
ILLINOIS COMMISSION ON EQUITABLE PUBLIC UNIVERSITY FUNDING

Meeting #8

Welcome to the April 27, 2023 meeting of the Technical Modeling Workgroup. The meeting will begin at 9:00 a.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 and the organization you represent in the Q&A section by 10:15 a.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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9:00 am	Welcome & Agenda Overview
9:05 am	Action: Approval of Minutes from April 13, 2023 Workgroup Meeting
9:10 am	Overview of Workgroup
9:15 am	Mission Adequacy Calculation Proposal
9:35 am	Equitable Student Share Proposal

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10:05 am	Core Instructional Costs and Access Adjustments
10:35 am	O&M and Other Resources
10:45 am	Public Comment
10:55 am	Plan for Subsequent Meetings
11:00 am	Next Steps & Adjournment

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Action: Approval of minutes from
April 13, 2023 Workgroup Meeting

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Introductions

Technical Modeling Workgroup Membership

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

Conceptual Model: Similar to K-12 EBF

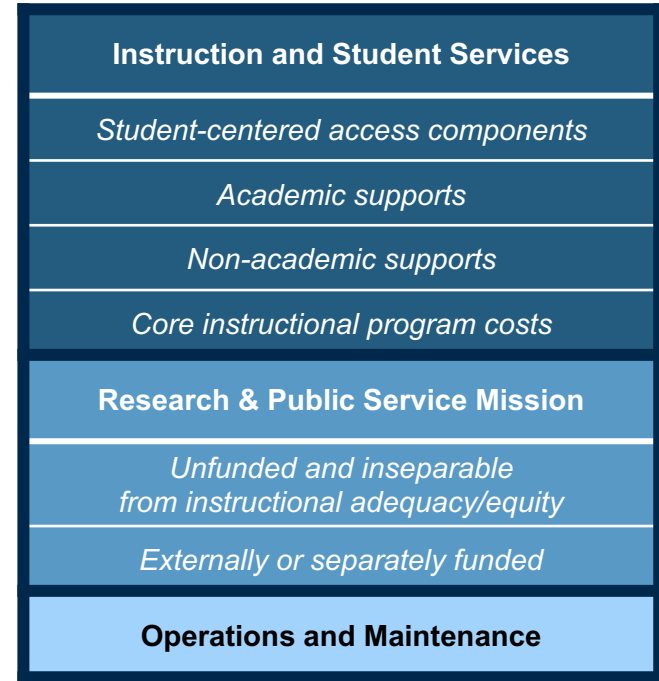
Start with an Equity-Centered Adequacy Target

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

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

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

“University A” Adequacy Target



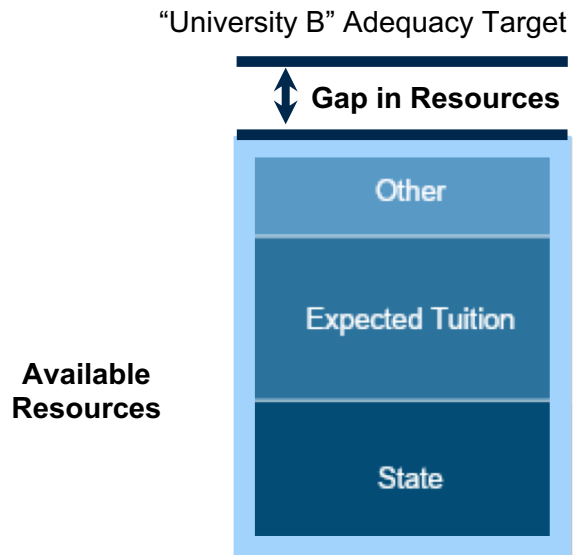
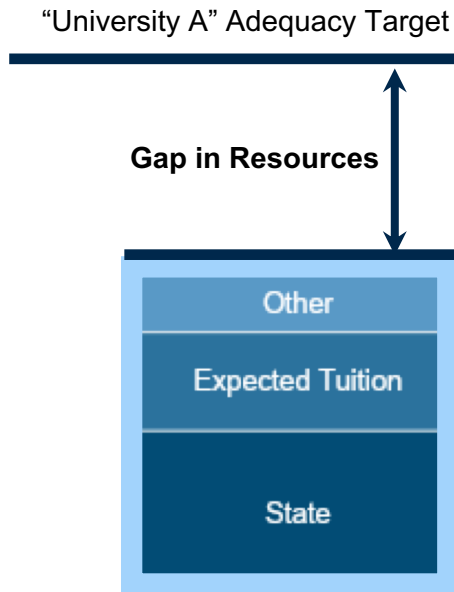
Conceptual Model

