



The group introduced themselves and their affiliations.

### **Welcome and Opening Remarks**

Dr. Reid said, “Ed Maloney do you want to give us some words of wisdom”

Senator Edward Maloney said, “At the conclusion of the meeting today I thought I would offer to communicate what we have done here today with the members of the General Assembly. As you know we are going to be overwhelmed with a lot of pretty controversial issues but I think it is important that we prepare some sort of summary as to what was accomplished so far and given the fact that this is an issue that we will really take place in next year’s budget we kind of make people aware of what is going on, wait until the conclusion of the budget session and then I think it is important that we make personal contacts specifically with leadership and members of the Higher Education Committee as we move forward.”

Representative Robert Pritchard said, “I think we have come a long way on our funneling down of this whole process and I think the next hour or so plus our next meeting in November are going to be critical to what we can report out and how we can build support around the state for it. So we have some good conversations to do yet.”

Representative Naomi Jakobsson said, “Thank you very much. I guess it is appropriate that I am introducing myself now since President Hogan just called in. Good morning. Thank you. I am very glad to be here and this is something that I have been listening to people as I go around the state, talk to other various educators and people who are in higher education, but I am also listening to K-12 because I really believe that when we are all on the same page it is going to benefit all of our students P-20.”

Dr. Reid said, “So Chancellor Cheng when you invited us down here you did not tell us you would have perfect weather, but we certainly do appreciate your invitation and to sample the Southern Illinois University Carbondale hospitality is just absolutely great. Do you have any opening words of welcome for us?”

### **Welcome by Rita Cheng, Chancellor, Southern Illinois University, Carbondale**

Chancellor Rita Cheng said, “I would just like to welcome everyone formally to the campus of Southern Illinois University Carbondale. This is a campus that began in 1869 as a teacher’s college and grew academically and regionally over the years with a school of medicine in Springfield and over 8,000 acres here in the Carbondale area. The University is classified as a high research activity university and we have over 200 degree programs offered in eight colleges on the campus, 5,400 employees and 20,000 students and we did cook up some exceptional weather for this meeting and I guess I could say it is always like this in southern Illinois. Thank you.”

## **Retrospective – Chairman, George W. Reid**

Dr. Reid said, “Thank you so much. We appreciate more than we can actually say the support from the Governor’s office, the Lieutenant Governor’s office with Sheila Chalmers, and the support from the legislature. We do appreciate this because this is a very daunting initiative and we hope to have everybody’s support as we get closer to the end.

Dr. Reid said, “Well today is our fourth meeting of the Performance Funding Steering Committee and to say the least of it you have worked very hard, very diligently and our work is aimed at creating a new and improved budget for fiscal 2013 that will be based in higher education on performance paying for performance and we have as we have moved along here our eye on one shared goal among us all and that is to have more Illinoisans to be successful as they attempt to achieve completion of post-secondary education in this state not just for themselves but it is for themselves, but also for a more prosperous future for their families and which will mean, of course, for our great state.

“Whatever we accomplish and I think several things and some of them are more intangible than others. One is that we have gathered together to dialogue this important issue, representing so many key stakeholders throughout the state. There have been students who have worked with us, faculty members who are talking to us about quality teaching and the skills that are necessary for student’s to be successful. There are members of our leadership in higher education, some on the phone, some are here with us, the Presidents and the Chancellors of the public and the private institutions and then there is the business community, Jeff Mays and others who have joined us, and this community will reap the benefits of our labors. They will enjoy if we are successful, a well educated and a well prepared workforce of college graduates who are more educated than ever before. As I said in so many ways and so many times our legislative and executive branch leaders who have offered from the very beginning their support has been absolutely wonderful. That is our work; we have come together since July as leaders across the state dealing with that shared goal of 60/25. You all know what 60/25 is. It is that by the year 2025, 60 percent of Illinoisans who are of college age will have completed some form of post-secondary education and we are pursuing that goal for several reasons. The Finance Study Commission says it is sort of the right way to go, the Governor’s office has endorsed it, the Members of the Board of Higher Education have endorsed it, the P-20 Council has endorsed it and it is also embedded in the *Public Agenda* which is our blueprint, our strategic plan.

Secondly, I think more than anything else we have learned a lot about higher education financing, how we need to put our state and our universities, our students in a better position, because we have this great document that we call the *Public Agenda* and the Finance Study Commission has said that the way we are financing higher education does not give us the full value to accomplishing the *Public Agenda*. We need to do something different and the Finance Study Commission said we need to look at performance funding and that is what set it off. What also set it off was President

Obama's call in the well of the United States Congress in his first address to the Congress. In his first state of the union in 2009 he said he was disappointed that America was ninth in the world in the production of college graduates and we have to do something about it, because before he leaves office he wanted us to be number one and that is why the Governor has backed this issue and created it into law in August. All of this is a part of the same movement.

