

FY 25 BUDGET RECOMMENDATION OVERVIEW
PRESENTED TO THE ILLINOIS BOARD OF HIGHER EDUCATION
JANUARY 17, 2024



Overview

Budget recommendations for Fiscal Year 2025 provide investments to achieve the goals of *A Thriving Illinois*:

- **Equity:** Close Equity Gaps for those who have been left behind
 - **Sustainability:** Build Stronger Financial Futures for individuals and institutions
 - **Growth:** Increase Talent and Innovation to Drive Economic Growth
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- Build on historic FY 2023 & 2024 higher education budgets from the Governor and General Assembly, while recognizing Fiscal Year 2025 is a more challenging fiscal environment
 - Call for an overall \$2.8 billion higher education operating budget, increase of \$179.4 million from FY 24; fund State University Retirement System certified contributions; and continue *Rebuild Illinois* capital investments
 - Funding will reinforce work underway at institutions to close equity gaps in enrollment, persistence, and completion for Black, Latino, low-income, working adult, and rural students and to support economic growth.



Public University Efforts Underway to Close Equity Gaps and Spur Innovation





Community Colleges Working to Close Equity Gaps and Drive Economic Growth



Illinois Community Colleges





Invest in Public Higher Education through Equitable, Adequate, and Stable System

5% Operating Increase for Institutions

- **\$61.6 M** Increase for Public Universities based on Pell
- **\$14.9 M** Increase for Community Colleges
- **\$2.7 M** Increase for Adult Education and Career and Technical Education

