
ILLINOIS COMMISSION ON EQUITABLE PUBLIC UNIVERSITY FUNDING

Meeting #20

Welcome to the November 30, 2023 meeting of the Technical Modeling Workgroup. The meeting will begin at 9:00 a.m.

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 10:45 a.m. We will call on you during the public comment period and ask that you keep your remarks to under three minutes.

ILLINOIS COMMISSION ON

EQUITABLE PUBLIC UNIVERSITY FUNDING

Welcome & Agenda Overview

ILLINOIS COMMISSION ON EQUITABLE PUBLIC UNIVERSITY FUNDING

- 9:00 am Welcome & Agenda Overview
 - 9:05 am Action: Approval of Minutes from November 9, 2023
 - Workgroup Meeting
 - 9:10 am November 17, 2023 Commission Meeting Reflections
 - 9:25 am Allocation Formula
 - 10:00 am ESS Subsidy Levels
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ILLINOIS COMMISSION ON EQUITABLE PUBLIC UNIVERSITY FUNDING

- 10:30 am Review Commission Topics
 - 11:00 am Other Topics
 - 11:15 am Public Comment
 - 11:25 am Plan for Subsequent Meetings
 - 11:30 am Next Steps & Adjournment
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ILLINOIS COMMISSION ON
EQUITABLE PUBLIC UNIVERSITY FUNDING

Action: Approval of minutes from
November 9, 2023 Workgroup
Meeting

ILLINOIS COMMISSION ON

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**November 17, 2023 Commission
Meeting Reflections**

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Allocation Formula

Allocation Formula

Principles the topic team has discussed and is trying to balance:

- Institutions' adequacy gaps should be a primary factor in the allocation
- All schools should receive some reasonable increase ("guardrail") each year there is new money (this helps ensure tuition is not a release valve for increasing costs)

Allocation Formula

Options considered:

- Purely proportional share of adequacy gap: Resulted in increases of <1%-2% for some institutions even when state increases were above 7%.
- Inflation first, then proportional share of adequacy gap: In high-inflation years, little to no funds would be influenced by the model.

Current options under consideration:

- 1) Equal parts guardrail + share of adequacy gap percentage
- 2) Minimum guardrail + share of adequacy gap percentage and total dollars
- 3) Tiers based on the distance from fully funded, with guardrail

Allocation Formula

Institution	Adequacy Target	Adequacy Gap	Share of \$ Gap		Gap as % of Target (Distance from Full Funding)	Share of % Gap
Chicago State University	\$74,061,018	\$20,012,871	1%		27%	6%
Eastern Illinois University	\$164,966,422	\$66,753,996	5%		40%	9%
Governors State University	\$111,850,438	\$59,635,518	4%		53%	12%
Illinois State University	\$477,796,928	\$234,399,775	17%		49%	11%
Northeastern Illinois University	\$164,227,661	\$96,491,379	7%		59%	13%
Northern Illinois University	\$407,962,628	\$187,745,918	14%		46%	10%
Southern Illinois University Carbondale	\$295,355,340	\$30,753,929	2%		10%	2%
Southern Illinois University Edwardsville	\$328,852,284	\$133,280,716	10%		41%	9%
University of Illinois at Chicago	\$910,487,339	\$321,724,914	24%		35%	8%
University of Illinois at Springfield	\$92,705,417	\$27,802,728	2%		30%	7%
University of Illinois at Urbana / Champaign	\$1,243,404,656	\$110,876,434	8%		9%	2%
Western Illinois University	\$195,405,555	\$75,892,247	6%		39%	9%
Illinois	\$4,467,075,685	\$1,365,370,426			439%	

Allocation Formula

Option 1 - Equal parts guardrail + share of adequacy gap percentage

- Provides the same increase to all institutions, equal to inflation or half of the state appropriation increase, whichever is less.
Example: Inflation is 3%, State Approp increase is 4% → 2% increase
- The remaining State Approp increase is allocated by the share of the adequacy gap percentage.

Institution	Adequacy Gap	Prior Year Appropriation	Guardrail Increase	Guardrail Appropriation	Adequacy Gap % Share	Adequacy Gap-Based Appropriation	Total Appropriation Increase	Percent Increase in State Approps
Chicago State University	\$20,012,871	\$39,493,233	2%	\$789,865	6.2%	\$1,407,278	\$2,197,143	5.6%
Eastern Illinois University	\$66,753,996	\$42,979,167	2%	\$859,583	9.2%	\$2,107,376	\$2,966,959	6.9%
Governors State University	\$59,635,518	\$23,966,733	2%	\$479,335	12.2%	\$2,776,691	\$3,256,026	13.6%
Illinois State University	\$234,399,775	\$71,966,633	2%	\$1,439,333	11.2%	\$2,554,901	\$3,994,234	5.6%
Northeastern Illinois University	\$96,491,379	\$36,752,500	2%	\$735,050	13.4%	\$3,059,866	\$3,794,916	10.3%
Northern Illinois University	\$187,745,918	\$90,757,867	2%	\$1,815,157	10.5%	\$2,396,682	\$4,211,839	4.6%
Southern Illinois University Carbondale	\$30,753,929	\$135,660,015	2%	\$2,713,200	2.4%	\$542,271	\$3,255,471	2.4%
Southern Illinois University Edwardsville	\$133,280,716	\$63,543,852	2%	\$1,270,877	9.2%	\$2,110,701	\$3,381,578	5.3%
University of Illinois at Chicago	\$321,724,914	\$252,840,398	2%	\$5,056,808	8.1%	\$1,840,226	\$6,897,033	2.7%
University of Illinois at Springfield	\$27,802,728	\$24,934,642	2%	\$498,693	6.8%	\$1,561,862	\$2,060,554	8.3%
University of Illinois at Urbana / Champaign	\$110,876,434	\$308,098,927	2%	\$6,161,979	2.0%	\$464,394	\$6,626,373	2.2%
Western Illinois University	\$75,892,247	\$51,250,933	2%	\$1,025,019	8.9%	\$2,022,650	\$3,047,669	5.9%
Illinois	\$1,365,370,426	\$1,142,244,900		\$22,844,898		\$22,844,898	\$45,689,796	4.0%

