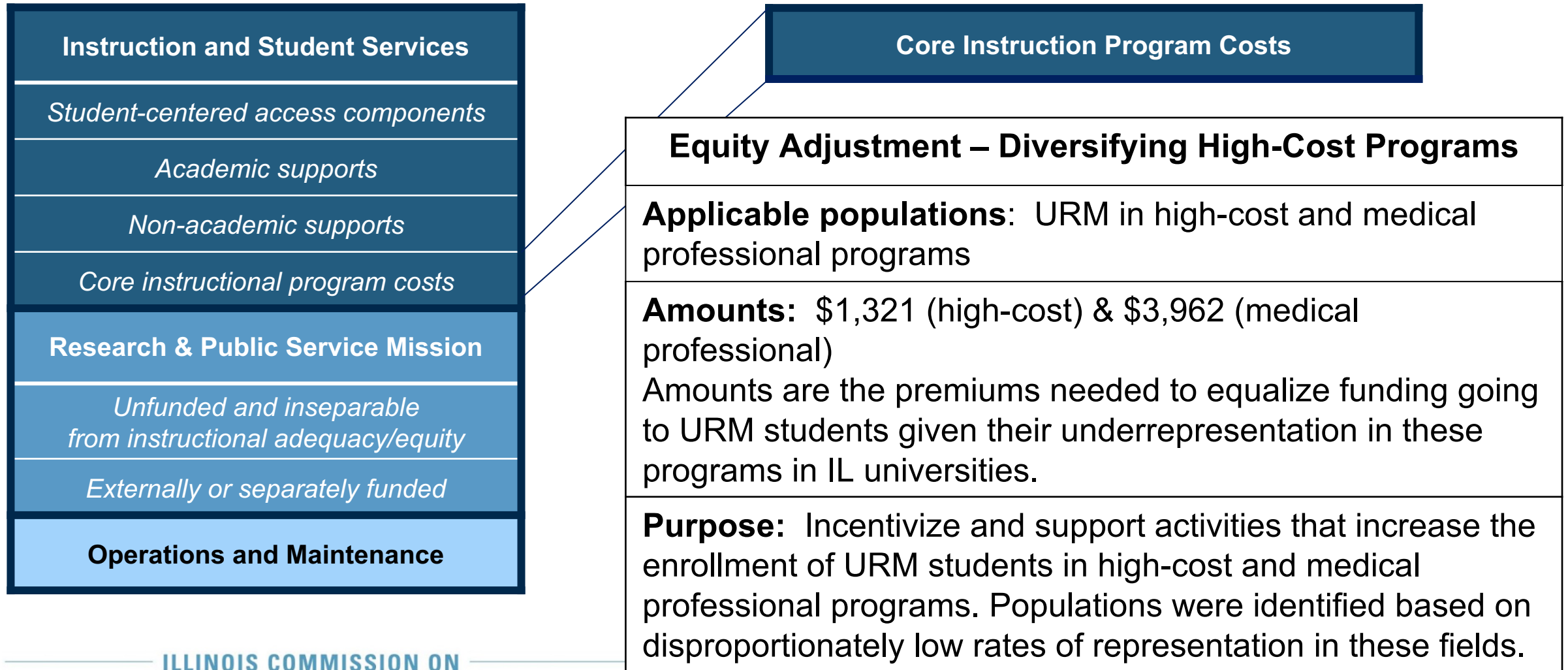
# Adequacy Targets Components: High-Cost Programs

Instruction and Student Services
<i>Student-centered access components</i>
<i>Academic supports</i>
<i>Non-academic supports</i>
<i>Core instructional program costs</i>
Research & Public Service Mission
<i>Unfunded and inseparable from instructional adequacy/equity</i>
<i>Externally or separately funded</i>
Operations and Maintenance

## Core Instruction Program Costs

High-Cost Program Adjustment
<b>Applicable programs:</b> Select high-cost and medical/professional programs
<b>Amounts:</b> 20% (high-cost) & 100% (medical/professional) weights applied to the average core instructional program cost for enrollment in these programs. Amounts are based on analysis of IL's cost per credit hour.
<b>Purpose:</b> Recognize the variation in costs of certain programs and the different mix of programs at universities. High-cost programs are those where costs are consistently high in multiple years and at multiple institutions for the particular level (Lower, Upper, Grad I, Grad II).