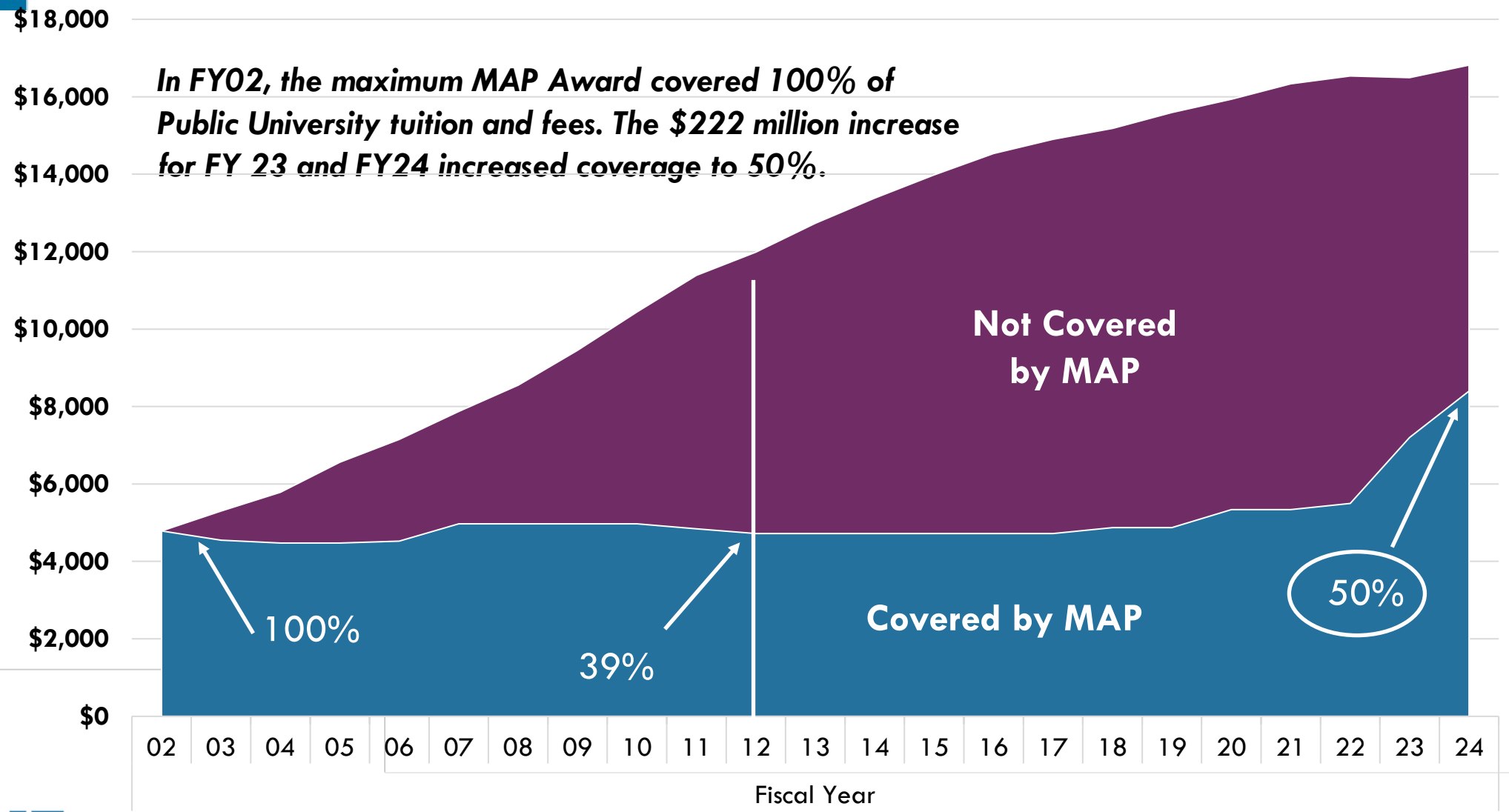
programs





Add \$50M to Continue Progress Toward \$1 Billion MAP

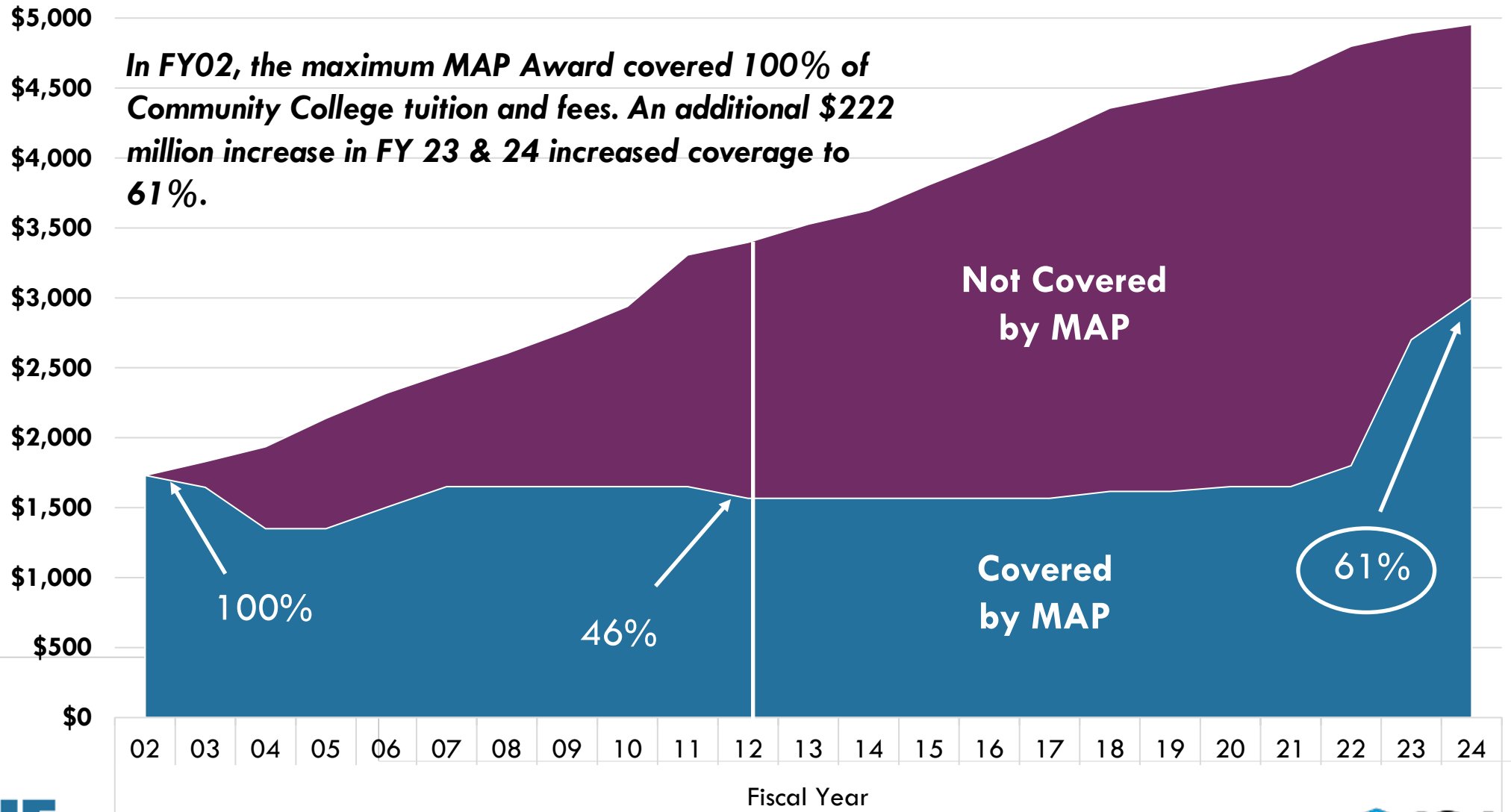
MAP Now Covers 50% of Weighted Public University Tuition and Fees