Allocation Formula

Option 2 - Minimum guardrail + share of adequacy gap percentage and total dollars

- Provides the same increase to all institutions, equal to HALF of either inflation or half of the state appropriation increase, whichever is less.
Example: Inflation is 3%, State Approp increase is 4% → 1% increase
- The remaining State Approp increase is allocated in two equal parts:
 - 1) the share of the adequacy gap by percentage
 - 2) the share of the adequacy gap by total dollars

Institution	Guardrail Increase	Guardrail Appropriation	Adequacy Gap % Share	% Gap Appropriation	Adequacy Gap \$ Share	\$ Gap Appropriation	Total Appropriation Increase	Percent Increase in State Approps
Chicago State University	1.0%	\$394,932	6.2%	\$1,055,459	1.5%	\$251,136	\$1,701,527	5.6%
Eastern Illinois University	1.0%	\$429,792	9.2%	\$1,580,532	4.9%	\$837,678	\$2,848,002	6.9%
Governors State University	1.0%	\$239,667	12.2%	\$2,082,518	4.4%	\$748,350	\$3,070,536	13.6%
Illinois State University	1.0%	\$719,666	11.2%	\$1,916,176	17.2%	\$2,941,421	\$5,577,263	5.6%
Northeastern Illinois University	1.0%	\$367,525	13.4%	\$2,294,900	7.1%	\$1,210,845	\$3,873,270	10.3%
Northern Illinois University	1.0%	\$907,579	10.5%	\$1,797,511	13.8%	\$2,355,974	\$5,061,064	4.6%
Southern Illinois University Carbondale	1.0%	\$1,356,600	2.4%	\$406,703	2.3%	\$385,923	\$2,149,226	2.4%
Southern Illinois University Edwardsville	1.0%	\$635,439	9.2%	\$1,583,026	9.8%	\$1,672,505	\$3,890,969	5.3%
University of Illinois at Chicago	1.0%	\$2,528,404	8.1%	\$1,380,169	23.6%	\$4,037,241	\$7,945,814	2.7%
University of Illinois at Springfield	1.0%	\$249,346	6.8%	\$1,171,396	2.0%	\$348,889	\$1,769,632	8.3%
University of Illinois at Urbana / Champaign	1.0%	\$3,080,989	2.0%	\$348,296	8.1%	\$1,391,359	\$4,820,644	2.2%
Western Illinois University	1.0%	\$512,509	8.9%	\$1,516,988	5.6%	\$952,352	\$2,981,849	5.9%
Illinois		\$11,422,449		\$17,133,674		\$17,133,674	\$45,689,796	4.0%

Allocation Formula

Option 3 - Tiers based on the distance from fully funded

- Provides a guardrail increase to all institutions, equal to HALF of either inflation or half of the state appropriation increase, whichever is less.

Tier 1	0-15% Adequacy Gap
Tier 2	15-45% Adequacy Gap
Tier 3	45%+ Adequacy Gap

- The remaining State Approp increase is divided among the three tiers based on each tier’s collective share of the adequacy gap total dollar amount.

- Within each tier, the allocation is based on each institution’s share of the adequacy gap percentage.

Institution	Tier	Guardrail Increase	Guardrail Appropriation	Share of Adequacy Gap Within Tier	Appropriation Increase	Total Appropriation Increase	Percent Increase in State Approps
Northeastern Illinois University	3	1.0%	\$367,525	28%	\$4,116,409	\$4,483,934	12.2%
Governors State University	3	1.0%	\$239,667	26%	\$3,735,456	\$3,975,123	16.6%
Illinois State University	3	1.0%	\$719,666	24%	\$3,437,084	\$4,156,750	5.8%
Northern Illinois University	3	1.0%	\$907,579	22%	\$3,224,233	\$4,131,811	4.6%
Southern Illinois University Edwardsville	2	1.0%	\$635,439	19%	\$3,094,320	\$3,729,758	5.9%
Eastern Illinois University	2	1.0%	\$429,792	19%	\$3,089,445	\$3,519,236	8.2%
Western Illinois University	2	1.0%	\$512,509	18%	\$2,965,236	\$3,477,745	6.8%
University of Illinois at Chicago	2	1.0%	\$2,528,404	17%	\$2,697,798	\$5,226,202	2.1%
University of Illinois at Springfield	2	1.0%	\$249,346	14%	\$2,289,713	\$2,539,059	10.2%
Chicago State University	2	1.0%	\$394,932	13%	\$2,063,091	\$2,458,024	6.2%
Southern Illinois University Carbondale	1	1.0%	\$1,356,600	54%	\$1,914,774	\$3,271,374	2.4%
University of Illinois at Urbana / Champaign	1	1.0%	\$3,080,989	46%	\$1,639,791	\$4,720,780	1.5%
Illinois			\$11,422,449		\$34,267,347	\$45,689,796	4%

Allocation Formula Scenarios

Options	First year one school is fully funded	Largest % gap in 1st year one is fully funded	Year all are funded	Variance in % gap Year 5	Variance in % gap Year 10	Smallest increase in Year 1
Option 1	8	29%	15	5%-39%	0%-22%	3.5%
Option 2	12	11%	14	9%-36%	2%-18%	2.9%
Option 3	11	17%	15	4%-38%	1%-22%	2.8%

