
ILLINOIS COMMISSION ON EQUITABLE PUBLIC UNIVERSITY FUNDING

Meeting #19

Welcome to the November 9, 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 10:40 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 October 26, 2023
	Workgroup Meeting
9:10 am	Model Input & Discussion
9:30 am	Benchmark Adjustments
10:15 am	ESS

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10:45 am	Implementation Topic Teams
11:10 am	Public Comment
11:20 am	Plan for Subsequent Meetings
11:30 am	Next Steps & Adjournment

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Action: Approval of minutes from
October 26, 2023 Workgroup
Meeting

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Overview of Draft Model Comments

Summary of Comments

- Overall, the model is aligned with the legislative charge and is “directionally correct” in producing an adequate, equitable and stable funding approach.
- Take broad lens of overall output to ensure stability and viability
- Work remains to:
 - Verify/revisit particular adjustments and/or data
 - Formalize and strengthen data-driven rationale in certain areas
 - Identify potential areas to streamline/foster understanding of objectives of each model component in context of legislative charge

Note: Comments will frame the agenda and work for next several TWG meetings (i.e., we won’t discuss each in detail today)

Comments: Institutional Base Calculations

- Benchmark adjustment needs to be included
- Headcount vs. FTE
- Core Instruction Costs:
 - Better account for/increase adjustment for high cost of medical programs
 - Possibly make separate line item
- O+M:
 - Total cost underestimated
 - Reduce number of adjustments such (e.g.,) philanthropy, minor remodel, school size, physical plan
 - Final report should discuss deferred maintenance
- O+M/School Size
 - Eligibility cliffs - consider way to smooth out
 - Rationale for adjustment levels (15% and 30%)
 - Increase weight Need to better account for high cost of medical programs (core instruction premiums and equity adjustments)

Comments: Equity Adjustments

- Student Characteristics
 - Look at correlations of multiple student characteristics for equity adjustments
 - Add in other student groups (SWD, parenting, first-generation)/options for inclusion as statewide data get collected
- Support Tiers
 - Rationale for levels and \$ of tiers applied across different support categories
 - Graduate education support levels
- Faculty diversity
 - Should not be linked to overall enrollment, but tied to actual diversity of the faculty (or students)
 - Should be in the base, not equity adjustment
- Concentration adjustment
 - Need a stronger rationale for factors included
 - Increase all factors (and create greater spread between levels)
 - Apply to all equity adjustments

Comments: ESS + Other Resources

- Equitable Student Share (ESS)
 - State supporting the whole cost of college for students receiving Pell/MAP
 - Revisit/understand subsidy for out-of-state students
- Other Resources
 - Inclusion of annual giving (different views)
 - Inclusion/% of endowment (different views)

Summary: 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
- 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 gift %
- Addressing Systems and SUI School of Medicine
- Auxiliaries: non T&F support
- O&M calculation

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Crosswalk with Commission
Legislation and Adequacy
Framework

Legislation Guidance	Per Student Base Funding	Access Equity Adjustment	Acad/Non-Acad Supports Equity Adjustment	High-Cost Programs	High-Cost Program Diversity Adjustment	Diverse Faculty Adjustment	Mission Cost	O&M	Small School Adjustment	Concentration Adjustment	Equitable Student Share
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				