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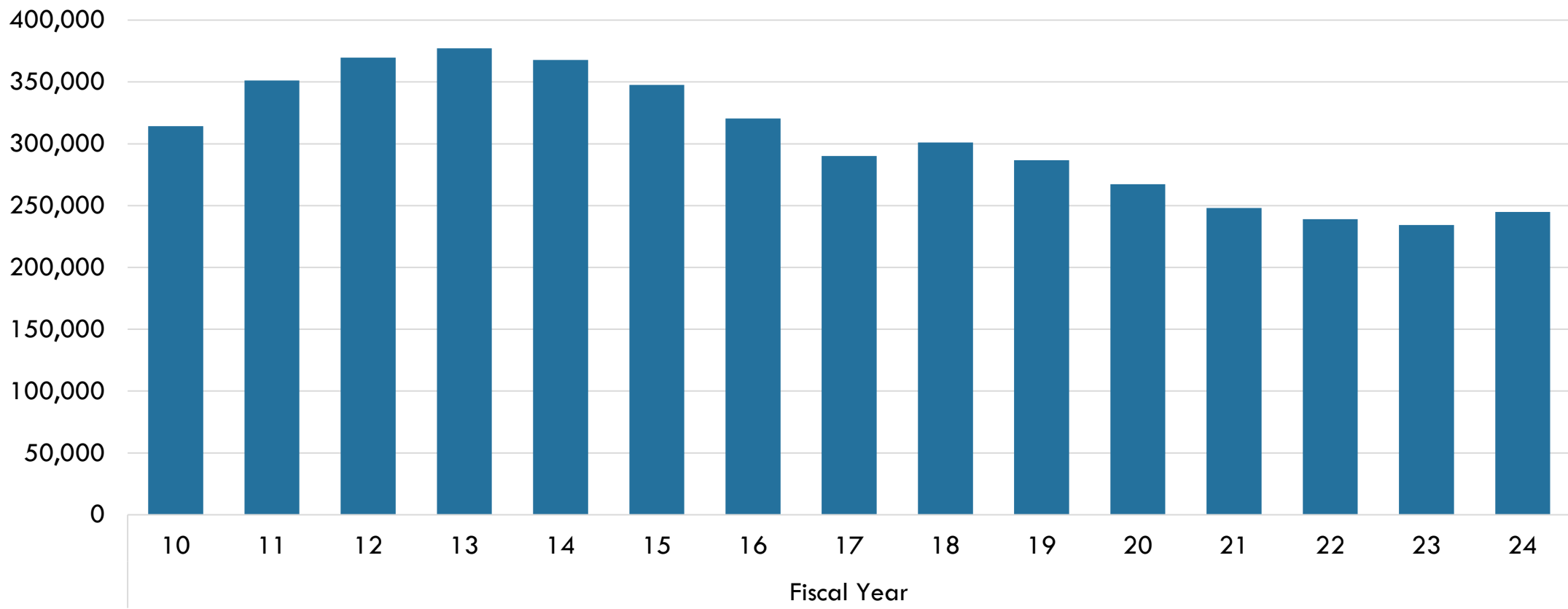
Now Covers 61% of Weighted Community College Tuition and Fees





After years of downward trend, number of MAP eligible students applying is projected to increase

