
ILLINOIS COMMISSION ON

EQUITABLE PUBLIC UNIVERSITY FUNDING

Meeting #6

Welcome to the October 20, 2022 meeting of the Resource Workgroup. The meeting will begin at 1:00 p.m. This meeting will be recorded.

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 2:45 p.m. We will call on you during the public comment period and ask that you keep your remarks to under three minutes.

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Welcome & Agenda Overview

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- 1:00 pm Welcome & Agenda Overview
- 1:10 pm Action: Approval of minutes from September 22, 2022
Workgroup Meeting
- 1:15 pm Introductions
- 1:20 pm Workgroup Overview & Purpose
- 1:25 pm Evaluating UIF & Student Ability to Pay
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- 3:00 pm Break
- 3:15 pm Discussion: Next Steps
- 3:45 pm Public Comment
- 3:50 pm Prep for Meeting #7
- 4:00 pm Next Steps and Adjournment
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Action: Approval of minutes from
September 22, 2022 Workgroup
Meeting

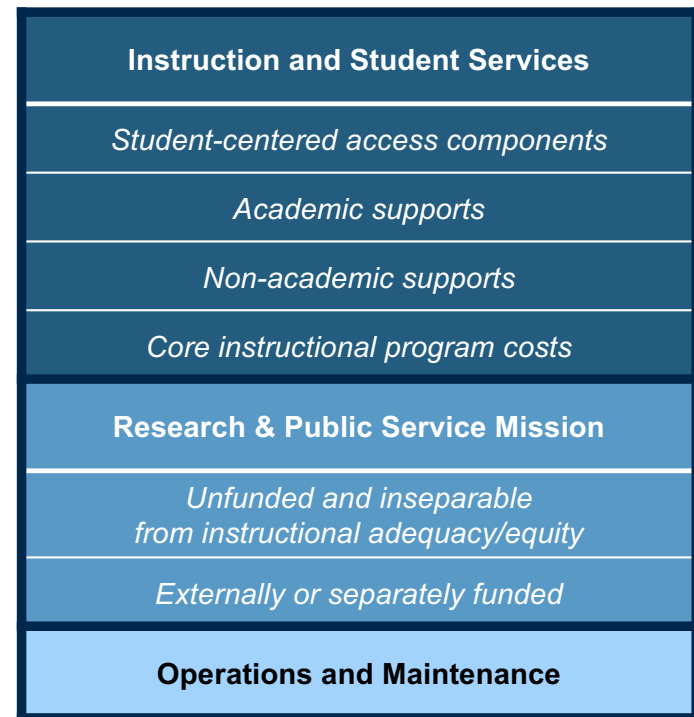
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Workgroup Overview