State Appropriation Increase: 9%
Inflation: 3%

Adequacy target, ESS, and Other Resources increase by inflation each year

Options	First year one school is fully funded	Largest % gap in 1st year one is fully funded	Year all are funded	Variance in % gap Year 5	Variance in % gap Year 10	Smallest increase in Year 1
Option 1	N/A	N/A	N/A	11%-52%	13%-47%	2.2%
Option 2	N/A	N/A	N/A	12%-52%	14%-48%	1.6%
Option 3	N/A	N/A	N/A	12%-51%	14%-46%	1.5%

State Appropriation Increase: 4%
Inflation: 4%

Adequacy target, ESS, and Other Resources increase by inflation each year

Allocation Formula Output and Comparison

- Option 1 is slower to fill the adequacy gaps of institutions with large total gaps but relatively smaller percent gaps.
- Option 2 provides a relatively low annual increase to more universities when inflation is equal to or outpaces state appropriation increases.
- Option 3 creates larger swings in an institution's annual appropriations when it switches tiers and provides the lowest annual increase to an institution.

- In any model, an 11% annual state increase (\$125m) could close all adequacy gaps in 10 years, assuming 3% inflation
- An 8.5% annual increase (\$97m) could close the gaps in 15 years

Allocation Formula Discussion

- How do you find these options in balancing between the principles (prioritize funding by gaps, reasonable increase for all)?
- What else would you want to know about how the options perform to inform the TWG's recommendation?

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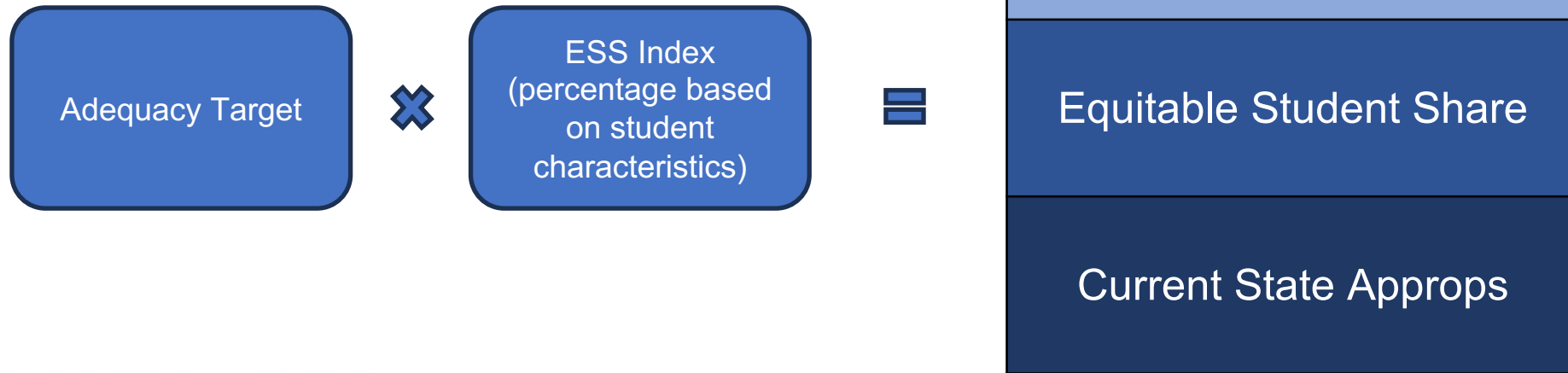
EQUITABLE PUBLIC UNIVERSITY FUNDING

**Equitable Student Share
and 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.



Equitable Student Share – Draft Output

Institution	Base Cost	ESS Index	Equitable Student Share
Chicago State University	\$54,033,864	26%	\$14,305,612
Eastern Illinois University	\$125,088,043	42%	\$52,803,953
Governors State University	\$83,490,183	34%	\$28,153,293
Illinois State University	\$391,259,895	42%	\$165,785,813
Northeastern Illinois University	\$116,557,073	26%	\$30,501,990
Northern Illinois University	\$323,573,116	39%	\$126,077,740
Southern Illinois University Carbondale	\$246,193,237	50%	\$122,595,775
Southern Illinois University Edwardsville	\$262,835,022	50%	\$130,977,723
University of Illinois at Chicago	\$722,997,415	44%	\$319,281,899
University of Illinois at Springfield	\$76,613,647	51%	\$39,102,152
University of Illinois at Urbana / Champaign	\$1,116,885,692	67%	\$744,260,895
Western Illinois University	\$149,821,423	44%	\$65,854,453
Illinois	\$3,669,348,611	50%	\$1,839,701,298

ESS Subsidy Levels

Next Steps:

- Ground the ESS subsidy levels in data related to affordability and ability to pay, to the extent possible. State priorities may also play a role.

- Consider overlap between student characteristics & whether to make any conditional on being low-income.

		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%				

Income by Student Characteristic

	Median AGI of In-State Students at 4-year Publics (National)			Median Household Income (IL)
	All Students	With Pell	Without Pell	All Residents
Black	\$ 30,397	\$ 23,806	\$ 51,398	\$ 45,019
Hispanic	\$ 34,497	\$ 25,215	\$ 62,248	\$ 72,139
2+ Races	\$ 47,828	\$ 24,976	\$ 86,135	\$ 71,185
Asian	\$ 47,115	\$ 24,916	\$ 96,375	\$ 104,287
White	\$ 66,697	\$ 25,776	\$ 99,089	\$ 83,346
Rural	\$ 62,002	\$ 27,019	\$ 94,989	
City	\$ 40,441	\$ 24,426	\$ 76,387	
Suburb	\$ 52,672	\$ 25,032	\$ 94,413	
Town	\$ 44,149	\$ 25,137	\$ 85,858	
Age 25+	\$ 27,946	\$ 18,996	\$ 37,716	
Age <25	\$ 61,240	\$ 28,047	\$ 103,745	

