

Once-in-a-decade plan aims to tackle equity gaps and reverse ‘financial trauma’ at Illinois colleges and universities

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SPRINGFIELD — Faced with lingering effects of the pandemic and years of financial disinvestment, the **Illinois Board of Higher Education** released an ambitious plan Tuesday outlining its goals for the next decade: revamping state funding for public universities, improving graduation rates for students of color and retaining top talent to feed the state’s workforce needs.

The strategic plan, **approved during a special board meeting**, includes feedback from thousands of students, educators and business leaders and a 37-person advisory committee.

While the nine-month process was delayed by the pandemic, trends heightened during the public health crisis reinforced the plan’s emphasis on closing achievement gaps among low-income and diverse students. The plan comes out about every 10 years and is required by state law.

“The pandemic certainly laid bare the inequities that were underlying some of the issues that were driving our focus of the plan anyway — these lagging completion and attainment rates, particularly for Black, rural and low-income students,” said IBHE Chair John Atkinson.

Even before the pandemic, Black, Latino and low-income students were less likely to graduate with a college degree compared with their white peers, according to the report. Among the state’s 12 public universities in 2019, for example, only 38% of Black students and 50.5% of Latino students earned diplomas, while 70% of white students did, the report says.

Changing age and racial demographics in Illinois have also contributed to a 19.4% decline in overall undergraduate enrollment since 2013, the report says. Black student enrollment plummeted by 34% during that period, an issue that another statewide task force is working to address, and white student enrollment dropped nearly 30%. Though about 8% more Latino students are entering college as that population continues to grow statewide, they drop out at disproportionate rates.

Undergraduate enrollment at colleges and universities plunged about 6% nationwide during the pandemic, and Illinois was slightly worse, with a drop of about 7.5%, according to a spring report by the National Student Clearinghouse.

IBHE Executive Director Ginger Ostro said rural and adult students, in addition to Black and Latino students, must also be included in discussions about educational equity. She said the plan, which includes 25 key strategies, was developed based on community engagement and data that shows stark disparities among students from less resourced backgrounds.

“We exist to serve students at whatever age and stage and provide them with an excellent, well-rounded education that supports and meets their needs,” she said at Tuesday’s meeting. “We know that individuals who hold postsecondary credentials have higher earnings, greater social mobility, improved health outcomes and other positive life outcomes.”

Rethinking how universities are funded

Across all populations, college affordability is a persistent challenge, and the state’s current one-size-fits-all funding model exacerbates inequities, the report says. Public universities typically receive the same percentage increase or decrease in appropriations — funding is not distributed based on the need of an institution to help vulnerable students stay on track — and the rate of investment has not kept pace with inflation.

As a result, universities have raised tuition and student fees over the years to make up for the lack of state support, placing a higher financial burden on students. In 2002, for example, “state funds on average covered 72% of public university costs vs. 28% from tuition and fees,” the report says, while in 2020, “the situation has flipped, with the state covering 35.6% vs. 64.4% from tuition and fees.”

While the report doesn’t suggest a specific solution, it calls for “an equitable, stable, and sufficient funding system.”

Atkinson said IBHE will work with a new coalition that is expected to form to explore possible funding formulas, including ones accounting for the number of low-income students enrolled at each public university. While some of the universities expressed concern about losing funding with a new approach, Atkinson said a “hold-harmless” provision would be key to ensuring that schools don’t see money yanked away.

Noting the impact of the budget impasse under former Gov. Bruce Rauner that resulted in a \$1.2 billion cut to higher education in 2015 and 2016, Atkinson said the universities have endured “a tremendous amount of financial trauma.”

“They have really tightened their belts, and there’s not a lot there in terms of areas to cut,” he said.

In addition to a new appropriations model, the plan advocates for increased funding of the state’s need-based scholarship program, known as MAP grants. It advises lawmakers to invest an additional \$50 million in MAP for each of the next 10 years.

When MAP was first created in 2002, it was funded at a level that allowed all eligible students attending colleges in Illinois to receive scholarships. But now, the grants, coupled with federal financial aid, don’t typically cover the full expenses and in 2020, the money ran out before 53,000 eligible students, most of whom were potential community college students, could receive the scholarship.

Atkinson also highlighted the need for business leaders to collaborate with universities and share input on unmet workforce and training needs.

The plan recommends the creation of a business and employer advisory council to partner with IBHE and help companies “build diverse talent pipelines.” The council can also help business create more opportunities for college students through internships, apprenticeships and scholarships, the report said.

About 1.7 million residents have earned some college credit but no degree, a population that could be trained and educated further, Atkinson said. About 47% of Illinois high school graduates left the state in 2019 to attend college elsewhere, creating a significant talent drain for employers, according to the report.

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