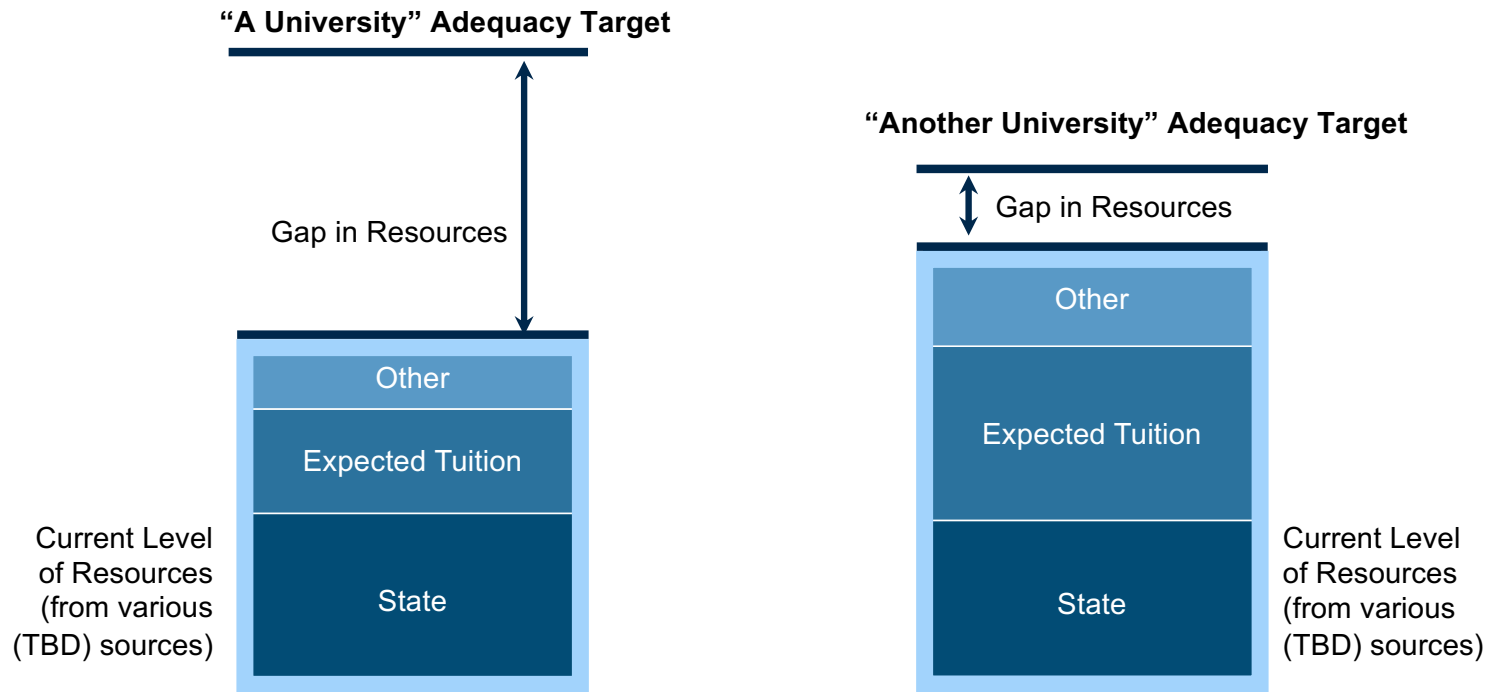
Adequacy & Resources: Setting the Adequacy Target

Each institution will have an Adequacy Target, built from the components of what it costs for students to succeed and will vary based on student need. The Adequacy Workgroup is developing these components.

“A University” Adequacy Target



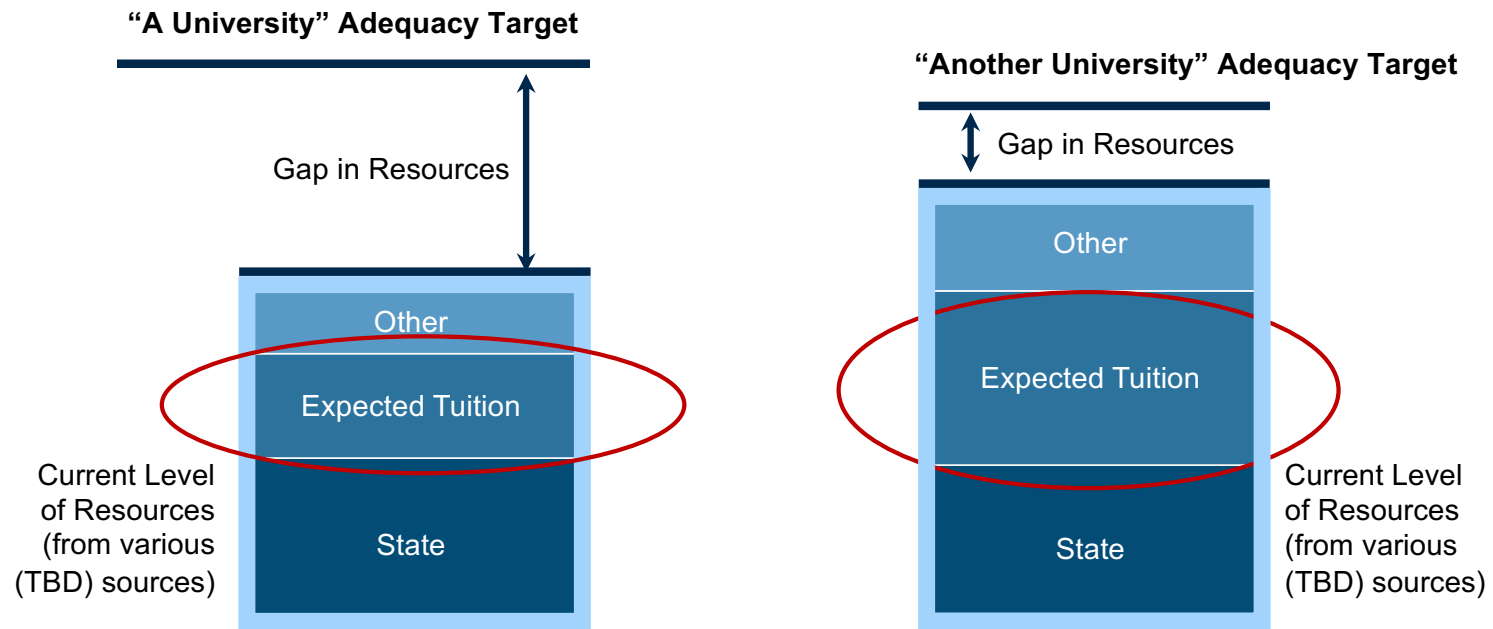
Adequacy & Resources: Getting to Adequate Funding