Monetary Award Program Eligibility History:
Fiscal Years 2010-2024*



*FY 24 projected



Maintain AIM HIGH Funding to Encourage Illinois High School Graduates to Enroll Here and Keep Talent in Illinois

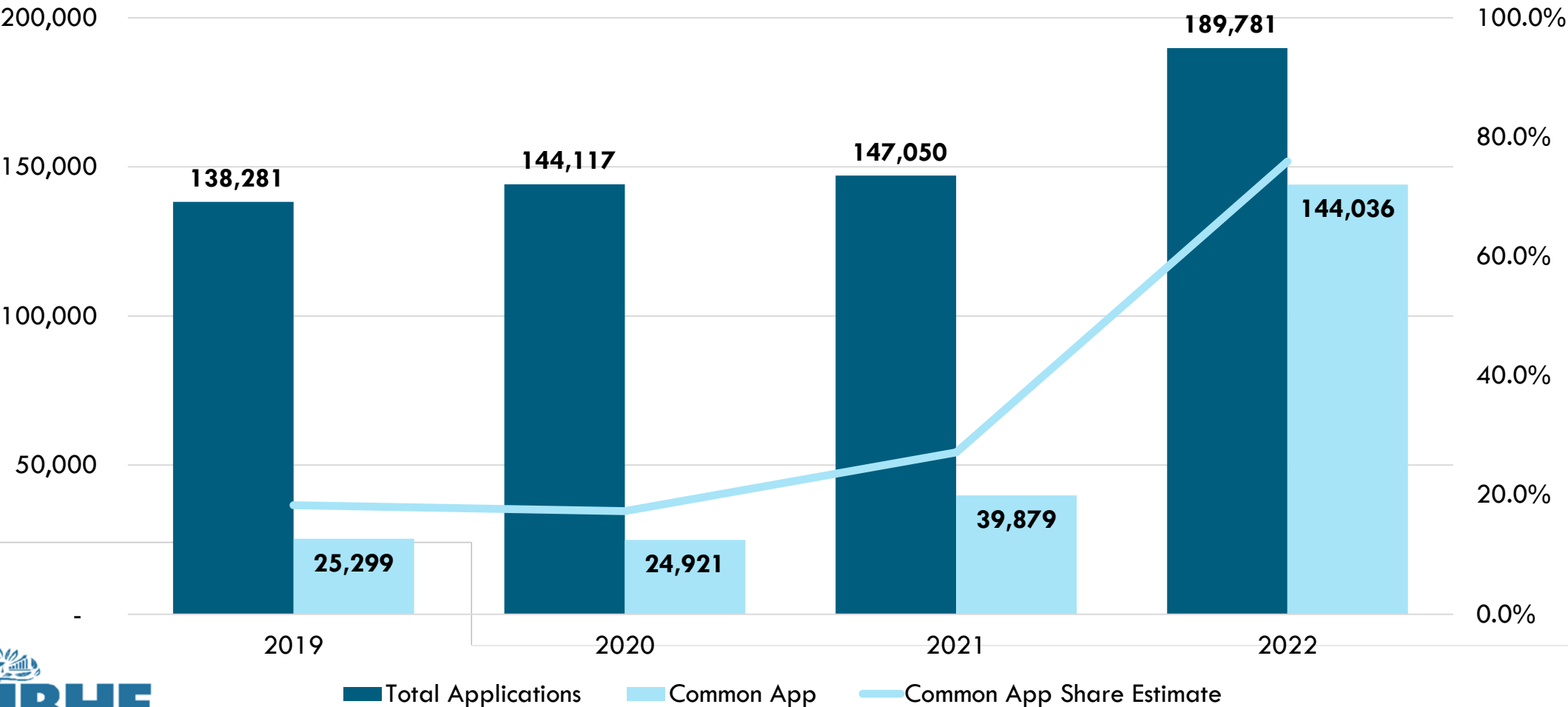
- **Race/ethnicity of AIM HIGH grant recipients was consistent and reflective of the student body:**
 - **16%** were **Latino**, compared to 18% of the undergraduate student body.
 - **18%** were **African American**, compared to 12% of the undergraduate student body.
 - **52%** were **white** compared to 48% of the undergraduate student body.
- Approximately **58%** of the grant recipients were **Pell eligible** in Year 1, **60%** in Year 2, **48%** in Year 3, and **53%** in Year 4 compared to **38%** of the undergraduate student body.