Identify Available Resources

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

State Funds Fill in Gap in Resources

Model to be developed, but goal to prioritize distribution of **new** state investments to institutions with the greatest gap between equity-centered adequacy target and current available resources (state, expected tuition and other)



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Mission Proposal

Mission Adequacy Proposal

Research - \$1,000 per student

- Based on HERD NSF data and average IL spending

Artistry - \$200 per student

- Based on the extra per credit hour cost of visual/performing arts programs

Discussion:

- Possible adjustments:
 - Enrollment phase-out or cap (e.g. \$1,200 for first 11k students, \$600 for 11k-20k, etc)
 - Carnegie Classification

Mission Adequacy Proposal

Current Mission Expenditures and Proposed Adequacy Target

Institution	Organized Research Per Student	Public Service per Student	Mission Expend per Student	Total Mission Spending	Proposed Mission Adequacy Level per Student	Mission Adequacy Target
University of Illinois at Urbana / Champaign	\$1,776	\$474	\$2,250	\$127,375,505	\$1,200	\$2,839,200
University of Illinois at Chicago	\$1,360	\$411	\$1,771	\$60,568,362	\$1,200	\$10,329,600
Southern Illinois University Carbondale	\$820	\$399	\$1,219	\$13,730,700	\$1,200	\$5,274,000
University of Illinois at Springfield	\$101	\$377	\$477	\$1,882,633	\$1,200	\$24,279,600
Southern Illinois University Edwardsville	\$240	\$217	\$457	\$5,943,200	\$1,200	\$7,728,000
Northern Illinois University	\$244	\$137	\$381	\$6,188,600	\$1,200	\$19,480,800
Western Illinois University	\$161	\$139	\$300	\$2,233,600	\$1,200	\$13,519,200
Illinois State University	\$140	\$123	\$263	\$5,314,800	\$1,200	\$15,612,000
Eastern Illinois University	\$139	\$85	\$224	\$1,931,741	\$1,200	\$41,038,800
Chicago State University	\$117	\$35	\$152	\$359,100	\$1,200	\$4,732,800
Northeastern Illinois University	\$20	\$92	\$113	\$725,186	\$1,200	\$67,928,400
Governors State University	\$101	\$5	\$106	\$465,251	\$1,200	\$8,946,000
Avg/Total	\$919	\$308	\$1,227	\$226,718,678		\$221,708,400

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Equitable Student/State Share
Proposal

Equitable Student/State Share Topics

Overview of Proposal

Discussion:

- Subsidy amounts and assigning students to subsidy groups
- How to account for Pell/MAP, incl. use for costs beyond tuition and fees
- How to account for instances when Actual exceeds Expected
- Terminology - does it make sense?

Subsidy Groups and Amounts

Students and Associated Subsidies	
Out-of-state undergrad	0%
Graduate/Professional	0%
Resident undergrad	25%
URM (undergrad and grad)	25%
Rural	25%
EBF Tier 1 or 2	25%
Pell	50%

- Subsidies are additive, but wouldn't exceed 100%
- Rural, EBF Tiers, and Pell only apply to undergrads, but URM applies to grad/prof

Examples of Combined Subsidies:	
URM Graduate Student	25%
EBF Tier 2, Resident Undergrad	50%
Rural, URM, Resident Undergrad	75%
Pell, EBF Tier 1, Resident Undergrad	100%

Sample Subsidy Group Distributions

	Percentage of Students at a School in Each Subsidy Category					
	0%	25%	50%	75%	100%	Total
University A	14%	14%	17%	17%	38%	100%
University B	23%	13%	24%	17%	23%	100%
Illinois	28%	25%	18%	14%	16%	100%