ESS Subsidy Levels

Percent of All Students

In-State	Undergrad	60%
	Grad	10%
Out-of-State	Undergrad	16%
	Grad	14%

Percent of Students with the Subsidy Characteristic

		URM	Low-Income	EBF Tier 1	EBF Tier 2	Adult	Rural
In-State	Undergrad	38%	46%	31%	47%	12%	10%
	Grad	28%					
Out-of-State	Undergrad	15%	14%				
	Grad	11%					

ESS Subsidy Levels

Cross-tab of in-state undergraduate subsidy characteristics

	EBF Tier 1 & 2	EBF Tier 1	Low Income	Adult	Rural	URM
EBF Tier 1 & 2			50%	15%	12%	46%
EBF Tier 1			64%	15%	8%	70%
Low Income	84%	42%		14%	9%	54%
Adult	94%	38%	54%		11%	42%
Rural	88%	24%	41%	13%		11%
URM	93%	56%	67%	5%	3%	
All In-State UG	78%	31%	46%	12%	10%	38%

Examples of how to read the chart:

Among low-income students, 84% are in EBF Tiers 1 & 2.

Among URM students, 67% are low-income.

Examining EBF Tier

EBF Tier	Not Low-Income	Low-Income
1	36%	64%
2	63%	37%
3	55%	45%
4	61%	39%

EBF Tier	Not URM	URM
1	40%	60%
2	76%	24%
3	72%	28%
4	76%	24%

- EBF Tier 2 students are more like Tier 3 & 4 students than Tier 1 students along lines of income and race.
- Over a third of EBF Tier 1 students are not low-income.
- This could be reason to:
 - Provide different subsidies for Tiers 1 and 2, and/or;
 - Make the EBF Tier subsidy conditional on low-income status.

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EQUITABLE PUBLIC UNIVERSITY FUNDING

Medical Program Premiums

Medical/Dental Premium

- Currently, medical programs are grouped with other health doctorates (e.g. audiology, pharmacy) with a 100% premium over base instruction (+\$10,706).
- But medical and dental programs have a uniquely high cost. SIU and UIC have estimated they spend \$100k-\$160k per student.
- To provide the midpoint (\$130k) requires a 1300% premium.

Current Approach:

High-Cost Programs: 20% premium
Med/Doc/Prof: 100% premium

Revised Proposal:

High-Cost Programs: 20% premium
Other Health Programs: 100% premium
Medical/Dental: 1300% premium

Enrollment in Higher Cost Programs

Institution	High-Cost Programs	Other Health Programs	Medical/Dental
Chicago State University	5.4%	10.3%	0.0%
Eastern Illinois University	11.8%	0.0%	0.0%
Governors State University	9.1%	0.2%	0.0%
Illinois State University	19.3%	0.1%	0.0%
Northeastern Illinois University	12.2%	0.0%	0.0%
Northern Illinois University	19.2%	0.8%	0.0%
Southern Illinois University Carbondale	17.1%	0.4%	1.7%
Southern Illinois University Edwardsville	22.1%	2.5%	1.7%
University of Illinois at Chicago	22.7%	4.4%	4.9%
University of Illinois at Springfield	6.0%	0.0%	0.0%
University of Illinois at Urbana / Champaign	22.9%	0.0%	0.0%
Western Illinois University	14.6%	0.0%	0.0%
Total	19.3%	1.3%	1.0%

Impact of Higher Medical/Dental Premium

- Increasing the Medical/Dental premium affects the Core Instruction Costs in all other programs. Why?
- The base Core Instruction Cost (\$10,227) was derived from the statewide spending average on instruction: \$10,858 per student.
- The \$10,858 is made up of the instruction costs for medical schools, engineering, arts, humanities, etc. It is essentially a weighted average of the costs of each of the different programs.
- If the prior model underestimated the cost of medical/dental programs, then it overestimated the cost of the other programs.

Increase Medical/Dental Premium

Adequacy Gap - Increase Medical Premium

Institution	Adequacy Target	Resource Profile	Adequacy Gap	Percent of Adequacy Target Funded
Chicago State University	-\$6,026,524 -	-\$1,586,048 =	-\$4,440,476	4.1%
Eastern Illinois University	-\$9,211,735	-\$3,881,404	-\$5,330,331	1.0%
Governors State University	-\$6,470,098	-\$2,174,973	-\$4,295,125	0.8%
Illinois State University	-\$30,381,472	-\$12,839,737	-\$17,541,735	0.6%
Northeastern Illinois University	-\$8,721,002	-\$2,272,540	-\$6,448,462	0.9%
Northern Illinois University	-\$24,759,875	-\$9,612,663	-\$15,147,212	1.0%
Southern Illinois University Carbondale	\$3,399,679	\$1,747,156	\$1,652,522	-0.4%
Southern Illinois University Edwardsville	\$1,898,952	\$959,986	\$938,966	-0.1%
University of Illinois at Chicago	\$113,908,590	\$50,921,344	\$62,987,247	-2.2%
University of Illinois at Springfield	-\$5,651,097	-\$2,881,039	-\$2,770,059	1.2%
University of Illinois at Urbana / Champaign	-\$79,678,611	-\$52,993,363	-\$26,685,248	1.7%
Western Illinois University	-\$10,805,895	-\$4,736,879	-\$6,069,016	1.0%
Illinois	-\$62,499,088	-\$39,350,159	-\$23,148,929	0.1%

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Concentration Factor

Concentration Factor

- Lots of research has shown the link between higher levels of poverty at a K-12 school and student outcomes; research also shows the impact is greatest on lower income students.
- Much less work has been done on thresholds, though. Research indicates some tipping point around 50% of a school's students from low-income families
- Twenty-four states factor in the concentration of poverty into their K-12 allocation formula, with a variety of different approaches, weights, and thresholds.