"I think thirdly people have begun to think about these concepts, but not just think, they have begun to write about them. We probably have had six or eight excellent position papers. We have a few today, some succinct concerns by the Student Advisory Council. We will call on some members of that Council a little later to give us a two minute summary. If David Anderson is not here, just to give us a two minute summary of what they were trying to accomplish in their position paper and then there are others. ILACHE has presented a position paper and we will ask Liz Ortiz to give us some ideas about what they were attempting, aiming at doing in their paper.

"Then fourthly, which has been the hallmark of our work we are in a collaborative state and what this means to me is that not one of us has the answer to this new funding model, but all of us together do. That then we must collaborate, talk to each other, understand the positions of each other, as I said so many times before, if we all have these hard and fast positions that we hold and we are not willing to hear and to compromise then we are not going to get much done, but if we collaborate in the spirit of collaboration then we are going to get a lot done and that is where we are today.

"Fifthly, we have agreed to several principles guided by the work of NCHEMS and Dennis Jones here to my right, principles upon which performance funding should be based. Some of these issues are not easily resolved as you saw from our last meeting. At our last meeting we had to create a parking lot there and ask Rita Cheng if she would summon a group together to talk about our unresolved issues. Then today you will hear from Rita and the unresolved issues. We will also hear from our colleges at the Community College Board who will talk about what it is that they would like to see us have as a formula. The Community College Board leadership and IBHE's leadership have worked together to produce the presentation that they will give us today.

"Then today in the final analysis, the last item on our agenda, Dennis Jones and Al Phillips will walk us through an exercise, I put emphasis on exercise, because hardly any of this is in stone yet. These will be propositions that we think are the right propositions to lay before you for your decision on what metrics we should have that would drive our financing formula in higher education.

"One of the things I like to do in these meetings before we end and today I will do it at the beginning is to talk about what our next meeting should be. So we are going to meet again on the 30<sup>th</sup> of November and it will be in Decatur at Richland Community College. At that meeting the report that Al and Dennis will give you today, I want us to finalize that report. That report will take into consideration all of the position papers that

we have received including the one from the community colleges and up to and through today. I want us to finalize that formula. Al is going to suggest a formula today and then I want you all to give me some help. As Ed Maloney said in the beginning of his comments we will have to present some things to the legislature, but I am duty bound to present a report to my Board. Many of the members of my Board are on the phone and a few are sitting around in the audience today. But, I want you to tell me what you think goes into that report and I will be listening to that feedback. I will be listening for feedback in that meeting from the Governor's office and the Lieutenant Governor's office about how they think we should go forward with our report. And, that hopefully will be the agenda for our meeting in November. Our agenda in November will be aimed at, okay we finished our work, then what is our action plan from there to the finish.

“Now we also have a board meeting, the IBHE Board Meeting is December 6, 2011 at Moraine Valley Community College. I invite each of you who has participated in this process to come to that board meeting because it is at that board meeting that we will make our first preliminary presentation to the Board about performance funding. I would also say to you that you should keep in contact with IBHE. Al Phillips and his group have designed a performance funding website. All you need to do is to go onto the IBHE website, look for performance funding, click on that, and you will get minutes, you will get transcripts, you will get testimonies, you will get some of the position papers, etc. All is up there at that website, but the whole point of this is to ask you to stay in close contact with IBHE as we move forward on all of this. Go to the website, click on performance funding, read there what we have laid out for you, and then you will be caught up with us in our activities even through this day.”

Dr. Allan Karnes said, “Just a procedural thing for the next meeting could we get the materials perhaps three days beforehand. I would like the chance to read them and digest them before.”

Dr. Reid said, “You have a decisions to make, I will be glad to get them to you, but I have operated on the view that we get to you position papers when we get them. Some of them have come in late and therefore you get them late, but if you want me to have a cutoff date and say beyond that we will not pass those out, I will be glad to do that as well. So it is just according to what you want to do.”

Dr. Karnes said, “But in addition these kinds of materials.”

Mr. Larry Frank said, “George for some of us who work with organizations that have boards and a little more cumbersome decision making process if you want, because you know on the IEA's position at the next meeting I really need to see things a week or two in advance and I apologize for that but it is just, you know, we have this small board of like 100 people that we try to work with. We do not react quickly.”