# Adequacy Targets Components: Diversity in High-Cost Programs

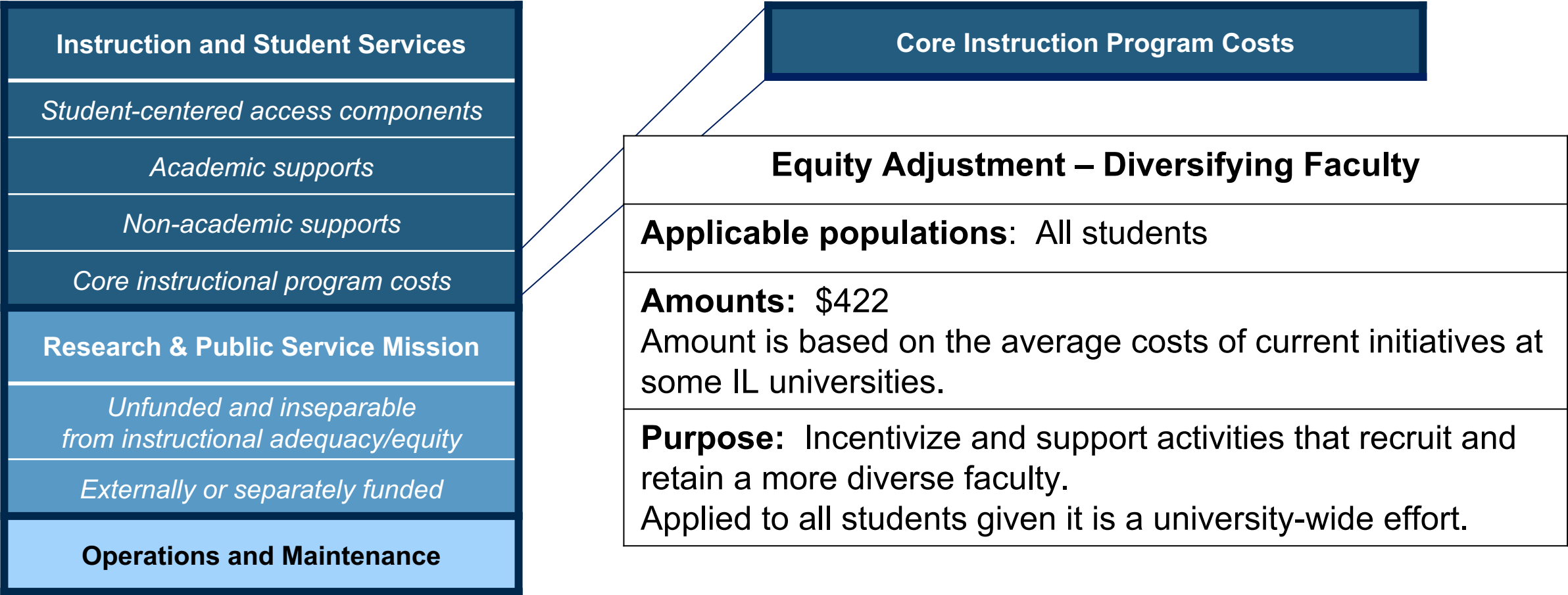


# Additional Weight for Students of Color in High-Cost Programs

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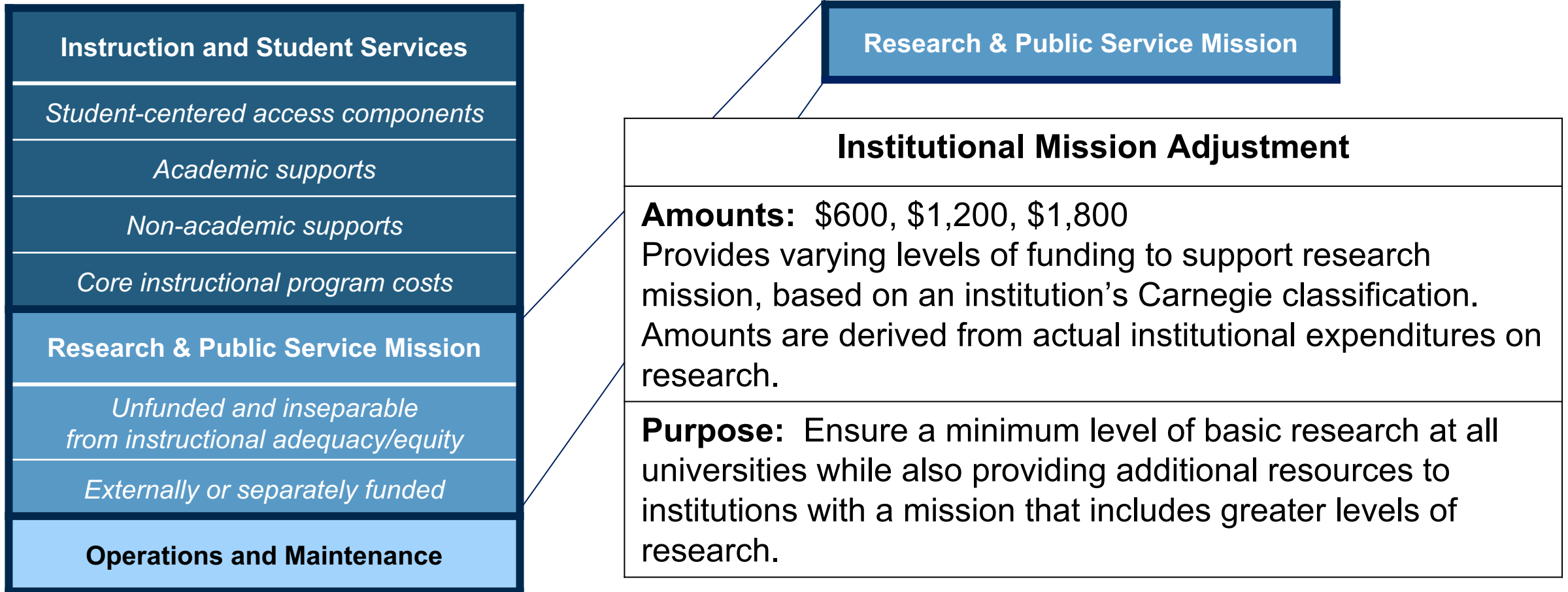
- Black, Latino and Native American students
  - 16% of high cost degrees (exc. Medical)
  - 17% of medical professional
  - 23% of other (non-high cost)