Conceptual Model: Adequacy

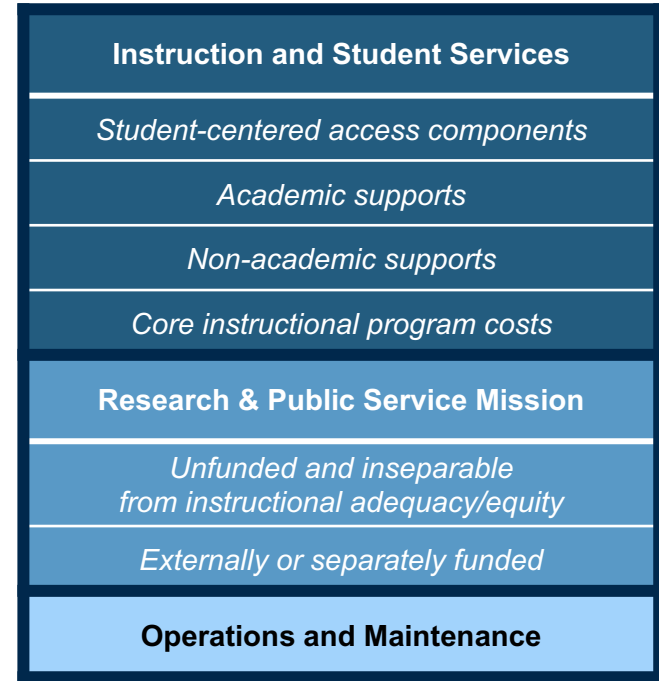
Start with an Equity-Centered Adequacy Target