Recommend FY 25 Funding: Continue at \$50.0M



Increase \$0.5M to expand Common App to community college transfer students applying to public universities

Total Illinois Public University Application Volume, Common App Volume and Share





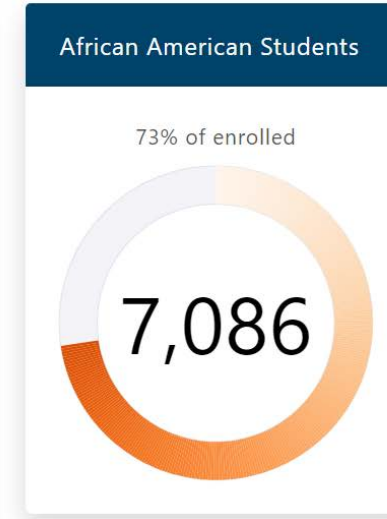
Invest in Programs that Attract and Support Working Adults

Workforce Equity Initiative / Innovative Bridge and Transition Grants

Recommend Maintaining Funding at \$28.8M



- **Short-term workforce** training at community colleges in **high-need communities** for specific **sectors with workforce gaps**
- Jobs/career pathways that lead to **30% above** the average living wage



Recommend Increase of \$150,000 for student supports



*Data on race/ethnicity not available for 25% of students



Support apprenticeships to help students connect to careers



- **Learn and earn** models provide on-the-job training with classroom instruction
- Focus on multiple sectors including **engineering technology, advanced manufacturing, and early childhood education**

Recommend New Funding of \$3.1M



Invest in Equitable Access, Support, and Success in Early College Coursework



Impact of Dual Credit

- Nearly **doubles the graduation rate** at community colleges, compared to high school students who did not take dual credit. Demographic data suggest similar results.
- All 48 community colleges offer dual credit with over **13,000 dual credit courses to 75,000 students** in academic year 2021.
- Represents **one in six students** enrolled in community college courses annually.

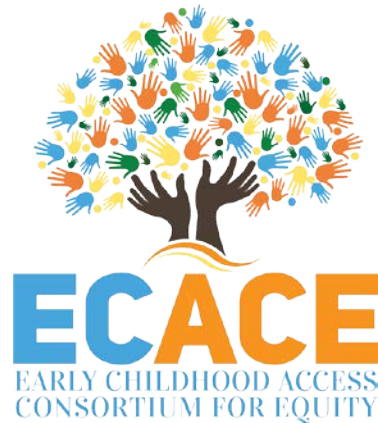
Invest in Dual Credit

- Equity Focused – Underserved Districts.
- Supporting Students – Underserved Students.
- Enhanced Coordination – Better local coordination.

Recommend \$7.0M increase to expand existing grant program for Community Colleges



Continue to support the work of the Early Childhood Access Consortium for Equity



- **Over 3,900 students received scholarships**
- **Institutions' Coaches and Mentors** support students to persist and complete their studies
- **Enrollment in early childhood programs continue to increase**



Recommend \$20 million for ECACE Scholarships and \$8.6 million for mentors/coaches and debt relief



Investments that align state's economic development and higher education strategies, addressing historic inequities



The Illinois Mathematics and Science Academy (IMSA) is a public residential high school for sophomores – seniors focused on STEM. IMSA also provides teacher professional development for K-12 educators across the state.

\$1.1M
Increase

Recommend 5% increase to invest in the STEM pipeline and teacher professional development



Invest in Agency Data, Infrastructure, and Grants to Support *A Thriving Illinois*



**Recommend \$7.6M increase for agency infrastructure
and grants**



Fund State Universities Retirement System Certified Contribution

State Universities Retirement System \$ in Thousands	FY24 Enacted Appropriation	FY25 Preliminary Certification	Percentage Change from FY24
State Contribution	2,133,335	2,286,784	7.2%
Community College Health Insurance (CIP)	7,712	9,191	19.2%
Total General Revenue :	\$ 2,141,047	\$ 2,295,975	7.2%
Actual Change from FY24 Appropriation :		\$ 154,928	