- Without additional weight, higher funding for higher cost programs would result in lower average funding for students of color
- Additional weights required to make program cost-weighting race neutral (on average)
  - ~50% of 20% weight for high-cost programs (= 30% total)
  - ~30% of 100% weight for medical professional (= 130% total)

# Adequacy Targets Components: Diversifying Faculty





# Adequacy Targets Components: Research



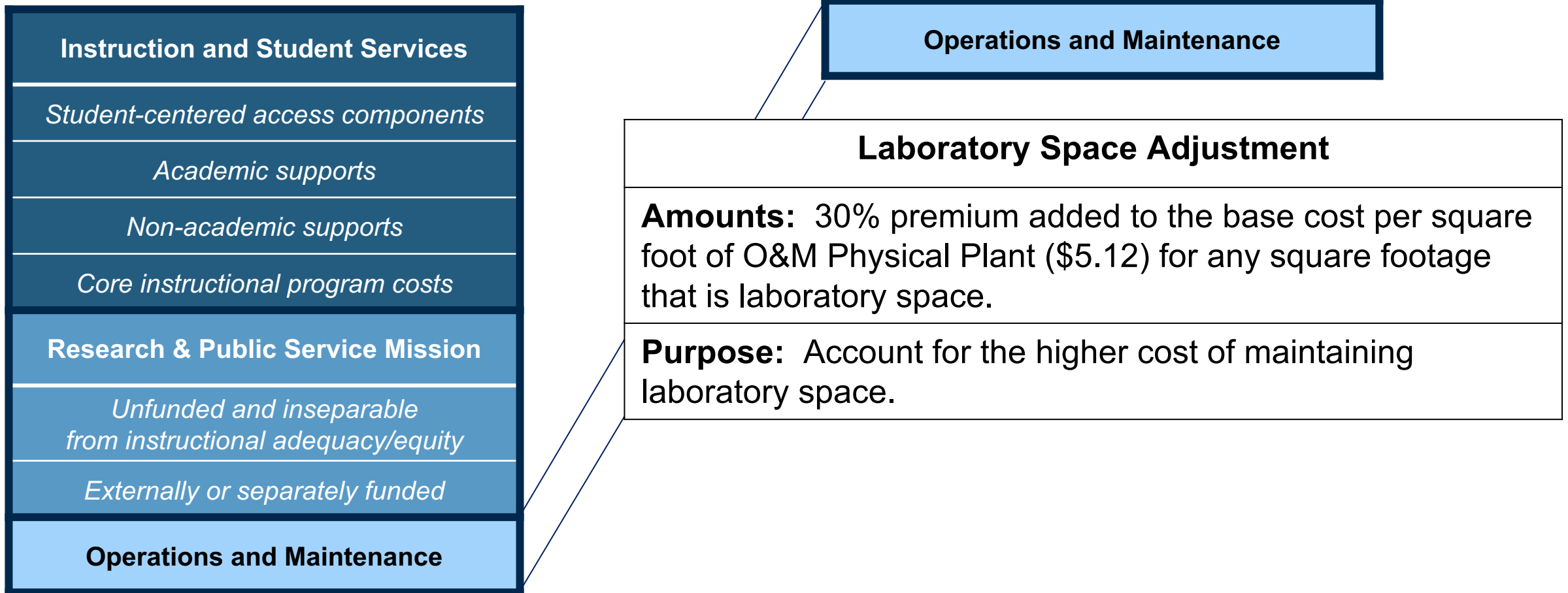
# Adequacy Targets Components: School Size