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

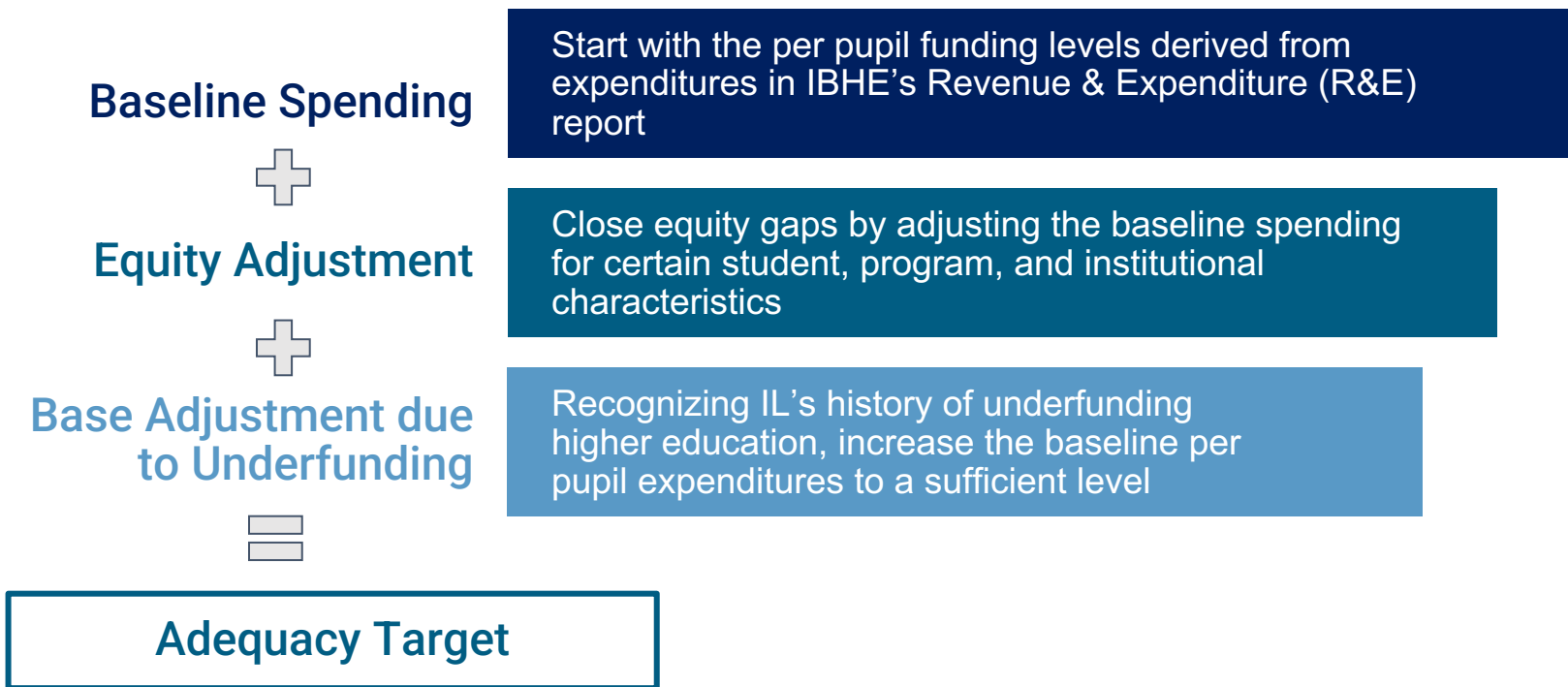


Adequacy Framework		Base Per Student	Adjustment 1	Adjustment 2	Adjustment 3
Instruction and Student Services	Student-centered access components	\$1,086	Access Equity Adjustment Medium/Low +\$1000/\$500		
	Academic & Non-academic supports	\$2,098	Support Equity Adjustment Intensive/High/Medium/Low +\$8000/\$6000/\$4000/\$2000	Concentration Factor >75% of UG in Int/High: +30% 60-75%: +20% 50-60%: +10%	
	Core instructional program costs	\$10,858	High-Cost Programs Factor Med/Doc/Prof: +100% Other High-Cost: +20%	Diversity in High-Cost Programs Adjustment Med/Doc/Prof: +30% Other High-Cost: +50%	Faculty Diversity Adjustment +\$422
Research & Public Service Mission	Research	\$600	Research/Mission Adjustment R2, R3: +\$600 R1: +\$1200		
	Artistry	\$200	N/A		
Operations and Maintenance	Institutional Support	\$1,941	School Size Factor Small: +30% Medium: +15%		
	Physical Plant	\$7.78 (per sq ft)	Laboratory Space Adjustment +\$1.54 per lab sq ft		

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Benchmark Adjustment

Proposed Approach to Calculating Adequacy Targets



Original Benchmarking Adjustment Proposal

Outcome Target

- Goal: Increase grad rate from 63.3% to 70% (6.7 pp)
- An additional \$600/FTE increases completion by 1 pp
- Needed investment: **\$4,276 per headcount**

Chakrabarti et al 2020 – “Experiencing a \$1,000 per-FTE increase in state appropriations while enrolled in college increases the likelihood of earning a bachelor’s degree by age 25 by 1.5pp for students first enrolled at a four-year institution.”

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

- 1) Start with Illinois' current spending per student



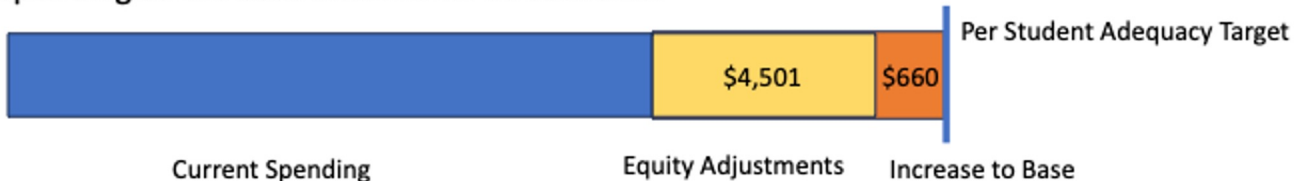
- 2) Set a target for overall increased investment based on an outcomes goal: Research suggests an increase of \$5,161 would be associated with an increase to a statewide 70% graduation rate.



- 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.



