

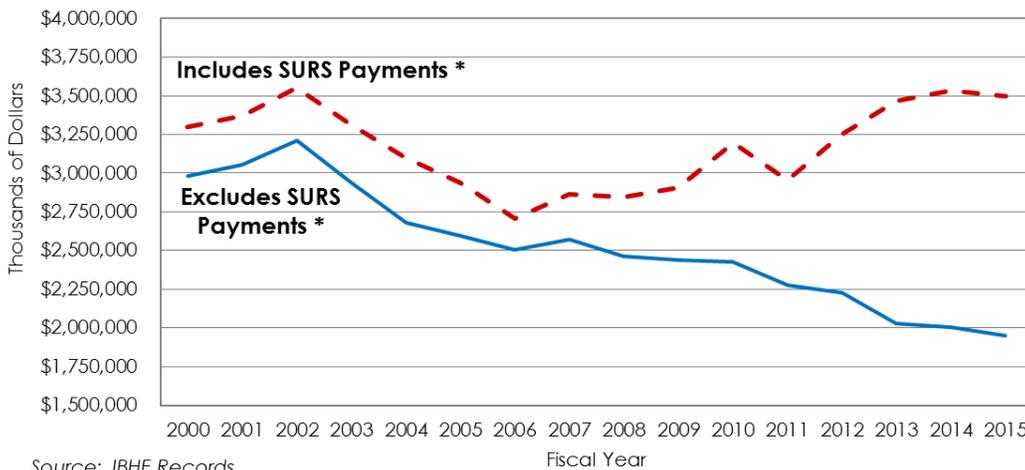
ILLINOIS BOARD OF HIGHER EDUCATION

Appropriation Hearing Highlights: *Investing in Illinois' Future*

- The impact of the current budget impasse remains dire:
 - *College opportunity for 130,000 low-income MAP students is at risk.*
 - *Large layoffs of faculty and staff impending across the system.*
 - *The Higher Learning Commission (HLC) has asked all public universities and community colleges to provide financial sustainability plans to protect students in the face of closure.*

Figure A

State Appropriations for Higher Education Operations and Grants,
FY 2000-2015 (in FY 2015 Dollars)



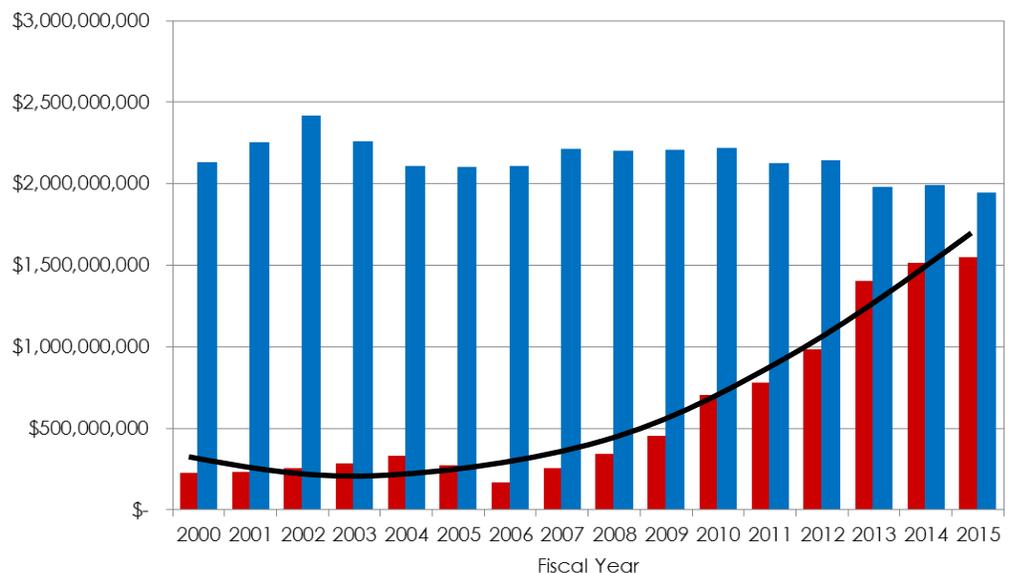
- *Figure A shows the amount of purchasing power of the state appropriation that has been lost by universities and colleges over the last 15 years. When adjusted for inflation, higher education funding (excluding pensions) decreased \$ 1.1 billion, or 36.4 percent.*

** Includes State General Funds, Student Loan Operations Fund (for MAP in FY07 and FY12 and MAP Plus in FY07), Budget Relief Fund (FY09), and State Pension Fund appropriations.*