Instruction and Student Services
<i>Student-centered access components</i>
<i>Academic supports</i>
<i>Non-academic supports</i>
<i>Core instructional program costs</i>
Research & Public Service Mission
<i>Unfunded and inseparable from instructional adequacy/equity</i>
<i>Externally or separately funded</i>
Operations and Maintenance

Operations and Maintenance
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School Size Factor
<b>Amounts:</b> 30% premium for schools under 10,000 students; 15% for schools between 10,000-20,000. Premium is applied to the base cost for O&M Institutional Support (\$1,941).
<b>Purpose:</b> Account for efficiencies of scale and ensure a stable base of funding to support fixed costs regardless of enrollment size.

# Adequacy Targets Components: Laboratory Space





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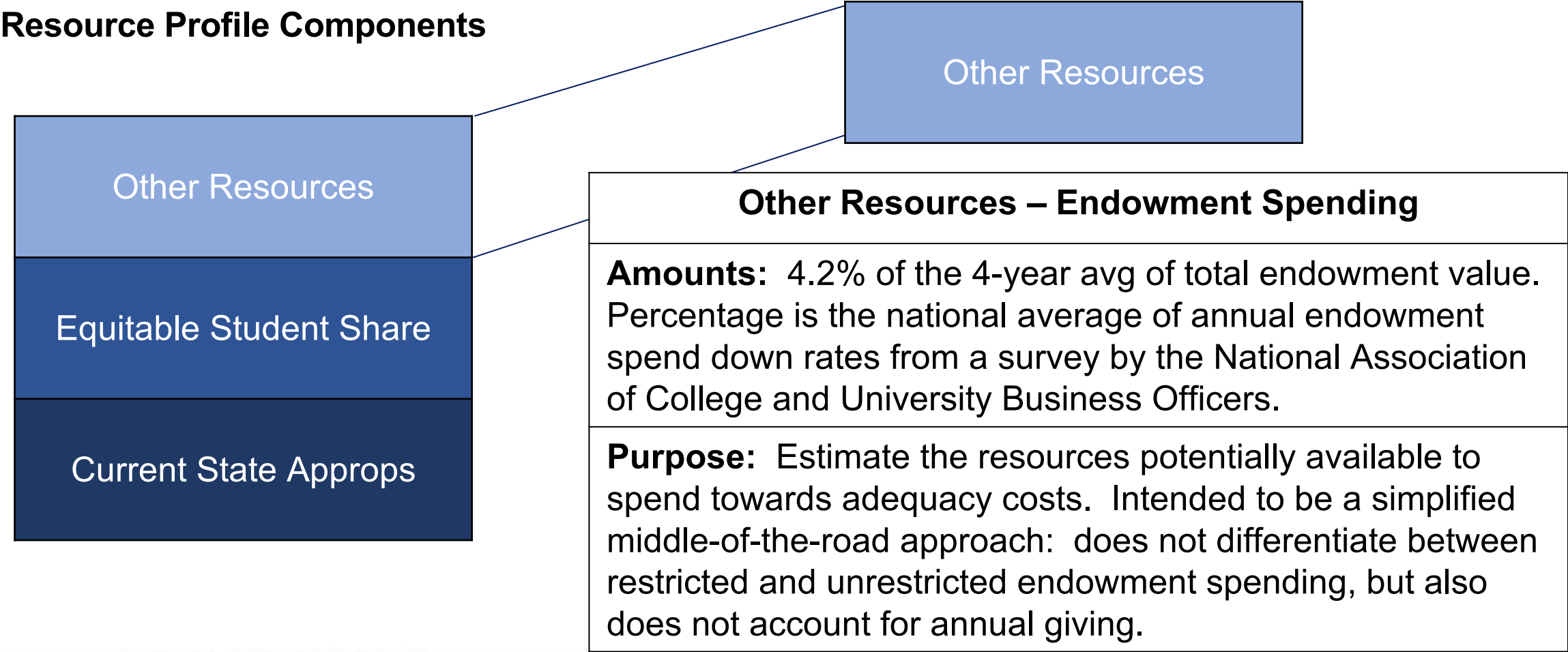
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## Resources Profile