## **Summary Comments from Authors of Position Papers – Chairman, George W. Reid**

Dr. Reid said, “Last week our friends from Northeastern Illinois University came and presented to us their ideas about the upcoming budget and in a few minutes I am going to turn to President Sharon Haas, give her about five minutes or how much ever she needs to talk about some of the ideas that she expressed in that meeting that I thought would be good for a group.

“But, right now I want to turn to Rita Cheng to talk about the unresolved issues and where we are with those.

## **Unresolved Issues and Proposed Issue Resolution – Rita Cheng**

Dr. Rita Cheng said, “Thank you George. Our subcommittee was asked to respond to eight items that were considered unresolved as of the last time that we were together and our committee met on two occasions for phone discussions, exchanged a number of emails and many of us had an opportunity to also discuss the issues when we were in Austin last week.

“There were eight issues. The first three are related to the funding effort and it was the consensus of the group that the spirit of the legislation for performance based funding was to provide positive incentives to all the institutions to graduate more students. In keeping with this spirit, performance based funding in our estimation should be financed with additional monies and we recommended that we continue to go to the General Assembly and ask for increased funding for this effort. The remaining two items that are related, issues two and three, are to address hold harmless or a stop loss provision, and again these are related because they would be very different in people’s minds if it was new money versus if it was a carve out.

“In particular number two, a hold harmless, the group felt that over the short term it would be important to give universities time to implement changes in policy and data collection, but over time there would not be a need for a hold harmless and indeed in the spirit of continuous improvement the hold harmless provisions could be dropped after a period of time, because of the efforts put in place in the short term should be adapted and able to come with positive outcomes.

“The same holds true for a stop loss provision. Again over the short period we believe organizational structures may not be in place at all institutions, so a stop loss provision might be higher, but again over several years no stop loss should exist.

“The next issue related to how to differentiate between the types of four-year institutions and we recommend in this order: mission, the Carnegie classification of institutions of higher education, and then a demographic profile of the institution that may not be captured in the first two items. The demographic profile could include the

percentage of first generation students, the race and ethnicity profile of the students, and the number of students who are Pell recipients and other types of measures.

“Five and six relate to what qualifies as underserved or underrepresented, as well as how to address the affordability issue. These were the two items that our committee spent the most time on and had the most difficulty coming to consensus and this document is a best effort to draw in multiple viewpoints, but clearly there is a need for simple and reliable ways to insure that populations that have been historically underrepresented in college completion, i.e., ethnic and racial minorities, first generation, disabled, veterans, urban and rural populations and non-traditional students be included. Most of the committee felt that looking at students who receive need-based financial aid might be a clear path to capturing all of those different dimensions of underrepresented and underserved as well as students taking remedial courses, those that coming from the rural and urban areas that may not have had the preparation for college that suburban and other students may have had. Again, this was not a consensus of the whole group, but clearly we did feel that once this was determined that additional weighting needed to be put in place in any model for institutions serving underserved and underrepresented students.

“On the affordability issue, again, the committee acknowledged and had a lot of discussion around the affordability issue. It is a critical issue, it is a concern for students for completion of higher education, but with that said we believe that there has not been enough time for us to deal with this unresolved issue and we would recommend that the executive committee take a substantial amount of time to determine how affordability should be measured within the context of performance based funding. We also discussed how we would need to work with ISAC and the legislature to determine how MAP funding is connected with the ability for institutions to achieve the goals of performance based funding.

“Regarding quality, our first, I think, is the strongest of the statements in this area. We believe that performance funding can and should support quality improvement and that with budgets already stressed relating to the number one issue, performance funding should be funded with new money rather than a carve out of existing program. To address quality existing mechanisms to insure institutional quality through shared governance processes including contributions by faculty senates and college and university curriculum committees will be vital and implementing metrics that incentivize completion should be done without reducing any standards for learning outcomes or any type of the accrediting bodies oversight on institutions.

“And finally, as performance funding relates to economic development we see that higher education is a significant contributor to the creation of a vibrant economy and that improvement in the number and quality of college graduates and employer recognized certificate holders will contribute to economic development.

“You have our full report which has a little bit more of the language flushed out, but I present this to you for discussion.”

Mr. Timothy Harrington said, “Thank you Dr. Cheng for putting this all together. I know that it was quite an effort as being part of the committee and seeing the amount of emails going back and forth. I just would submit that when we are talking about the remedial course in the number five, that we add the idea of at any and all institutions so that those remedial courses could be taken at any level.”

Ms. Elaine Johnson said, “And Tim what do you mean by that, just at the university and community college?”