0% = no state subsidy, all UIF

100% = \$0 UIF, state fully subsidizes

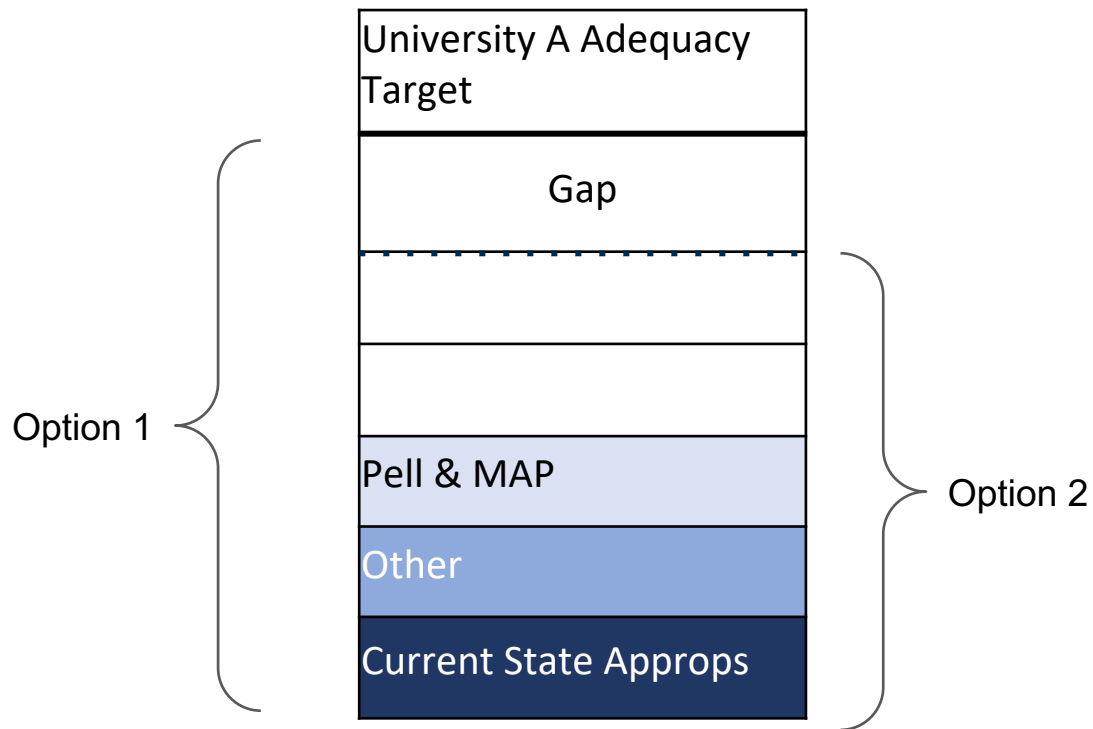
Applying Subsidy to Adequacy Target

	Expected UIF - From Each Subsidy Category and Total					
	0%	25%	50%	75%	100%	Total
University A	\$12,312,698	\$9,698,301	\$7,661,585	\$3,776,358	\$0	\$33,448,942
University B	\$22,902,126	\$10,065,222	\$11,999,023	\$4,203,562	\$0	\$49,169,933
Illinois	\$717,844,502	\$477,333,322	\$232,954,790	\$89,613,492	\$0	\$1,517,746,105

0% = no state subsidy, all UIF

100% = no student share, state fully subsidizes

What to apply the subsidy to?



The dotted line represents the Per Student Adjusted Base of \$23,124 per student. The difference between that and the Adequacy Target is the equity adjustments.

Option 1 - What share of the total Adequacy Target should students pay?

Option 2 - What share of the Per Student Adjusted Base should students pay?

Should students be expected to pay some of the equity adjustments, or should that be entirely the state's obligation?

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Instruction and Student Services

Instruction and Student Services Topics

Core Instruction Costs

- High-cost programs
- Underrepresentation in high-cost programs/levels
- Faculty diversity equity adjustment

Equity Adjustments: Tiers of Support

- GPA vs Developmental Education
- Acad/Non-Acad Supports equity adjustments for Grad students
- Other student populations

Current Model Summary

Core Instruction Costs: High Cost Programs

- Goal is to identify programs where costs are consistently high in multiple years and at multiple institutions
- Used IBHE Cost Study total cost per credit hour (line 214 divided by line 100)
- Identified programs with higher than average cost per credit for level at 70% of IBHE institutions that had the program in 2020
- Identified programs with costs greater than 120% of average for level statewide in 2012, 2015, and 2020
- Identified programs on both lists