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Evaluating UIF & Reflecting Student
Ability to Pay

Today's Focus: "Expected Tuition"



Considering a Shared Responsibility Model: Minnesota Student Aid Example

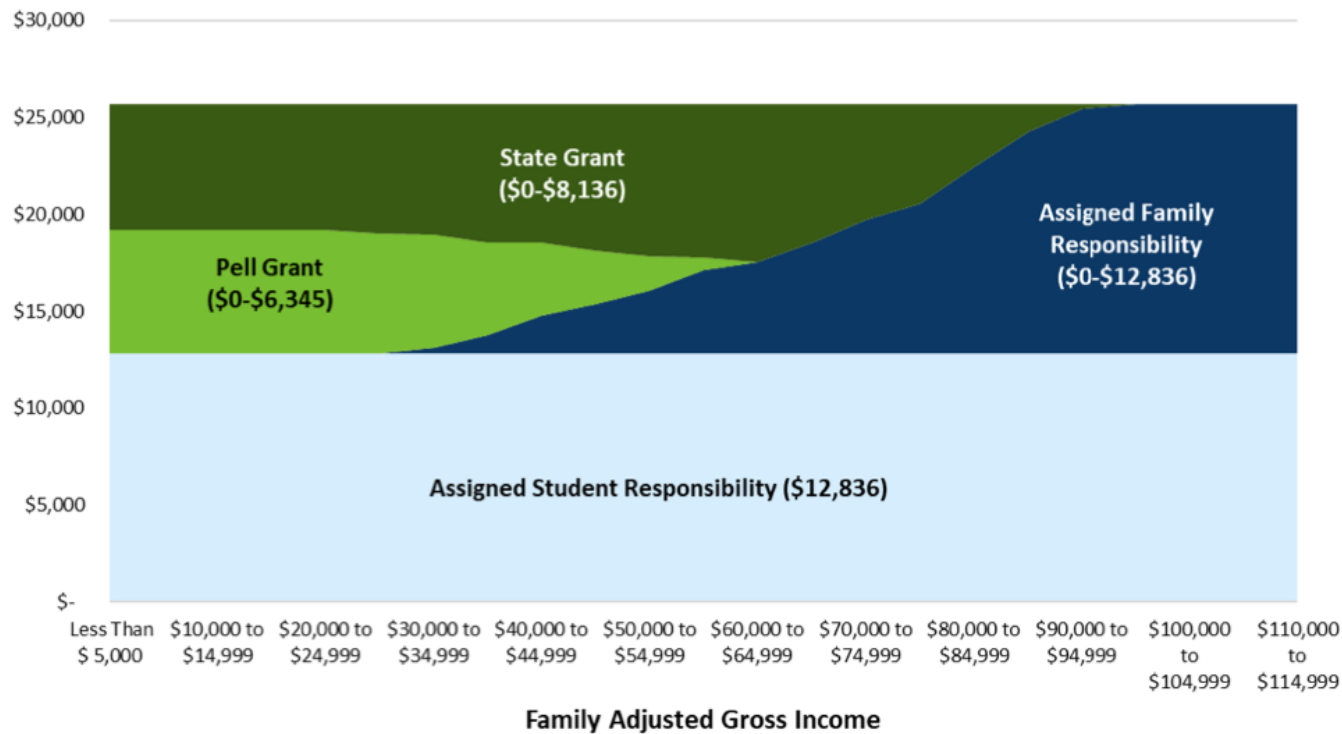
State Sets a Cost of Attendance (Tuition + Fees and Living Expenses)