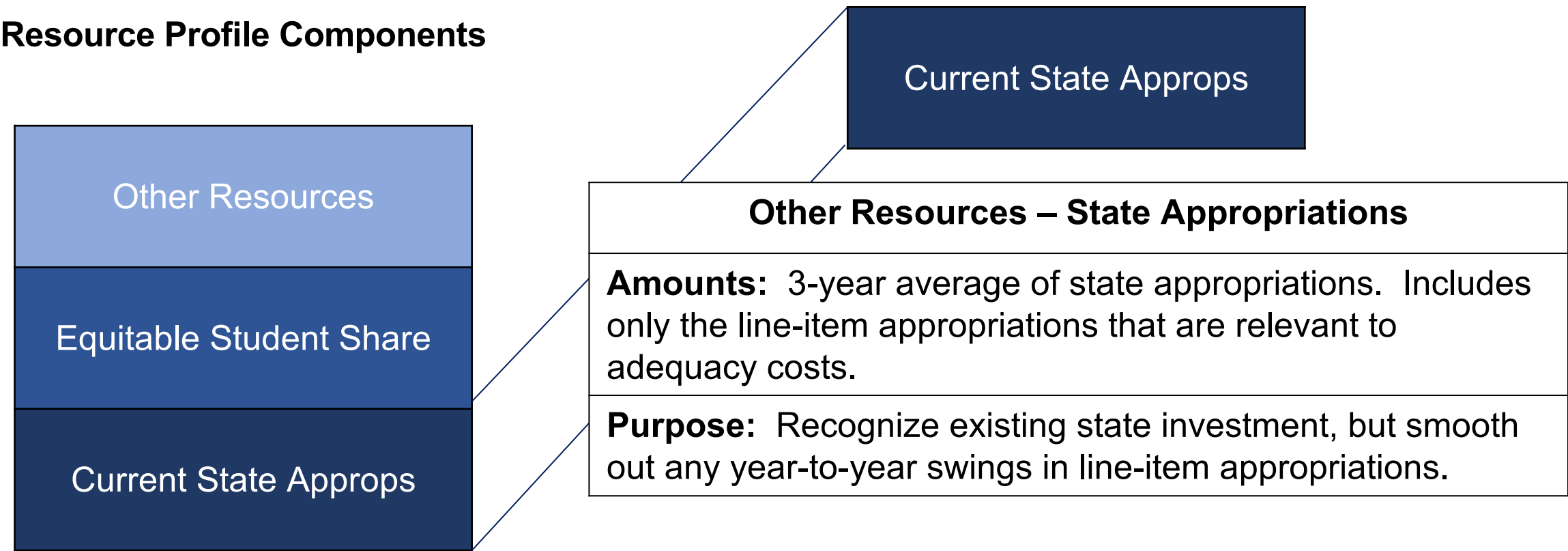
# Resource Profile Components: Other Resources

## Resource Profile Components



# Resource Profile Components: State Approps

## Resource Profile Components



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Equitable Student Share  
and Affordability

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# Equitable Student Share

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## **Problem statement**

- Tuition levels impact equitable access; State disinvestment exacerbates access and affordability
- Schools that enroll high levels of low-income students can't and shouldn't rely as much on tuition for revenue to meet the adequacy target
- A new approach should encourage enrollment of low-income students and ensure tuition isn't used as a release valve to meet adequacy costs.