Mr. Harrington said, “Yeah.”

Ms. Johnson said, “Okay those were our intentions.”

Mr. Harrington said, “Yeah at the university, college or community college level.”

Dr. Reid said, “Those of you on the phone do you have a copy of the unresolved issues report?”

Ms. Liz Ortiz said, “Yes, when it comes to item number five, just looking at it from how and remedial courses, I feel that I must state for the record that my constituents feel strongly that we do need to articulate underrepresented groups when it comes to race, ethnicity, ability, gender. My constituents feel that this is kind of a backing away from traditional access, equity, issues of social justice and an important thing is that undocumented students do not receive financial aid so that will leave out a large portion. You may say they will be in remedial classes, but that is not necessarily true either. So I just feel that in a way this is so unspecific that I think it really backs away from issues of equity in the state. When we talk about two Illinois, we know who we are talking about.”

**[Inaudible]**

Dr. Cheng said, “No, as I said that number five was the most difficult of the issues for us to put our arms around and there were a lot of discussions around trying to fine tune the measures to get at the difficulties that underrepresented students have, whether there is race, ethnicity or poverty issues and we knew that there were a lot of correlations and overlap, but fully respect your position and that was why it was so difficult.”

Dr. Reid said, “I guess the answer is that she is going to add race and ethnicity back in there.”

Dr. Wayne Watson said, “I apologize, I am having a difficult time hearing you so, just in case I am repeating something that was already stated I apologize, but the reason

why I am stating this is because I cannot hear you. I just want to make sure that when we talk about the underserved and underrepresented that we go beyond the two points of A and B. A being MAP, Pell Grants, and etc., and B being remedial courses, and the reason why I want to make sure we go beyond that is just a definition, because the federal government will change the definition of who is qualified for Pell and if they change that definition then a number of individuals will drop out of the bottom as we just saw what happened July 1 of this year. Secondly, with regards to remedial courses the concern is that the remedial courses are offered currently at community and at the university level. I just want to make sure that down the road, that as we are looking down the road that is not rewritten where only the community colleges are the ones who are allowed to offer remedial courses. Most universities are offering university courses and it has pretty much become part of our mission. The last point as stated is that we must make sure that when we talk of this group, and we are talking about the lowest social economic quartile regardless of race, that we are talking about first generation students regardless of race, and that we are talking about, now this one may have an application of race, and that is STEMS. There is a great need to get individuals of color into the STEM area. So I just want to make sure that somehow we add that, but we include that in the underserved, because points A and B can change down the road, and A and B does not include that.”

Ms. Johnson said, “Couple of things I would like to just clarify for the committee, as Rita did say, it was very difficult, because I took in the stand the way the community colleges felt on this, and we also had promised at the beginning of this we were going to keep these measures, metrics pretty simple to start with because we did not want to get to the position where we were trying to really create a formula that was unattainable for some people. So we really looked at needs based financial aid to extend that to Pell, MAP, veterans, any kind of aid that any student would receive. We thought that might capture a larger population of students and then the remedial courses, Wayne, we did say that was community colleges, all colleges. It was not just community colleges on that one. We had a lot of debate on that so we are just; our recommendations were that it captured a large population. I appreciate what you had to say Liz, we need to consider that as well, looking at the undocumented students, but remember we do not want to make these metrics to start so overwhelming that the colleges are not going to be able to participate in this. That is where we stood on that, but we will take recommendations and bring it up.”

Dr. Reid said, “The only thing I want to say about it is that it seems to me that when I turned to Rita after Liz had spoke, and I think Rita also said, that the group would take into consideration race and ethnicity in the definition.”

Dr. Cheng said, “We will come back with a revised definition.”

Mr. Jeff Mays said, “Thank you very much George. I just appreciate the work that your committee has done Chancellor. Quick question of clarification, on point number one which is a fundamental point, it is clear that you are saying initially this needs to be incentive, this cannot be out of current budget base and then in the second

paragraph you kind of talk about a timeline for fiscal 2013, because budgets are already in process, now is not the time to do this. Do you envision a time, is that the timeline we are looking at for incentive funding and when do you envision a time that this may actually change how institutions are funded?"

Dr. Cheng said, "We did provide the timeline from January 2012 through June of establishing and building institutional capacity knowing that the law will be effective in July 2012. That first year we will have benchmark year, right now it is really too late to be making significant changes to impact next year. We are recruiting students, we have our students already on the campuses that will be affecting graduation rates four years from now and the envision of the group is that then after the first, June of 2013 we will have some data to know how we are doing to move forward. The concern that the group had is that we will change a very positive collegial process that has been the spirit of performance funding from the get go to a more punitive if we start to think in terms of carve outs right away. We do know that over time, more and more percentage of our budgets would be tied to this that is fine, that is why we said that hold harmless and stop loss really are terms that could be used in the short term, but in the long term that they should be much more free flowing."