Benchmark Option	Explanation	Total Adequacy Gap	Equity Share of Cost	Total ESS
1) No Benchmark		\$1.307 B	18.3%	\$1.781 B
2) Original proposal: \$4,276	The amount of spending associated with an increase in the statewide average graduation rate from 63.3% to 70%, based on empirical research of state appropriation impact on graduation rates.	\$1.689 B	15.6%	\$2.160 B
3) Equity-centered benchmark: \$660	Same concept as the Original, setting a target for the state to increase overall spending by \$4,276 (but adjusted for inflation, so \$5,161). Since the equity adjustments help increase the graduation rate by closing outcome gaps, the funding for those adjustments counts towards the target amount to avoid double counting. The remainder is applied to all students to raise the floor across-the-board.	\$1.366 B	17.9%	\$1.840 B
4) High-Performing School Comparison: \$1,560	Increase base spending per student by 11%, the increase required to spend the same level as high-performing institutions with a 70% graduation rate.	\$1.446 B	17.2%	\$1.920 B

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Equitable Student Share

Equitable Student Share

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

Challenges: State and fed data not well disaggregated; actual costs paid by student groups may reflect attendance patterns at high/low-cost institutions more than affordability.

		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

What approaches or data could help define the ESS groups and subsidy levels?

- Subsidy levels can represent a state policy interest in increasing enrollment of different groups of students. Subsidy levels could be based on gaps in college-going rates or Bachelor's attainment rates.
- Repurpose the Adequacy equity tiers used for Academic/Non-Academic Supports.
- Student debt (but need to account for different program/institution costs).
- Average income of different student characteristics.

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Faculty Diversity Adjustment

Faculty Diversity Adjustment

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

Option: Apply an adjustment based on the number of underrepresented minority faculty.

Alternatives:

- Amount per BIPOC faculty
- Amount per student, weighted by % BIPOC faculty
- Combination or phase-in

FULL-TIME TENURED AND TENURE TRACK FACULTY 2021

Institution Name	% BIPOC w/2 or more races	
	% BIPOC	(recommended)
Chicago State University	36.4%	36.4%
Eastern Illinois University	7.8%	7.8%
Governors State University	22.5%	22.7%
Illinois State University	5.4%	5.5%
Northeastern Illinois University	21.3%	21.3%
Northern Illinois University	6.9%	6.9%
Southern Illinois University-Carbondale	7.8%	7.8%
Southern Illinois University-Edwardsville	11.9%	12.0%
University of Illinois Chicago	14.2%	14.4%
University of Illinois Springfield	4.5%	4.5%
University of Illinois Urbana-Champaign	11.5%	11.7%
Western Illinois University	6.4%	6.5%
IBHE TOTAL	11.3%	11.4%

Faculty Diversity Adjustment

ALTERNATIVE METHODS TO ALLOCATE FUNDING FOR FACULTY DIVERSITY

Institution Name	Model	#	%	Method 1:	Method 1	Method 2:	Method 2	Method 3:	
	Avg Enrollment	# BIPOC Faculty	% BIPOC Faculty	flat amount per student		flat amount per BIPOC tenured/t-track faculty		Amount per student weighted by % BIPOC faculty	Method 3 Allocation
Chicago State University	2,366	48	36%	\$ 422	\$ 998,311	\$ 98,924	\$ 4,748,373	\$ 1,347	\$ 3,186,997
Eastern Illinois University	6,339	21	8%	\$ 422	\$ 2,675,199	\$ 98,924	\$ 2,077,413	\$ 290	\$ 1,840,301
Governors State University	4,418	39	23%	\$ 422	\$ 1,864,537	\$ 98,924	\$ 3,880,354	\$ 840	\$ 3,711,427
Illinois State University	20,425	35	5%	\$ 422	\$ 8,619,491	\$ 98,924	\$ 3,494,563	\$ 203	\$ 4,144,379
Northeastern Illinois University	5,983	45	21%	\$ 422	\$ 2,524,826	\$ 98,924	\$ 4,451,599	\$ 790	\$ 4,727,263
Northern Illinois University	15,856	41	7%	\$ 422	\$ 6,691,232	\$ 98,924	\$ 4,069,512	\$ 256	\$ 4,054,590
Southern Illinois University-Carbondale	11,101	41	8%	\$ 422	\$ 4,684,622	\$ 98,924	\$ 4,063,612	\$ 289	\$ 3,211,780
Southern Illinois University-Edwardsville	12,660	54	12%	\$ 422	\$ 5,342,520	\$ 98,924	\$ 5,313,528	\$ 446	\$ 5,648,577
University of Illinois Chicago	33,026	192	14%	\$ 422	\$ 13,936,972	\$ 98,924	\$ 19,034,987	\$ 534	\$ 17,635,366
University of Illinois Springfield	3,937	7	5%	\$ 422	\$ 1,661,273	\$ 98,924	\$ 692,471	\$ 167	\$ 658,652
University of Illinois Urbana-Champaign	53,640	209	12%	\$ 422	\$ 22,635,939	\$ 98,924	\$ 20,651,663	\$ 432	\$ 23,176,361
Western Illinois University	7,390	23	6%	\$ 422	\$ 3,118,439	\$ 98,924	\$ 2,288,008	\$ 240	\$ 1,773,664
IBHE TOTAL	177,141	756	11%	\$ 422	\$74,753,361	\$ 98,924	\$74,753,361	\$ 422	\$74,753,361