- Recognized Tuition and Fees is equal to highest average tuition & fees by a public institutions:
 - \$15,142 4-year programs
 - \$6,113 2- year programs
- Living and Miscellaneous Expenses: \$10,530

Shared Responsibility

- Students: 50% of Calculated Price
 - All students expected to pay this amount
 - Can come from work, loans, other sources
- Family: Based on AGI (Ranges from (0%-50%))
- Taxpayer Fills in the Gap (Pell Grant + State Grant) (Ranges from 0%-50%)

Considering a Shared Responsibility Model: Minnesota Student Aid Example



Benefits + Limitations

- State defined cost of attendance disincentivizes tuition increases
- Provides clear expectations for all parties on what they are expected to contribute, including the state
- Places heavy burden on students regardless of income background (inequitable expectations for work, loan/debt, etc.)

Shared Responsibility – Institutions and Adequacy

Example Expected Contributions	
Group A	\$15,000
Group B	\$10,000
Group C	\$5,000

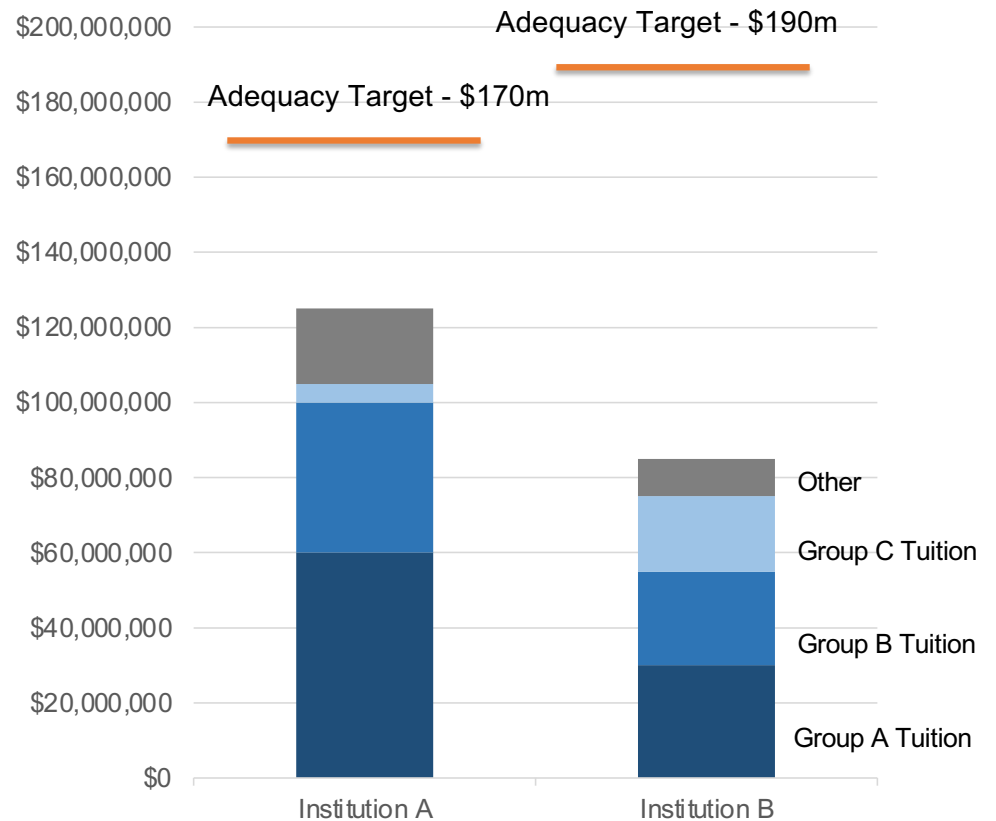
	Institution A	Institution B
Group A (# enrolled)	4,000	2,000
Group B (# enrolled)	4,000	2,500
Group C (# enrolled)	1,000	4,000
Total Student Expected Contribution	\$105.0m	\$75.0m