Mr. Mays said, "And I understand and support the walk before you run kind of position that we are taking as long as we do not lose sight of the fact that we are going to be running at some point. I remember in the no child left behind discussions when the state was going through a whole bunch of contortions about our schedules for ramping up improved performance, we started out with zero for three straight years thinking, you know boy we are going to get the momentum going, and then no momentum happened. So the bottom line is I think we need to keep the end in mind, this is supposed to change how institutions are funded and at some point it has to."

Ms. Johnson said, "Jeff, I think we considered that during the process, but when we really looked at it logically on the timeline, because this is not even going to go to the Board until December or January, and then people have to talk and even though some of our systems are much better prepared to do that. I think the community college system probably is because we have much more of, I think a lot of the metrics in place, but when you look at everybody we are asking to participate in this, if we set everything up and make sure people understand then we have to have a benchmark date. So, even when we have the metrics set up saying as we move forward in FY 2013 this is what you are going to be measured by. Well you are not going to know how you do until the next years, so that was our thought process."

Mr. Mays said, "Again, collegial is important especially in something like this understanding that we have to walk before we can run, that is important also. I would also presume that the extraordinarily limited state funding that we have had the last few years have forced the institutions to develop some metrics about the success of their individual programs that they are funding and making priorities of their own. So all those

things we have to digest and factor in. I just want to keep the end in mind is to change how we fund.”

Dr. Cheng said, “I would also like to point out that in our budget meetings with IBHE in the next few months we will be looking at benchmark data and that is the benchmark data that will be going into the next budget year. So, we are talking a difference here of about six months knowing that we are preparing for the 2013 year and then we have got that year to measure our progress.”

Ms. Johnson said, “We also, Jeff, thought that and I do not want to speak for the Senator, but he can chime in when he is ready, but was the fact that this committee and higher education in general has done so much work in showing that we really want to be measured, we want to do things, and if there is ever a time to say look at higher ed., let us really hit it hard and we have some document to say to this is the work that we have done and if we are ever going to lobby hard for higher education funding this is the time to do it. So that was really kind of part of our consensus as well.”

Senator Maloney said, “I think we have all the rationale to pursue this philosophy as it was presented which is positive incentive. We are talking about the future where it is tied to the *Public Agenda*. Everything that we have done is consistent with that philosophy and think we need to remind members of the General Assembly when we begin to roll this out that they approved this in a unanimous vote based on this philosophy and so I think it is imperative that we get the Lieutenant Governor back on board as a political force to move this forward, the Governor’s office, etc. All the philosophy is in place to justify the position that we have taken in this.”

Dr. Reid said, “The Lieutenant Governor would have been here today, she is off to another appointment but Sheila Chalmers is listening in from her office, a top level staff person.”

Senator Maloney said, “We participated in the Complete College America conference in Texas, just last week, I do not know what Complete College America’s official political position is, but now the fact that there are 31 states involved in this, maybe a statement from Complete College America as to the solid rationale that this sets forward which is consistent really with the President’s plan would go a long way toward giving us the impetus to seek additional funding, because for all practical purposes higher ed. has been cut the last several years and to cut it with the philosophy in place does not make sense.”

Dr. Reid said, “I am going to turn before the meeting adjourns to Mike Baumgartner from Complete College America for him to make a statement that is appropriate to this issue.”

Mr. Harrington said, “And with this timeline, you know in the beginning short term, institutions have to have the ability to change, the ability to put policy into place,

the ability to make institutional change before they are assessed on a metrics that would come at some further point. So, in the beginning it is about institutional change, in the end it is about meeting the metrics.”

Mr. Frank said, “Just, it seems to me one of the challenges we are going to face, and not necessarily here as we talk about what is important, but ultimately as this system gets put into place and legislation is developed is how much money is available and when and what part of existing budgets do we want to re-appropriate. For example, on the whole question of underserved, we sort of mix in there underserved and unrepresented populations which to me is a question of affordability and access and the remedial ed. piece which says what do we do about the kids who are getting in now and are not making it through the system. So, I think we are talking both about broadening the base of students that get in and succeed in higher ed. and making sure that folks who make it in, make it out, which would include some of the kids who are in there now. It is great to talk about doing that with increased funding for higher ed. and certainly we will be happy to lobby for that. If that effort fails at the end of the day somebody is going to have to think somewhere about which we do first, because if we simply open up the system to more kids without taking care of the remedial ed. piece it seems to me all we do is make a false promise that allows more people in the door and allows them to fail. At some point we have to think about the logic of what happens when.”