Figure B

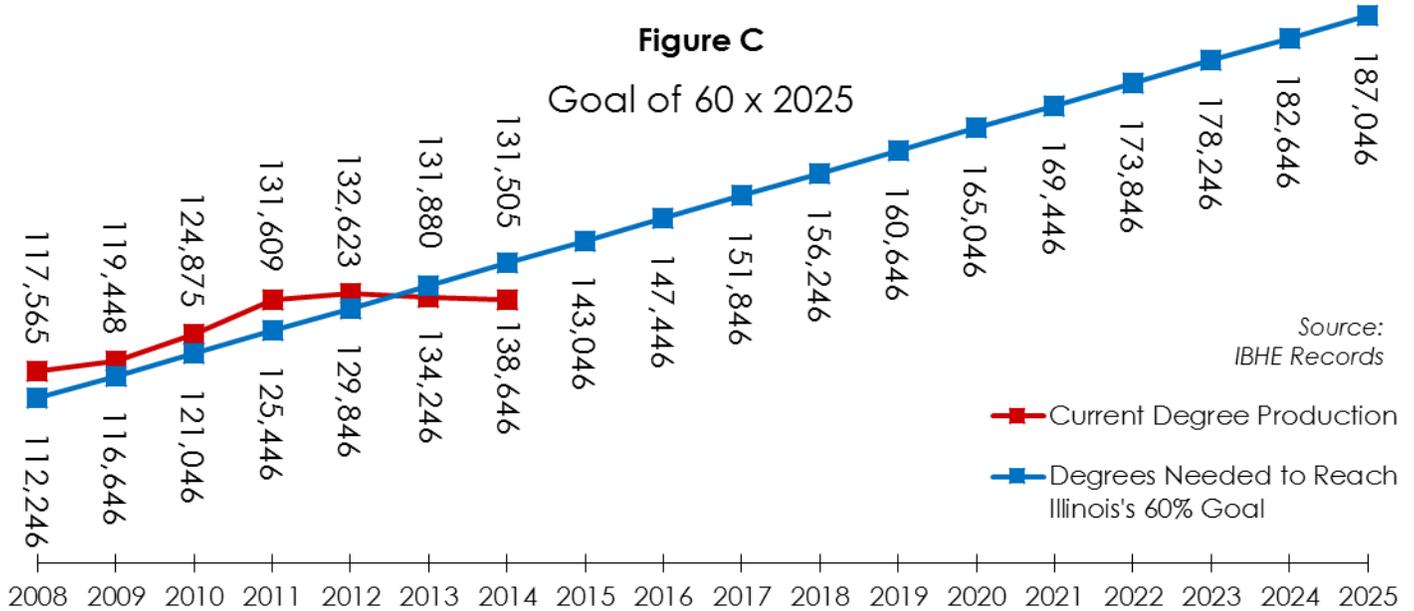
State Pension Funding to SURS Compared to Higher Education System Funding, Fiscal Years 2000-2015, *Unadjusted*

- *As Figure B indicates, the significant increase in SURS contributions (unadjusted appropriations) in the second half of this period shows a dramatic “ramp up” of required state payments. As spending on retirements rose from 2006 to 2015, state spending on higher education operations fell by over \$150 million.*