List of Programs Identified

LowerDiv	14.08	Civil Engineering
LowerDiv	14.19	Mechanical Engineering
LowerDiv	50.07	Fine and Studio Art
LowerDiv	50.09	Music
UpperDiv	14.01	Engineering, General
UpperDiv	14.08	Civil Engineering
UpperDiv	14.10	Electrical, Electronics and Communications Engineering
UpperDiv	50.03	Dance
UpperDiv	50.07	Fine and Studio Art
UpperDiv	50.09	Music
UpperDiv	51.38	Registered Nursing, Nursing Administration, Nursing Research and Clinical Nursing.
UpperDiv	52.03	Accounting and Related Services
GradI	50.09	Music
GradI	52.08	Finance and Financial Management Services/Insurance/Management Science

Core Instruction Costs

Faculty Diversity Efforts

Faculty Diversity Program	University	Per Student Cost
Targets of Opportunity Program	UI-UC	\$264.98
Underrepresented Faculty Recruitment Program	UI-UC	\$2.65
Strategic Hiring Initiative	SIU-Edwardsville	\$307.46
Faculty Diversity Enhancement Program	ISU	\$444.82
Underrepresented Faculty Recruitment Program	UI-Chicago	\$667.00
	Average	\$337.38

Equity Adjustment Tiers

High School GPA vs Developmental Education

- Using developmental education can create perverse incentives and schools are moving away from these courses.
- The retention rate gaps for students with GPAs < 2.5 would likely place low-GPA students in the Medium tier instead of High (where Dev ED was)

Student Characteristic	Retention Rate		Possible Tier
	Median Institutional Gap	Statewide Gap	
American Indian*/White	N/A	-22.1%	High
African-American/White	-11.9%	-20.3%	High
Tier 1 EBF/Tier 4 EBF	-11.0%	-14.8%	High
Dev Ed/No Dev Ed	-10.3%	-17.2%	High
< 2.5 GPA/>3.0 GPA	-11.8%	-10.2%	Medium?
< 2.5 GPA/>2.5 GPA	-9.7%	-8.4%	Medium?
Age 25+*/Under 25	N/A	-12.5%	Medium
Pell/Non-Pell	-7.3%	-10.4%	Medium
Latinx/White	-6.5%	-8.9%	Medium
2 or More Races*/White	N/A	-7.6%	Medium
Tier 2 EBF/Tier 4 EBF	0.6%	-5.4%	Low
Rural/Urban	2.6%	-2.1%	Low?

Equity Adjustment Tiers

Acad/Non-Acad Supports Equity Adjustments for Grad Students

- Proposal:
 - Create two tiers based on the groupings of race/ethnicities from the undergrad adjustments
 - Use lower funding levels; few examples of intensive services provided to graduate students
 - **Medium (\$4,000):** Black, American Indian
 - **Low (\$2,000):** Hispanic, 2 or more races

Equity Adjustment Tiers

Other Student Populations

- Students with Disabilities
- Student Parents
- First-Gen Students
- Adult Learners

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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

Next Steps

- Assign teams to new topics to begin work for next meeting:
 - O&M, Other Resources, Auxiliaries
- HCM will circulate:
 - The mock ESS calculation spreadsheet
 - A draft adequacy calculation spreadsheet
- Continue to refine outstanding pieces of adequacy and ESS

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Adjournment

Next Workgroup Meeting: May 11, 2023

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Appendix: Adjusting for Equity

Best Practice Interventions

- In this approach, we identify research-based interventions specific to each adequacy component that improve outcomes and equity for target populations
 - Student Centered Access
 - Academic & Non-Academic Supports
 - Core Instruction Costs

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

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

Academic & Non-Academic Support Tiers

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

- Base the level of service needed on the current outcomes gap in IL, 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

Student Characteristic	Retention Rate		Possible Tier
	Median Institutional Gap	Statewide Gap	
American Indian*/White	N/A	-22.1%	High
African-American/White	-11.9%	-20.3%	High
Tier 1 EBF/Tier 4 EBF	-11.0%	-14.8%	High
Dev Ed/No Dev Ed	-10.3%	-17.2%	High
Age 25+*^/Under 25	N/A	-12.5%	Medium
Pell/Non-Pell	-7.3%	-10.4%	Medium
Latinx/White	-6.5%	-8.9%	Medium
2 or More Races*/White	N/A	-7.6%	Medium
Tier 2 EBF/Tier 4 EBF	0.6%	-5.4%	Low
Rural/Urban	2.6%	-2.1%	Low or N/A?