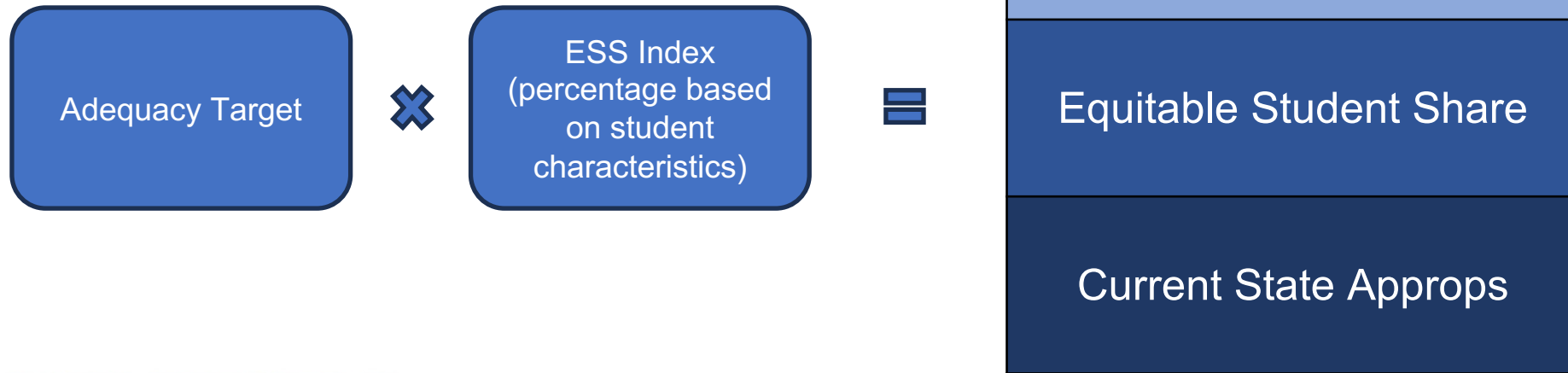
## **Goals of Equitable Student Share approach**

- Incentivize enrollment of historically underrepresented students
- Shift some of the cost burden from students to the state to increase affordability

# Equitable Student Share – Framework

ESS represents a reasonable and affordable amount a university is expected to generate through tuition and fees based on the characteristics of its student body. ESS would be calculated by applying subsidy rates – tied to characteristics of a university's student body - to the adequacy target.

The greater the share of high-subsidy student groups (e.g., low-income, underrepresented minority) a university enrolls, the lower its ESS.



# Strawman ESS Subsidy Levels

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		Base	Low-Income	URM	Adult	EBF	Rural
In-State	Undergrad	30%	+50%	+50%	+25%	+10%	+10%
	Grad	15%		+50%			
Out-of-State	Undergrad	10%	+25%				
	Grad	0%		+25%			

- Subsidies are additive but capped at 100%
- ESS is the percent remaining after applying the subsidies
  - e.g., 75% subsidy = 25% student share

# ESS Subsidy Levels

**TWG Feedback:** To the extent possible, ESS subsidy levels should be grounded in data related to affordability and ability to pay.

**Next Steps:** TWG will analyze data regarding percent of income required to pay for median tuition and fees at IL universities by various student characteristics.

		Base	URM	Low-Income	EBF	Adult	Rural
In-State	Undergrad	30%	+50%	+50%	+10%	+25%	+10%
	Grad	15%	+50%				
Out-of-State	Undergrad	10%	+25%				
	Grad	0%	+25%				



# Equitable Student Share – ESS Index

The “ESS Index” would be a weighted average of the student shares. The ESS Index represents the **portion of the adequacy target that should be covered by the institution’s overall tuition and fee revenue**, including that paid with financial aid. This does not represent any individual student’s tuition.