Concentration Factor

Options:

- 1. Apply to Access as well as Supports.
- 2. Create a larger differential among the levels.
- 3. Remove entirely.

Other states with concentration factors in higher ed formulas:

- In their outcomes-based funding models, **Louisiana & New Jersey** assign increasing point values for degree completions by URM students based on the school’s population of URM or other equity populations.

NJ	LA	Points
0-25%	0-50%	2.25
25-50%	50-75%	3.25
50%+	75%+	4.25

Concentration Factor

Institution	Counts of Students in Acad/Non-Acad Support Tiers				% in High and Intensive	Concentration Factor
	Intensive	High	Medium	Low		
Chicago State University	1256	143	26	1	94%	30%
Eastern Illinois University	2068	1150	770	369	69%	20%
Governors State University	1561	431	481	244	72%	20%
Illinois State University	2197	2779	4696	7220	28%	
Northeastern Illinois University	2784	756	746	118	77%	30%
Northern Illinois University	3408	3124	2589	1930	55%	10%
Southern Illinois University Carbondale	2018	1524	2174	1474	44%	
Southern Illinois University Edwardsville	2981	2151	1944	1770	53%	10%
University of Illinois at Chicago	10071	3966	3414	1580	65%	20%
University of Illinois at Springfield	608	500	729	496	45%	
University of Illinois at Urbana / Champaign	3037	4806	6842	1297	23%	
Western Illinois University	1921	1942	784	419	72%	20%
Illinois	33,909	23,272	25,197	16,918	46%	

Option 1: Apply to Access

	Acad/Non-Acad Supports					Access	
	Intensive	High	Medium	Low		Medium	Low
Equity Adjust	\$8,000	\$6,000	\$4,000	\$2,000		\$1000	\$500
30%	\$2,400	\$1,800	\$1,200	\$600		\$300	\$150
20%	\$1,600	\$1,200	\$800	\$400		\$150	\$100
10%	\$800	\$600	\$400	\$200		\$100	\$50

Note: Changes to the formula's equity adjustments shift funds to or from the base cost, due to how the benchmark adjustment to the base was constructed.

CONSTRUCTING A PER STUDENT ADEQUATE FUNDING LEVEL – EQUITY-CENTERED BENCHMARK

- 1) Start with Illinois' current spending per student



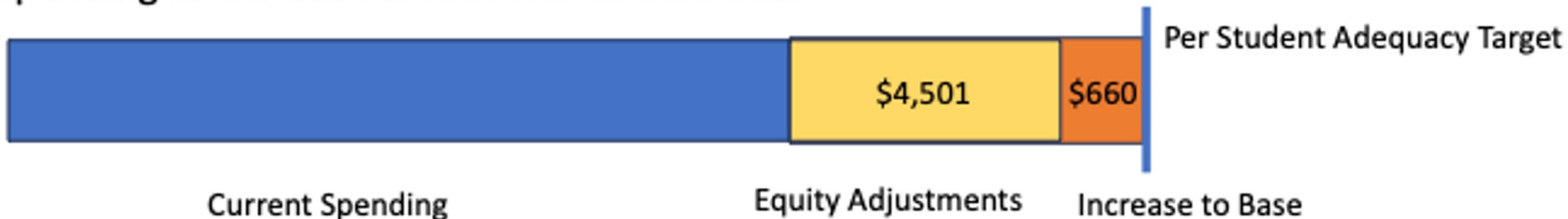
- 2) Set a target for overall increased investment based on an outcomes goal: Research suggests an increase of \$5,161 would be associated with an increase to a statewide 70% graduation rate.



- 3) Identify the costs of providing adequate services (Access, Acad/Non-Academic Supports, Core Instruction Costs) for varying student and institutional characteristics.



- 4) Identify the remaining increase needed to reach the target. This amount would be added to the current spending as the base amount for all students.



Option 1: Apply to Access as well as Supports

Adequacy Gap - Delta from Baseline to Option 1

Institution	Adequacy Target	Resource Profile	Adequacy Gap	Percent of Adequacy Target Funded
Chicago State University	\$289,159 -	-\$29,899 =	\$319,058	-0.3%
Eastern Illinois University	\$448,095	-\$119,690	\$567,785	-0.2%
Governors State University	\$269,329	-\$66,441	\$335,770	-0.2%
Illinois State University	-\$926,139	-\$391,720	-\$534,419	0.0%
Northeastern Illinois University	\$964,832	-\$70,066	\$1,034,898	-0.3%
Northern Illinois University	\$84,640	-\$281,012	\$365,652	-0.1%
Southern Illinois University Carbondale	-\$509,007	-\$252,953	-\$256,053	0.1%
Southern Illinois University Edwardsville	-\$22,158	-\$295,450	\$273,292	-0.1%
University of Illinois at Chicago	\$1,409,391	-\$708,305	\$2,117,697	-0.2%
University of Illinois at Springfield	-\$174,685	-\$89,081	-\$85,604	0.0%
University of Illinois at Urbana / Champaign	-\$2,442,764	-\$1,625,319	-\$817,445	0.0%
Western Illinois University	\$482,811	-\$145,886	\$628,697	-0.2%
Illinois	-\$126,495	-\$4,075,822	\$3,949,327	-0.1%

Option 2: Increased Differential

Current Model		Intensive	High	Medium	Low
	Equity Adjust	\$8,000	\$6,000	\$4,000	\$2,000
	30%	\$2,400	\$1,800	\$1,200	\$600
	20%	\$1,600	\$1,200	\$800	\$400
	10%	\$800	\$600	\$400	\$200

Option 2		Intensive	High	Medium	Low
	Equity Adjust	\$8,000	\$6,000	\$4,000	\$2,000
	50%	\$4,000	\$3,000	\$2,000	\$1,000
	30%	\$2,400	\$1,800	\$1,200	\$600
	10%	\$800	\$600	\$400	\$200