Dr. Reid said, “Sure. So at our November meeting we are going to ask Representatives Pritchard and Jakobsson and Senator Maloney to talk to us about the prospects for success in the General Assembly and how we should go forward with that as a group, as a philosophy, as an idea, as an initiative, and we will ask the same thing of Julie Smith of the Governor’s office so that by the end of that meeting we will know what steps to take, and when money might be available and might not, and what to do from that point through into the General Assembly. So I think that will make it clearer when we get there that legislative leaders with us and the Governor’s office will give us some counsel.”

Mr. David Anderson said, “At what point will I give the statement on the position paper for IBHE SAC? Would it be the portion for me to give the position of the paper for the students?”

Dr. Reid said, “Yes, I am going to get to you in just a few minutes.”

Ms. Johnson said, “Only because I do not know if Anne is able to talk on the line or not, but we worked, I want to make it very clear and she wanted to make sure it was clear that the affordability especially for Women Employed is extremely important and since it was an unresolved issue that has been unresolved for a long time that our committee felt like that in a week we were not prepared to make any kind of formal statement for the committee at all, because it is really an important issue. So Anne was really concerned and wanted me to express that we need to look at it and extend our time working on that and adding that metric in at a later date.”

Dr. Cheng said, “We had talked about further study on the impact of lack of financing and funding, shortage of MAP funding on student retention overall, getting that data. We also knew that it would be in partnership with IBHE and ISAC and the legislature and that it is broader than performance funding. Our subcommittee did not feel that was the issue that we could solve.”

Dr. Reid said, “So as you see we are going to go through some more position papers and some more ideas but we have two strands of thought. One is going to be the discussion on the metrics that is going to be led by Al Phillips. The other is going to be to make certain that we have the final list and capturing of our principles which is what Rita’s group is doing. So what I would suggest that we do is, if we want to talk to Rita and the group more about some more ideas that should be in the final list, let us continue to do that now, but if we are at the point where we have discussed the unresolved issues to the extent you want, then my charge to Rita and her group is to take all the principles with the unresolved issues and the statements that you put forward and put them into a final document.”

Dr. Santos Rivera said, “[Inaudible] but I know that I have been approached by a number of people who are very much concerned about the whole issue of [inaudible]. As I was saying there are number of people that have approached me and as a member of IBHE I try to refrain too much with the current involvement until we see the final report, but there has been an interest in trying to help define the issue of affordability and also the issue of what is an underrepresented person or student, as well as underserved. I know that the issue of affordability goes beyond just gender but includes all groups, male and female and we more so concerned or they have demonstrated concern and I shared this with some folks is that now you are seeing more and more of monies that was set aside for need base going to merit base at the state and institutional level, so that is another major concern. Maybe Dr. Jones has seen this happen as well as other states and how they are addressing it, but this is something we are going to have to look at. I know that Liz through her group, Michael Toney through his group have talked about providing a position paper that will help the committee from the prospective of the minority population.”

Dr. Dennis Jones said, “I would just respond to that Santos, the same problem is being felt in most states in the country. Tuitions are going up, financial aid is not keeping pace and I do not think any state has figured out how to maintain affordability in the face of all of this. But, I would also say it is awfully hard to fold affordability into the performance funding conversation. That is a topic that deserves attention all by itself, because it is so big and it affects everything else that trying to tackle it, and I think those who worked with Rita on this were right that that is bigger than the conversation we are engaged in and deserves attention all by itself.”

Dr. Rivera said, “Well that, and you are right about that, but that is why when I saw this was one of your issues that were unsolved it is quite difficult to try to see how

does that connect with the performance based, with the issue of performance based and sometimes I hear more of incentive base rather than performance based. It is trying to get confusing.”

Dr. Reid said, “Let us see if we can, the one thing that everybody decided to do so far is to make certain that we add Liz’s statement into the definition and Rita said we will do that and we will come back with another casting of the resolved issues, all of the issues resolved. Any more advice for Chancellor Cheng? The understanding is that we will add this other item to the November meeting that is the last reading of the principles upon which performance funding will be based. Of course, the thing that we have added most significantly is the statement on race and ethnicity.”

Mr. Harrington said, “I am just wondering are we still just meeting that subcommittee. Are we just keeping that subcommittee?”