Students' Share	Percent of Student Body in Each Student Share Level					ESS Index
	100%	75%	50%	25%	0%	
University A	12%	26%	10%	10%	43%	38%
University C	29%	20%	22%	18%	12%	59%
Illinois	28%	25%	18%	14%	16%	59%

	Adequacy Target		ESS Index		ESS
University A	\$60,000,000		38%		\$22,800,000
University C	\$90,000,000	x	59%	=	\$53,100,000
Illinois	\$4,500,000,000		59%		\$2,655,000,000

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# Review of Draft Model Output

# Adequacy Gap

## Adequacy Gap

Institution	Degree-Seeking Enrollment (3yr avg)	Adequacy Target	Resource Profile	Adequacy Gap	Percent of Adequacy Target Funded	Share of Total \$ Adequacy Gap
Chicago State University	2,366	\$74,061,018	\$54,048,147	\$20,012,871	73.0%	1.5%
Eastern Illinois University	6,339	\$164,966,422	\$98,212,426	\$66,753,996	59.5%	4.9%
Governors State University	4,418	\$111,850,438	\$52,214,920	\$59,635,518	46.7%	4.4%
Illinois State University	20,425	\$477,796,928	\$243,397,153	\$234,399,775	50.9%	17.2%
Northeastern Illinois University	5,983	\$164,227,661	\$67,736,282	\$96,491,379	41.2%	7.1%
Northern Illinois University	15,856	\$407,962,628	\$220,216,710	\$187,745,918	54.0%	13.8%
Southern Illinois University Carbondale	11,101	\$295,355,340	\$264,601,410 =	\$30,753,929	89.6%	2.3%
Southern Illinois University Edwardsville	12,660	\$328,852,284	\$195,571,568	\$133,280,716	59.5%	9.8%
University of Illinois at Chicago	33,026	\$910,487,339	\$588,762,425	\$321,724,914	64.7%	23.6%
University of Illinois at Springfield	3,937	\$92,705,417	\$64,902,689	\$27,802,728	70.0%	2.0%
University of Illinois at Urbana / Champaign	53,640	\$1,243,404,656	\$1,132,528,221	\$110,876,434	91.1%	8.1%
Western Illinois University	7,390	\$195,405,555	\$119,513,308	\$75,892,247	61.2%	5.6%
<b>Illinois</b>	<b>177,141</b>	<b>\$4,467,075,685</b>	<b>\$3,101,705,259</b>	<b>\$1,365,370,426</b>	69.4%	100.0%

Total Adequacy Gap will be funded over 10-15 years

# Adequacy Target Summary

## Adequacy Target Summary

Institution	Total Base Funding	Total Equity Adjustment	Total Adequacy Target	Adequacy Target per Student	Base Funding Per Student	Equity Adjustment per Student
Chicago State University	\$54,033,864	\$20,027,154	\$74,061,018	\$31,307	\$22,841	\$8,466
Eastern Illinois University	\$125,088,043	\$39,878,379	\$164,966,422	\$26,023	\$19,732	\$6,291
Governors State University	\$83,490,183	\$28,360,254	\$111,850,438	\$25,315	\$18,896	\$6,419
Illinois State University	\$391,259,895	\$86,537,033	\$477,796,928	\$23,392	\$19,156	\$4,237
Northeastern Illinois University	\$116,557,073	\$47,670,588	\$164,227,661	\$27,449	\$19,481	\$7,968
Northern Illinois University	\$323,573,116	\$84,389,512	\$407,962,628	\$25,729	\$20,407	\$5,322
Southern Illinois University Carbondale	\$246,193,237 +	\$49,162,102 =	\$295,355,340	\$26,606	\$22,178	\$4,429
Southern Illinois University Edwardsville	\$262,835,022	\$66,017,262	\$328,852,284	\$25,976	\$20,761	\$5,215
University of Illinois at Chicago	\$722,997,415	\$187,489,924	\$910,487,339	\$27,569	\$21,892	\$5,677
University of Illinois at Springfield	\$76,613,647	\$16,091,769	\$92,705,417	\$23,549	\$19,462	\$4,088
University of Illinois at Urbana / Champaign	\$1,116,885,692	\$126,518,964	\$1,243,404,656	\$23,181	\$20,822	\$2,359
Western Illinois University	\$149,821,423	\$45,584,133	\$195,405,555	\$26,443	\$20,274	\$6,169
<b>Illinois</b>	<b>\$3,669,348,611</b>	<b>\$797,727,074</b>	<b>\$4,467,075,685</b>	<b>\$25,218</b>	<b>\$20,714</b>	<b>\$4,503</b>