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Implementation Topic Teams

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?

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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

Commission Meeting - November 17

Agenda

- Overview of formula framework and objectives
- Outline remaining formula work
- Review model output
- Implementation topic update
- Timeline

Next Steps

November 17	Commission Meeting (9am-12pm CT)
November 30	Technical Modeling Workgroup meeting
December 14	Technical Modeling Workgroup meeting

Future Commission Meetings:

- **Early January:** Review model & provide feedback, preview implementation topics
- **Late January:** Review updated model, discuss implementation topics, preview outline of report
- **Late February:** Close out model & implementation topics, review recommendations & report
- **March:** Finalize recommendations & report

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Adjournment

Next Workgroup Meeting: November 30, 2023

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Hypothetical Student Scenarios

Hypothetical Student Illustrations

White, Pell recipient, EBF Tier 1 undergrad @ Eastern

Adequacy Component	Characteristic	Adjustments
Access	Medium Tier	\$1,000
Supports	Intensive Tier	\$8,000
Core Instruction	Faculty	\$422
Concentration Factor	20%	\$1,200
Mission	Masters	\$0
O&M	Small	\$582
	Subtotal	\$11,204
	Base Adequacy	\$16,152
	Total Adequacy	\$27,356

Hispanic, adult, engineering undergraduate @ ISU

Adequacy Component	Characteristic	Adjustments
Access	Medium Tier	\$1,000
Supports	High Tier	\$6,000
Core Instruction	Faculty; High-Cost; URM in High-Cost	\$3,617
Concentration Factor	0%	\$0
Mission	R2	\$600
O&M	Large	\$0
	Subtotal	\$11,217
	Base Adequacy	\$16,152
	Total Adequacy	\$27,369

Student characteristic

Institution characteristic

Hypothetical Student Illustrations

Hispanic med student @ UI-C

Adequacy Component	Characteristic	Adjustments
Access	N/A	\$0
Supports	Low Tier	\$2,000
Core Instruction	Faculty; Med/Doc; URM in Med/Doc	\$13,717
Concentration Factor	20%	\$400
Mission	R1	\$1,200
O&M	Large	\$0
	Subtotal	\$17,317
	Base Adequacy	\$16,152
	Total Adequacy	\$33,469

Black Pharmacy grad student @ CSU

Adequacy Component	Characteristic	Adjustments
Access	N/A	\$0
Supports	Medium Tier	\$4,000
Core Instruction	Faculty; Med/Doc; URM in Med/Doc	\$13,717
Concentration Factor	30%	\$1,200
Mission	Masters	\$0
O&M	Small	\$582
	Subtotal	\$19,499
	Base Adequacy	\$16,152
	Total Adequacy	\$35,651

Student characteristic

Institution characteristic