Option 2: Increase the differential of the premiums

Adequacy Gap - Delta from Baseline to Option 2

Institution	Adequacy Target	Resource Profile	Adequacy Gap	Percent of Adequacy Target Funded
Chicago State University	\$2,236,325 -	-\$109,195 =	\$2,345,519	-2.3%
Eastern Illinois University	\$1,747,540	-\$437,130	\$2,184,670	-0.9%
Governors State University	\$1,275,527	-\$242,653	\$1,518,180	-0.7%
Illinois State University	-\$3,382,420	-\$1,430,630	-\$1,951,790	0.1%
Northeastern Illinois University	\$5,288,959	-\$255,895	\$5,544,854	-1.4%
Northern Illinois University	-\$2,642,934	-\$1,026,304	-\$1,616,629	0.1%
Southern Illinois University Carbondale	-\$1,858,981	-\$923,830	-\$935,151	0.3%
Southern Illinois University Edwardsville	-\$2,170,089	-\$1,079,033	-\$1,091,055	0.1%
University of Illinois at Chicago	\$6,978,322	-\$2,586,853	\$9,565,176	-0.8%
University of Illinois at Springfield	-\$637,978	-\$325,338	-\$312,640	0.1%
University of Illinois at Urbana / Champaign	-\$8,921,399	-\$5,935,949	-\$2,985,450	0.2%
Western Illinois University	\$1,965,927	-\$532,800	\$2,498,728	-0.9%
Illinois	-\$121,200	-\$14,885,611	\$14,764,411	-0.3%

Option 3: Remove Entirely

Adequacy Gap - Delta from Baseline to Option 3

Institution	Adequacy Target	Resource Profile	Adequacy Gap	Percent of Adequacy Target Funded
Chicago State University	-\$3,051,369 -	\$243,088 =	-\$3,294,457	3.5%
Eastern Illinois University	-\$3,260,522	\$973,135	-\$4,233,657	1.8%
Governors State University	-\$2,387,788	\$540,192	-\$2,927,980	1.5%
Illinois State University	\$7,529,912	\$3,184,855	\$4,345,056	-0.1%
Northeastern Illinois University	-\$7,221,016	\$569,670	-\$7,790,687	2.3%
Northern Illinois University	-\$373,660	\$2,284,749	-\$2,658,409	0.6%
Southern Illinois University Carbondale	\$4,138,446	\$2,056,621	\$2,081,825	-0.6%
Southern Illinois University Edwardsville	-\$126,836	\$2,402,134	-\$2,528,970	0.8%
University of Illinois at Chicago	-\$12,621,681	\$5,758,828	-\$18,380,509	1.6%
University of Illinois at Springfield	\$1,420,261	\$724,264	\$695,997	-0.3%
University of Illinois at Urbana / Champaign	\$19,860,732	\$13,214,553	\$6,646,180	-0.4%
Western Illinois University	-\$3,657,107	\$1,186,115	-\$4,843,222	1.8%
Illinois	\$249,372	\$33,138,205	-\$32,888,833	0.7%

ILLINOIS COMMISSION ON

EQUITABLE PUBLIC UNIVERSITY FUNDING

School Size Factor

School Size Factor

Commission feedback: Eliminate cliffs in the model

Options:

1. Smooth out cliffs. Provide some funds to all schools, but reduce the amount as size increases.
2. Smooth out cliffs and limit to smallest schools. TX and OR limit additional school size funds to institutions under 4,000 and 10,000 students.
3. Provide flat amount per institution. Amount per student curves down as size increases.
4. Remove entirely.

Other states with small school adjustments:

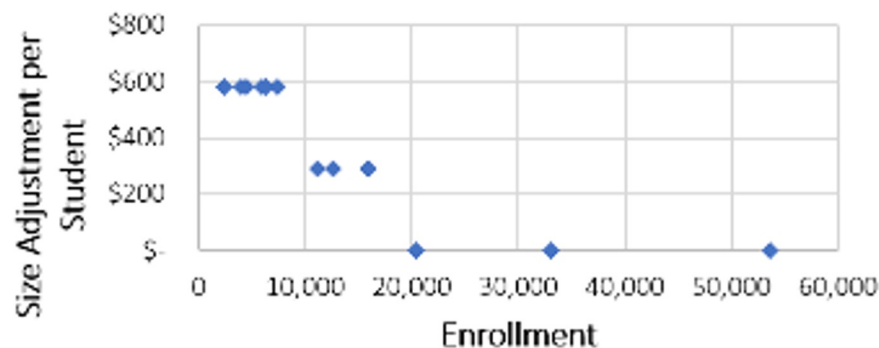
- **Texas:** \$1.3m supplement to each university with <5,000 students; diminishing amount for each student above 5,000 up to 10,000.
- **Oregon:** Provides additional funds to universities under 4,000 students; amount varies based on the exact enrollment; ranges from \$500-\$3,200 per student