# Resource Profile Summary

## Resource Profile Summary

Institution	State Approps (FY2021-2023 avg)		Equitable Student Share (ESS)		Other Resources		Total Resources Profile
Chicago State University	\$39,493,233		\$14,305,612		\$249,302		\$54,048,147
Eastern Illinois University	\$42,979,167		\$52,803,953		\$2,429,306		\$98,212,426
Governors State University	\$23,966,733		\$28,153,293		\$94,894		\$52,214,920
Illinois State University	\$71,966,633		\$165,785,813		\$5,644,707		\$243,397,153
Northeastern Illinois University	\$36,752,500		\$30,501,990		\$481,791		\$67,736,282
Northern Illinois University	\$90,757,867		\$126,077,740		\$3,381,104		\$220,216,710
Southern Illinois University Carbondale	\$135,660,015	+	\$122,595,775	+	\$6,345,620	=	\$264,601,410
Southern Illinois University Edwardsville	\$63,543,852		\$130,977,723		\$1,049,994		\$195,571,568
University of Illinois at Chicago	\$252,840,398		\$319,281,899		\$16,640,127		\$588,762,425
University of Illinois at Springfield	\$24,934,642		\$39,102,152		\$865,895		\$64,902,689
University of Illinois at Urbana / Champaign	\$308,098,927		\$744,260,895		\$80,168,400		\$1,132,528,221
Western Illinois University	\$51,250,933		\$65,854,453		\$2,407,922		\$119,513,308
<b>Illinois</b>	<b>\$1,142,244,900</b>		<b>\$1,839,701,298</b>		<b>\$119,759,061</b>		<b>\$3,101,705,259</b>

# Resource per Student Summary

## Resource Profile Summary

Institution	Total Resources per Student	State Approps per Student	ESS per student	Other Resources per student
Chicago State University	\$22,847	\$16,694	\$6,047	\$105
Eastern Illinois University	\$15,493	\$6,780	\$8,330	\$383
Governors State University	\$11,818	\$5,424	\$6,372	\$21
Illinois State University	\$11,916	\$3,523	\$8,117	\$276
Northeastern Illinois University	\$11,321	\$6,143	\$5,098	\$81
Northern Illinois University	\$13,889	\$5,724	\$7,951	\$213
Southern Illinois University Carbondale	\$23,836	\$12,221	\$11,044	\$572
Southern Illinois University Edwardsville	\$15,448	\$5,019	\$10,346	\$83
University of Illinois at Chicago	\$17,827	\$7,656	\$9,668	\$504
University of Illinois at Springfield	\$16,487	\$6,334	\$9,933	\$220
University of Illinois at Urbana / Champaign	\$21,114	\$5,744	\$13,875	\$1,495
Western Illinois University	\$16,173	\$6,935	\$8,912	\$326
<b>Illinois</b>	<b>\$17,510</b>	<b>\$6,448</b>	<b>\$10,386</b>	<b>\$676</b>

# Who Pays What Share of the Adequacy Target?

Institution	Adequacy Target per Student	State Share of Adequacy Per Student	Student Share of Adequacy per Student	Other Resources Share of Adequacy per Student	Future State Approps per Student when Fully Funded
Chicago State University	\$31,307	80%	19%	0%	\$25,154
Eastern Illinois University	\$26,023	67%	32%	1%	\$17,310
Governors State University	\$25,315	75%	25%	0%	\$18,922
Illinois State University	\$23,392	64%	35%	1%	\$14,999
Northeastern Illinois University	\$27,449	81%	19%	0%	\$22,270
Northern Illinois University	\$25,729	68%	31%	1%	\$17,565
Southern Illinois University Carbondale	\$26,606	56%	42%	2%	\$14,991
Southern Illinois University Edwardsville	\$25,976	60%	40%	0%	\$15,547
University of Illinois at Chicago	\$27,569	63%	35%	2%	\$17,397
University of Illinois at Springfield	\$23,549	57%	42%	1%	\$13,396
University of Illinois at Urbana / Champaign	\$23,181	34%	60%	6%	\$7,811
Western Illinois University	\$26,443	65%	34%	1%	\$17,206
<b>Illinois</b>	<b>\$25,218</b>	<b>56%</b>	<b>41%</b>	<b>3%</b>	<b>\$14,156</b>