Dr. Cheng said, “That is my understanding.”

Dr. Reid said, “Absolutely, from what I have heard this morning work is not quite finished yet. It is almost there, but it is not quite finished.”

Mr. Harrington said, “I just wanted to make sure.”

Dr. Cheng said, “Tim I will reconvene but we will also reach out to other committee members for input.”

Mr. Harrington said, “Thank you.”

Dr. Reid said, “Now I chose the folks who are on this unresolved issues group, but if you have a desire to be on it just contact Rita and you are there. Keep that in mind. Thank you Chancellor. So November 30 we will have this as an agenda item for the final reading, all of the principles that we are agreeing to.”

Mr. Larry Frank said, “Maybe I am just slow or I am confused, I think what I heard Dennis say is the whole issue of access and affordability.”

Dr. Reid said, “No he did not say access, he said affordability.”

Dr. Jones said, “Just affordability.”

Dr. Karnes said, “I am a bit concerned about the specific inclusion of certain groups in the definition of underrepresented. One of the things we agreed on was that we wanted metrics that were not gameable. We did not want people to game the system. So if you are a university and you have a high achieving Hispanic person from a wealthy family that student is generally not very hard to graduate and what we are trying to do is to graduate more students in total. So if I am an administrator in a university I can make

my numbers look good by going and stealing that kid from some other university and we are just going to be re-circulating some of the same kids by being over inclusive in our definition of underrepresented and I think that is a problem that we need to watch out for.”

### **Summary Comments from Authors of Position Papers**

Dr. Reid said, “If you do not have any more other comments and counsel and advice for Chancellor Cheng, I wanted to ask President Haas if she would just give us some of her advice and counsel about what she sees in performance funding. She met with us as we were going through the budget for her institution and it was so well articulated that I asked her to come today. She re-casted her itinerary and changed everything and came down to Carbondale to join us.”

President Sharon Haas said, “Thank you Dr. Reid. In your packet you received today there was a one pager that starts out Budget Overview Meeting Board of Higher Ed. and Northeastern Illinois University Proposed Concept for Performance Funding. So if you want the handout in front of you that is what it looks like. I will tell you this is simply an example. When it was time for Northeastern to do its budget overview meeting which was last Friday, I felt like of all the principles and concerns and ideas that we have and I am actually supportive of where the Steering Committee is going. As we were looking for a budget overview meeting which is really what Northeastern’s budget request for fiscal 2013 would be trying to think about the yet unresolved mechanisms for performance based funding I felt like we had not done a lot with connecting the measures and the money and time would be moving along very quickly so I drafted this as more of an example than I am wedded to everything on this page. It is very simple but it just kind of captures what I thought we needed to be thinking about in our meeting with Dr. Reid and then he asked me to bring it to all of us.

“So I sketched out two years and in the first year which is fiscal 2013 which will be upon us before we realize it, I suggested one to two percent of a prior year’s appropriation. It should be a small funding pool at the beginning. I think along with all the principles that should be in addition to the base funding and that I know is yet resolved. I simply took four tasks that I thought we needed to do the first year and I put them all at one-fourth each of that pool of money that would be available the first year. First of all, all of us would need to establish institutional goals and action steps that are compatible with the IBHE *Public Agenda*. I think that has always been true since the day the *Public Agenda* was created. We should each be demonstrating how we are supporting or mapping into the *Agenda*. This I think is in effect a judgment on the part of IBHE. If we think are goals map nicely and they say you missed the boat, then we have to kind of negotiate that, but I think in general everyone in higher ed. is willing and able to map into the IBHE *Public Agenda*.

“Second task, I suggested three national or statewide measures and five to ten institutional measures. That was simply the concept that there should be a few measure

that we are all accountable for, so those would be all universities, and then there would be some unspecified number of measures that are really about your own mission. We all wanted the balance of we are like everyone else and we are not like everyone else. I think any measure you choose could either be done over time. What was my number last year? What is my number this year? Or three years ago, two years ago, whatever, or with peers, and I am willing to have both of those discussions although I understand we are leaning away from peers at this point, but I think we have to remember any measure we choose could be dealt with in either one of those ways.

“The third task, we would have to have our baselines and if there are peers to be used we would have to have chosen those, because you cannot begin, as Chancellor Cheng said, until you start with a baseline somewhere.

“The fourth task would be to develop some benchmarks or targets or whatever and those of course would be agreed upon, but in year one the creation of the benchmarks is about the best that we could get done.