School Size Factor

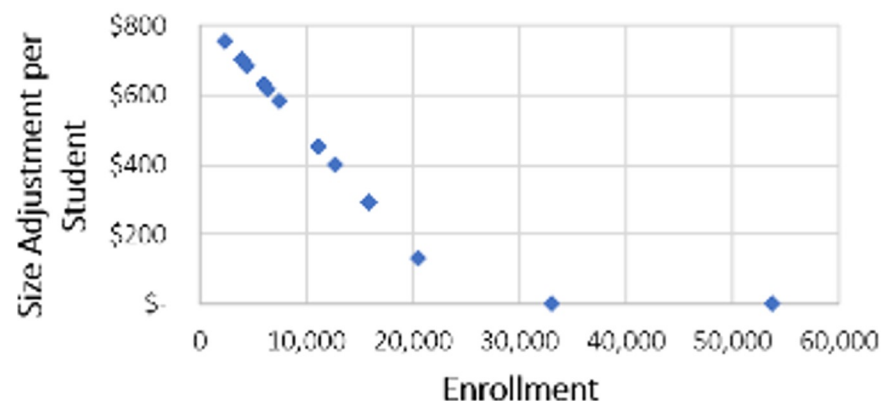
		O&M - Institutional Support			
	Headcount	Base Cost (\$1941)	School Size	Size Adjustment	Adjustment per Student
Institution					
Chicago State University	2,366	\$4,592,402	Small	\$1,377,720	\$582
Eastern Illinois University	6,339	\$12,306,368	Small	\$3,691,910	\$582
Governors State University	4,418	\$8,577,185	Small	\$2,573,156	\$582
Illinois State University	20,425	\$39,651,121	Large	\$0	
Northeastern Illinois University	5,983	\$11,614,628	Small	\$3,484,389	\$582
Northern Illinois University	15,856	\$30,780,803	Medium	\$4,617,121	\$291
Southern Illinois University Carbondale	11,101	\$21,550,057	Medium	\$3,232,509	\$291
Southern Illinois University Edwardsville	12,660	\$24,576,499	Medium	\$3,686,475	\$291
University of Illinois at Chicago	33,026	\$64,112,438	Large	\$0	
University of Illinois at Springfield	3,937	\$7,642,139	Small	\$2,292,642	\$582
University of Illinois at Urbana / Champaign	53,640	\$104,129,165	Large	\$0	
Western Illinois University	7,390	\$14,345,350	Small	\$4,303,605	\$582
Illinois	177,141	\$343,878,156	N/A	\$29,259,526	\$165

Options to Eliminate Cliffs

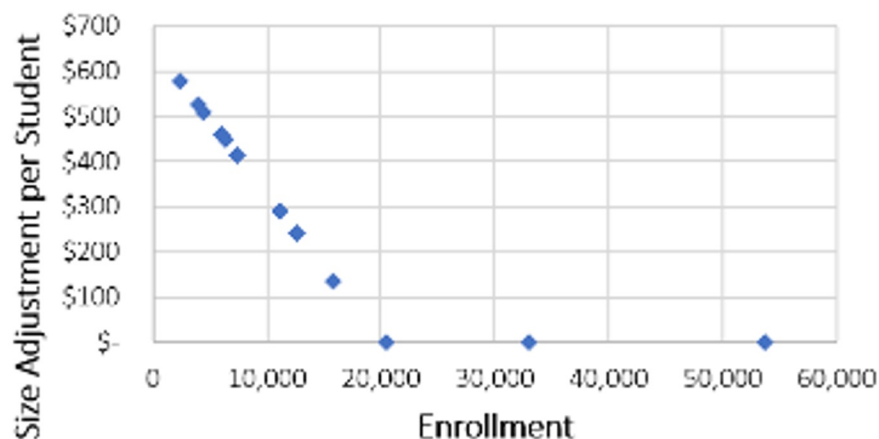
Institution Size Adjustment -- Current Version (\$29.3m)



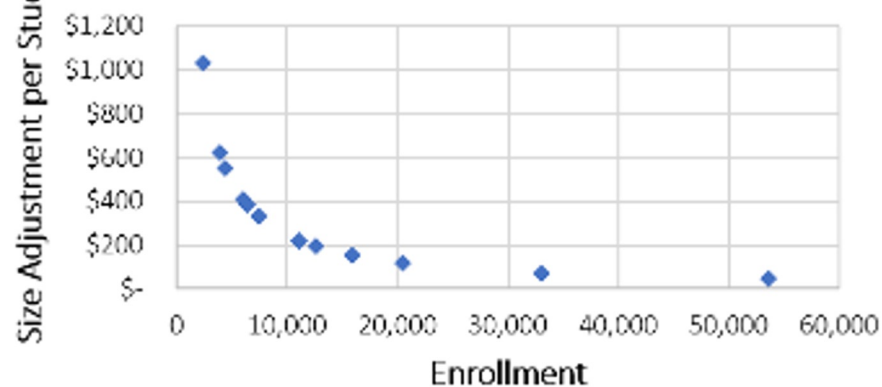
Without Cliffs v 1 (\$37.1m)



Without Cliffs v. 2 (\$22.7m)



Amount per Student @ \$2.5m per Institution (\$30m)



Options to Eliminate Cliffs

	Average Enrollment	Current Amounts per Student	Current Total	Without Cliffs v. 1	Institution Total v. 1	Without Cliffs v. 2	Institution Total v. 2	Amount per Student @ \$2.5m per Institution	Flat Amount
Chicago State University	2,366	\$ 582	\$ 1,377,717	\$ 755	\$ 1,786,492	\$ 577	\$ 1,365,048	\$ 1,057	\$ 2,500,000
University of Illinois at Springfield	3,937	\$ 582	\$ 2,292,636	\$ 701	\$ 2,760,163	\$ 526	\$ 2,069,186	\$ 635	\$ 2,500,000
Governors State University	4,418	\$ 582	\$ 2,573,149	\$ 685	\$ 3,024,683	\$ 510	\$ 2,252,722	\$ 566	\$ 2,500,000
Northeastern Illinois University	5,983	\$ 582	\$ 3,484,380	\$ 631	\$ 3,773,841	\$ 459	\$ 2,744,159	\$ 418	\$ 2,500,000
Eastern Illinois University	6,339	\$ 582	\$ 3,691,901	\$ 619	\$ 3,920,910	\$ 447	\$ 2,833,680	\$ 394	\$ 2,500,000
Western Illinois University	7,390	\$ 582	\$ 4,303,594	\$ 582	\$ 4,303,594	\$ 413	\$ 3,049,205	\$ 338	\$ 2,500,000
Threshold I	10,000		\$ -	\$ 493		\$ 327			
Southern Illinois University Carbondal	11,101	\$ 291	\$ 3,232,500	\$ 455	\$ 5,047,990	\$ 291	\$ 3,232,500	\$ 225	\$ 2,500,000
Southern Illinois University Edwardsvil	12,660	\$ 291	\$ 3,686,465	\$ 401	\$ 5,078,088	\$ 240	\$ 3,040,640	\$ 197	\$ 2,500,000
Northern Illinois University	15,856	\$ 291	\$ 4,617,109	\$ 291	\$ 4,617,109	\$ 136	\$ 2,150,050	\$ 158	\$ 2,500,000
Threshold II	20,000		\$ -	\$ 149		\$ -	\$ -		
Illinois State University	20,425	\$ -	\$ -	\$ 134	\$ 2,737,667	\$ -	\$ -	\$ 122	\$ 2,500,000
University of Illinois at Chicago	33,026	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 76	\$ 2,500,000
University of Illinois at Urbana / Cha	53,640	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 47	\$ 2,500,000
Illinois	177,141		\$ 29,259,451		\$ 37,050,537		\$ 22,737,191		\$ 30,000,000