SURS current Funded Ratio is 45.8%, as of June 30, 2023



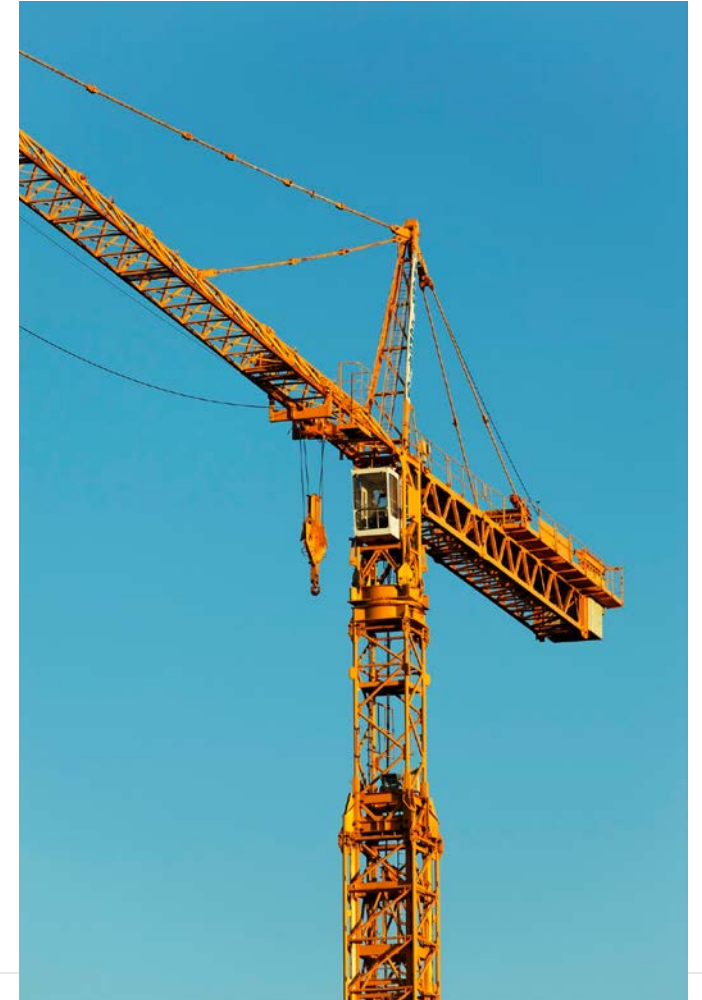
Continue Investments in Capital Infrastructure

Reappropriate Capital Projects Underway

- 26 new construction projects with an appropriation value of \$965 million
- 68 capital renewal projects at an appropriation value of nearly \$642 million are underway at public universities
- 90 projects at a value of \$625 million underway at community colleges

Reappropriate Projects Appropriated But Not Released

- 8 public university new construction projects with appropriations totaling \$236 million
- 118 community college projects with appropriations of nearly \$578 million





Conclusion

Fiscal Year 2025 Budget Recommendations

- Build on historic Fiscal Year 2023 and 2024 investments in higher education
- Continue and expand the Equity, Sustainability, and Growth work of *A Thriving Illinois*
- Invest in Public Universities, Community Colleges, and MAP
- Expand Dual Credit programs and create new Apprenticeship Program
- Continue to invest in programs that work—Early Childhood Access Consortium for Equity (ECACE), AIM HIGH, Workforce Equity Initiative, Ending Student Homelessness, Mental Health Early Action on Campus, Common App





Recommendations Summary

Fiscal Year 2025 Budget recommendations reinforce *A Thriving Illinois*

- Increase general operating funds **by 5%** for **public universities, community colleges, adult education, and career and technical education** programs
- Continue the march toward \$1 billion in **MAP** funding, with a **\$50 million increase to \$751 million**
- **Maintain AIM HIGH** funding at **\$50 million** and **expand Common App** by nearly **\$0.5 million** to keep Illinois high school graduates in Illinois
- Invest in programs that **support working adults**, including the Workforce Equity Initiative and the University Center of Lake County
- Invest in equitable access to early college by expanding the **Dual Credit program**
- Provide \$28.5 million for **early childhood scholarships and grants**
- Invest in the state's economic development and higher ed strategies with a **new \$3.1 million Apprenticeship grant**
- Invest in agency **data, infrastructure, and grants** to support of *A Thriving Illinois*
- Fund the State Universities Retirement System **certified contribution**
- Reappropriate **capital projects** underway and appropriated but not released