- IL could establish categories of students with different expected contribution levels, based on income or other characteristics (e.g., out-of-state, mandatory waiver recipient)
- The expected student share of revenue (i.e., the UIF) for a university would be:

$$\text{UIF} = (\# \text{Group A} * \$15,000) + (\# \text{Group B} * \$10,000) + (\# \text{Group C} * \$5,000)$$

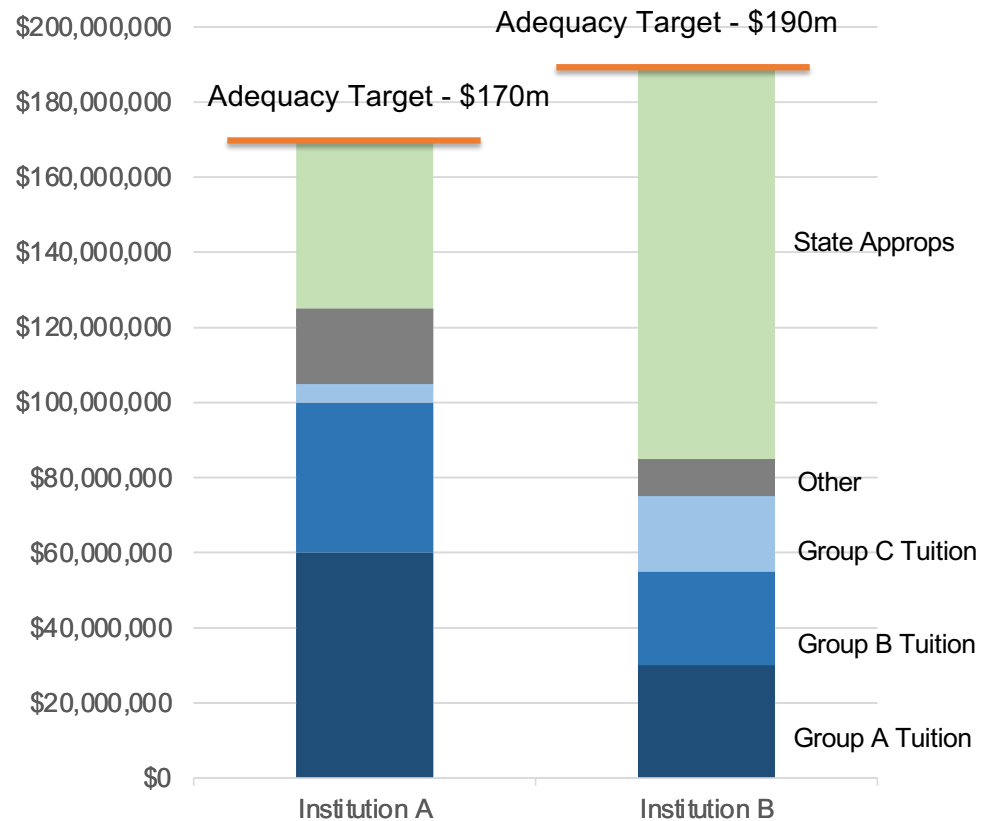
Shared Responsibility – Institutions and Adequacy

- Unlike in MN's student aid model, in an adequacy model the student share and topline will be different for each institution.
- The state share is expected to fill in the gap between the Adequacy target and the expected UIF and Other institutional revenue.



Shared Responsibility – Institutions and Adequacy

- Unlike in MN's student aid model, in an adequacy model the student share and topline will be different for each institution.
- The state share is expected to fill in the gap between the Adequacy target and the expected UIF and Other institutional revenue.



Shared Responsibility Model - Discussion

- What resonates with you? What concerns you?
- Does this approach appropriately account for “students’ ability to pay”?
- What incentives does this create for institutions? For students? For the state?
- If this were the approach:
 - How might IL set the expected contribution levels?
 - How would it factor in financial aid and institutional aid?
 - How many student groups should there be (or sliding scale)?
 - How to account for cost of attendance versus tuition & fees?

Shared Responsibility Model - Discussion

- Does this approach ensure tuition is not a “release valve” for shortfalls in state funding?
- What happens if an institution’s actual tuition is above or below the “Expected Tuition”?
- What are the implications for the model during difficult state budget years (e.g., recessions)?

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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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Next Steps and Adjournment

Next Meeting: November 17, 2022