ILLINOIS COMMISSION ON

EQUITABLE PUBLIC UNIVERSITY FUNDING

Faculty Diversity Adjustment

Faculty Diversity Adjustment

Options:

1. Leave as is. This is something all institutions should be doing and is part of the concept of an adequate and equitable education.
2. Target the adjustment. Tie the funds to the percent of BIPOC faculty to create better incentives. Institutions with higher shares of faculty of color get more per student.
3. Remove entirely. The formula cannot adequately incentivize or ensure that institutions address this important issue, and it should be funded through a separate initiative.

Possible adjustment to Option 2: Include all staff, not just faculty

Option 2: Target the Adjustment

Adequacy Gap - Delta from Baseline to Option 2

Institution	Adequacy Target	Resource Profile	Adequacy Gap	Percent of Adequacy Target Funded
Chicago State University	\$2,246,528 -	-\$5,850 =	\$2,252,378	-2.2%
Eastern Illinois University	-\$785,153	-\$23,418	-\$761,735	0.3%
Governors State University	\$1,995,372	-\$12,999	\$2,008,371	-0.8%
Illinois State University	-\$4,882,741	-\$76,641	-\$4,806,101	0.5%
Northeastern Illinois University	\$2,242,741	-\$13,709	\$2,256,449	-0.6%
Northern Illinois University	-\$2,574,761	-\$54,981	-\$2,519,780	0.3%
Southern Illinois University Carbondale	-\$1,377,212	-\$49,491	-\$1,327,722	0.4%
Southern Illinois University Edwardsville	\$369,429	-\$57,805	\$427,234	-0.1%
University of Illinois at Chicago	\$3,484,817	-\$138,581	\$3,623,398	-0.3%
University of Illinois at Springfield	-\$940,326	-\$17,429	-\$922,898	0.7%
University of Illinois at Urbana / Champaign	\$1,579,881	-\$317,997	\$1,897,878	-0.1%
Western Illinois University	-\$1,482,544	-\$28,543	-\$1,454,001	0.5%
Illinois	-\$123,972	-\$797,443	\$673,472	0.0%

Option 3: Remove Entirely

Adequacy Gap - Delta from Baseline to Option 3

Institution	Adequacy Target	Resource Profile	Adequacy Gap	Percent of Adequacy Target Funded
Chicago State University	\$50,180 -	\$274,287 =	-\$224,107	0.3%
Eastern Illinois University	-\$70,370	\$1,098,029	-\$1,168,399	0.7%
Governors State University	-\$51,427	\$609,522	-\$660,949	0.6%
Illinois State University	-\$123,173	\$3,593,607	-\$3,716,780	0.8%
Northeastern Illinois University	-\$60,545	\$642,783	-\$703,328	0.4%
Northern Illinois University	-\$52,435	\$2,577,979	-\$2,630,413	0.6%
Southern Illinois University Carbondale	-\$15,039	\$2,320,572	-\$2,335,611	0.8%
Southern Illinois University Edwardsville	\$108,536	\$2,710,429	-\$2,601,893	0.8%
University of Illinois at Chicago	\$888,150	\$6,497,929	-\$5,609,779	0.6%
University of Illinois at Springfield	-\$58,733	\$817,218	-\$875,951	0.9%
University of Illinois at Urbana / Champaign	-\$226,236	\$14,910,538	-\$15,136,774	1.2%
Western Illinois University	-\$67,297	\$1,338,344	-\$1,405,641	0.7%
Illinois	\$321,612	\$37,391,236	-\$37,069,624	0.8%

ILLINOIS COMMISSION ON

EQUITABLE PUBLIC UNIVERSITY FUNDING

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.

ILLINOIS COMMISSION ON

EQUITABLE PUBLIC UNIVERSITY FUNDING

Other Topics & Next Steps

Items To Be Discussed/Finalized

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

-
- Benchmark adjustment
 - ESS subsidy levels and groups
 - Faculty diversity equity adjustment
 - School Size and Concentration Factors
 - Med/Doc premium
- The TWG has addressed or is addressing these
- Student characteristics for equity adjustments
 - Headcount vs FTE
 - Acad/Non-Acad Support amounts for grad students
 - Other Resources: endowment/gifts
 - Addressing Systems and SIU School of Medicine
- These will be on the next TWG agenda
- Auxiliaries: non T&F support
 - O&M calculation

Implementation Topics

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?

ILLINOIS COMMISSION ON

EQUITABLE PUBLIC UNIVERSITY FUNDING

Adjournment

Next Workgroup Meeting: December 14, 2023