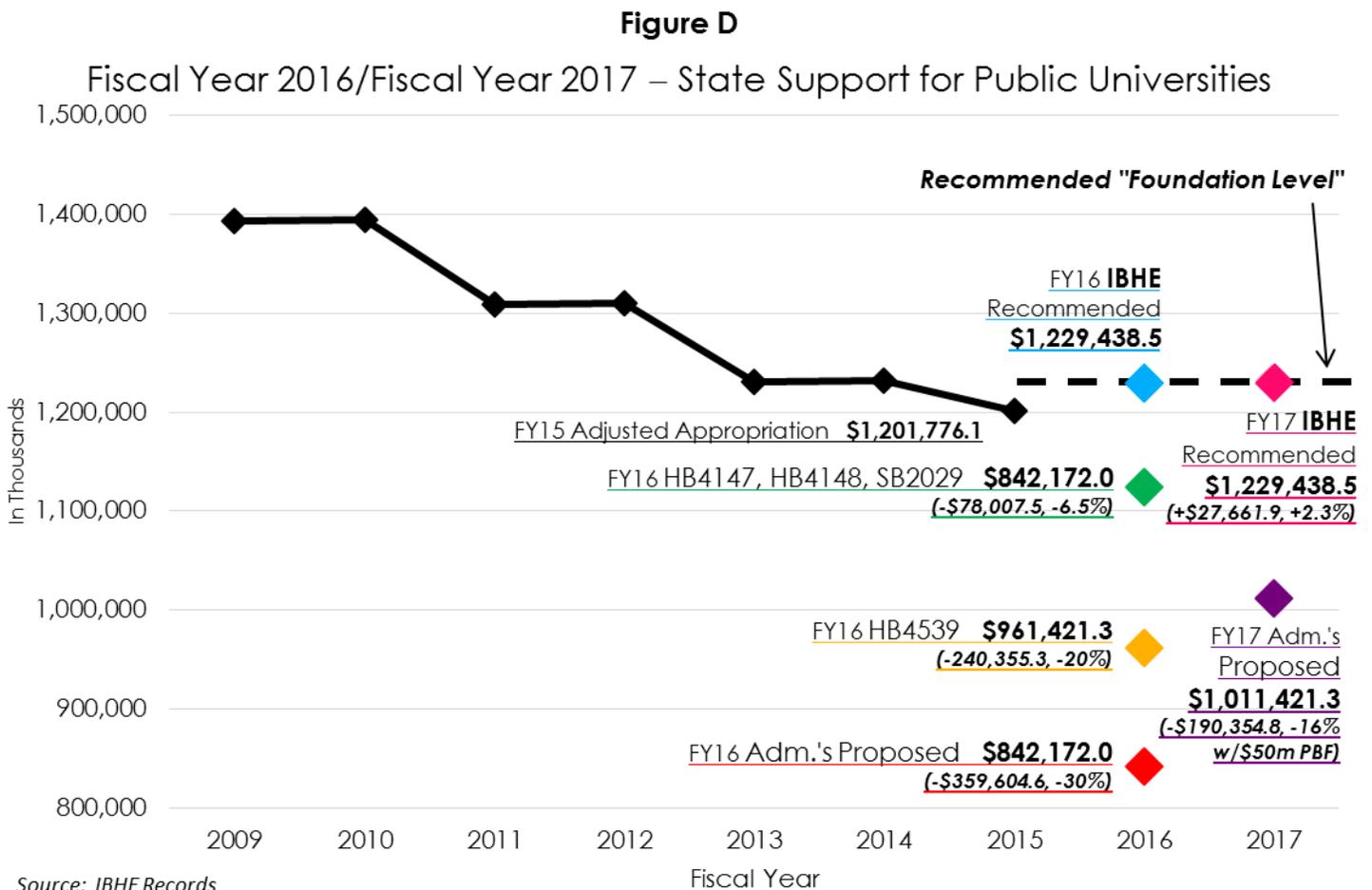


■ Retirement System Funding (SURS) ■ Operations Funding

- *Figure C* shows how Illinois must dramatically increase the number of college-educated people in the workforce, aligning with the Illinois Public Agenda’s goal of 60% of the workforce with a college credential by 2025. Two-thirds of all new and replacement jobs will require a college credential.



- As indicated in *Figure D*, IBHE is recommending an FY17 budget that supports establishing a “foundation level” for state investment for public universities at the same level of funding recommended by the IBHE Board for FY16 of \$1.2 billion.



- IBHE is calling for the formation of an Illinois Higher Education Compact comprised of a partnership with leaders of higher education, the General Assembly, GOMB, and IBHE to develop strategies that bring stable and sustainable funding to the state's higher education system tied to improvement of affordability, effectiveness, and student success outcomes in Illinois' higher education system.
- Illinois public higher education alone generates nearly 110,000 jobs, nearly \$10 billion in direct economic activity through salaries and purchases and tens of billions more in indirect economic activity.
- Illinois job advertisements in 2014-2015 clearly showed that 54% of those jobs required a Bachelor's degree to apply; only 19% of the current Illinois workforce over 25 years of age has that degree according to a recent national study. (Achieve, 2016)
- Labor market projections data clearly show that unless we invest in expanding Illinois' capacity to provide high-quality college credentials to its people, the chances for economic success are seriously diminished.

Illinois Higher Education Good News

- Illinois was third in the nation for full-time community college students completing bachelor's degrees at four-year colleges.
- Over 87% of students who full-time enrolled at an Illinois public university had completed a degree within six years. This was seven points higher than the national average (80%).
- Illinois was also above the national average in terms of completion for students enrolling at private universities (87%). In fact, there was little difference between full-time students at public and private colleges.
- Illinois was best in the nation in completion rates for students starting part-time at public universities. Its completion rate of 46% was over two times the national average (19%).
- Illinois was also best in the nation in completion rates for adult learners at public universities at about 50% higher than the national average (63% to 43%).

*Source: National Clearinghouse Research Center
February 2016*