* There are too few students of this type at each institution to calculate a median university gap

^ There are only 39 first-time, full-time students age 25+

Academic & Non-Academic Support Tiers

6-year Graduation Rate Gaps (National)	
Black/African American Gap	-20%
Pell Gap	-16%
Hispanic/Latino Gap	-9%
Black/African American + Pell Gap	-26%
Hispanic/Latino + Pell Gap	-14%
Age 25+	-48%
Students with Children	-48%

- National graduation data show similar outcomes and relative gaps among groups of students to IL retention rate data. It also indicates the added impact of multiple characteristics.
- The national data is not limited to first-time, full-time students, so adults and students with children that enroll mostly part-time have much larger gaps

Academic & Non-Academic Support Adjustments

Discussion Questions:

- Does a tiered set of services approach make sense?
- Are the number of tiers (4) and costs right?
- Is the approach to identifying which students get which tier of service right?
- What other services or interventions should be included in the equity add-on for these components?

Student-Centered Access: Equity Adjustments

- The equity adjustment could match funding to programs that increase the enrollment of traditionally underrepresented students
- Bottom Line has the most rigorous evaluation and impact among those listed here, but there may be others

Best Practices in Enrolling
Historically Marginalized Students

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

Discussion Questions:

- Should we use a tiers approach for this component?
- Are there other practices that should be part of the add-on to the access component?
- Which students should get this add-on in the formula?
- How can we apply the add-on to ensure schools enrolling lots of first-gen, low-income students are adequately funded for their work AND schools with low enrollment are incentivized to increase their outreach and recruitment?

Core Instructional Costs: Equity Adjustments

- Most of the adjustments to close equity gaps would be through Academic & Non-Academic Supports
- The Adequacy Work Group included a recommendation to include the costs of recruiting and retaining a more diverse faculty.
- UI-Chicago Underrepresented Faculty Recruitment Programs: **\$667 per student**
- **Discussion Questions:**
 - Are there other programs to use as benchmarks for this adjustment?
 - Are there other equity adjustments to instruction costs that should be made?

Equity Adjustments

Adequacy Component	Per Student Adjusted Base	Equity Adjustments
Student Centered Access	\$1,404	\$1,000
Academic Supports	\$1,404	\$2,000-\$8,000
Non-Academic Supports	\$1,313	
Core Instruction Costs	\$14,019	\$667
Mission (Research, Public Service, Artistry)	\$1,227	TBD
O&M	\$3,757	TBD
Total	\$23,124	\$3,667-\$9,667

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Core Instructional Costs Baseline

Core Instruction Costs: High-Cost Programs

- Certain programs and courses have higher costs due to small class sizes, higher faculty salaries, or lab and other resource requirements.
- The per student Core Instruction Cost should account for some of this variation as a way to adjust for the programmatic differences across institutions.
- Without an adjustment for high-cost programs, the formula could undercount the existing Core Instruction Costs at institutions with a large share of high-cost programs.

Core Instruction Costs: High-Cost Programs

Proposed Approach

- Calculate a university's Core Instruction Costs adequacy target using two costs: an average for high-cost programs and an average for all other programs.
- Identify the high-cost programs and the premium amount using IL Cost Study data as well as other state examples.

Baseline Cost per student

Adequacy Component	Baseline IL Expenditures
Student Centered Access	\$1,073
Academic Supports	\$1,073
Non-Academic Supports	\$1,003
Core Instruction Costs	\$10,714
<i>High-Cost Programs</i>	<i>TBD</i>
<i>All Other Programs</i>	<i>TBD</i>
Mission (Research, Public Service, Artistry)	\$1,227
O&M	\$3,757
Total	\$18,848

Core Instruction Costs: Example Calculation

University A		
Total Enrollment	5,000	
Student Credit Hours in High-Cost Programs	24%	
Student Credit Hours in All Other Programs	76%	

Adequacy Component	Baseline IL Expenditures	University A Adequacy Target (pre-equity adjustments)
Student Centered Access	\$1,073	\$5,364,705
Academic Supports	\$1,073	\$5,364,705
Non-Academic Supports	\$1,003	\$5,017,384
Core Instruction Costs	\$10,714	
<i>High-Cost Programs (40% premium)</i>	\$12,857	\$15,428,458 = 24% * 5,000 students * High-Cost Baseline \$
<i>All Other Programs</i>	\$8,571	\$32,571,188 = 76% * 5,000 students * All Other Program Baseline \$
Mission (Research, Public Service, Artistry)	\$1,227	\$6,135,591
O&M	\$3,757	\$18,786,046
Total	\$18,848	\$88,668,077