“Year two is sort of when the rubber hits the road and I changed greatly and said two to three percent of your performance pool. I still kept it small because I think until we have some experience with it, we have lived through the numbers a whole year, we may not want to make it much more than that, but that again is just a place marker. I think there really are two tasks for the second year. The first one is how did you do on the measure that were chosen and if you have met your targets, were improved and I just simply said on a majority of your markers that is two-thirds of your funding pool for that year. Both of those are arbitrary numbers, the majority of your markers and two-thirds of the funding. The other third of the funding would be for the measures you did not make. We are not all going to make all of our measures every year. It will be working with the IBHE to make sure we have implemented some new action steps to specifically address the measures that did not improve. Again, it calls for a judgment especially on part of the IBHE and that was simply one-third.

“So, it is a sampler, it is an overview. I would be happy to answer any questions but I think it speaks pretty plainly to where I thought the conversations were going and the notation at some moment we have to connect all the measures we are debating about with some money.”

Dr. Reid said, “I certainly appreciate Sharon sharing that with us. It is a document that talks about two years of work in order to get going here. Basically the first year work is to develop the baselines, etc. The second year work is to have it to be more robust in terms of the amount of funding that we apply to the issues that we think are important per institution. That the whole idea that we have a tailored formula that not one college is like the other, and so on, is imbedded within her concept. I wanted her to come because I wanted you all to see that here is a President who has been thinking about this as we have been thinking about it and we are so very close together in the major

ideas. Her ideas are very much like ours. Ours are very much like hers. So it sort of validates that we are probably on the right road so far.”

President Haas said, “I do have one another comment on what was done just before I presented this idea and it is the concern about whether underrepresented students we should be going after them or the especially talented high achieving Latino student. At my institution over 30 percent of the students are Latino, 10 percent are African American, 10 percent are Asian American and we have about 300 undocumented students, but I would tell you there is not a concern about all of us competing for that single high achieving Hispanic, black, whatever student. There are good minority students in every domain and there are many many in need. I would be happy to share my high achieving Hispanic student with you, but I have many more that are in the middle. They are very talented. They work really hard. They will not show up in remedial education. Some of them may not show up in financial need because of the undocumented issue for us, and not all of our undocumented students are Latino, as well. So however the subcommittee chooses to finish its discussion I guess I would just say that does not need to be a major concern from my point of view when I have many many students like this.”

Dr. Reid said, “Thank you so much. The one thing that I am going to exercise a little prerogative with between now and the meeting on November 30 is as Allan Karnes suggested a deadline for information to be passed around to the members of the committee and to be posted. I will make a note of that. You all help me think about that, a deadline for receiving the principles from you and any comments that you want to make towards Sharon’s paper or towards Rita’s paper, a deadline for those things, and then Al and Dennis are going to present a formula, walk us through a formula and the deadline for presenting your ideas, criticisms, comments, help to that presentation as well. What I am thinking about is the 30<sup>th</sup> is the Wednesday after Thanksgiving and I am thinking about asking that the deadline be Monday before Thanksgiving, but we will think about that a little more toward the end of the meeting if that is okay with everybody.

“I have a couple of papers, one from the students. David, are you still there? I am going to ask, I do not know David if you could do this, but that we spend about two minutes or so hearing, if you need more time let me know.”

Mr. David Anderson said, “Again, this David Anderson, I am the non-traditional student board member on the Illinois Board of Higher Education and roughly about three to four weeks ago the Student Advisory Committee got together and went through many of the measures and proposals that had been submitted for performance funding and subsequent to that we put together notes and I put together the letter in which you have now. As you look at that letter I just want to really highlight a couple of themes that ISAC concerns and also the things that we like about what is happening with performance funding. Overall I would say that the thing that we are happy about is that this performance funding measure is about college students in our generation obtaining more degrees in Illinois. As a whole becoming better educated and more competitive in

this global society, but in tandem to that a couple things I want to really highlight and really just about is that is the different kind of student and we want to make sure every administrator, faculty member and Steering Committee member understands that the different kind of students that are now entering higher education also those of us who are still in the traditional category but that we are being laden with this thing called debt as students. There are numerous articles written about it, and so we want to really really highlight the fact that the performance funding measure as we look at how to make the metric and how we are going to create this model that it does not put the university in a position to where they would have to continue to raise tuition at the rate at which they are. That is one overall theme which we talked about.

“Also as you look at our proposal taking into account, of course, the universities that are in partnership with community colleges, dual degree programs are very important and also just the way students are going to school now. Most of us on the ISAC committee are working some kind of job part-time and some sort. Many of us because of what has happened with our parents in the job market are trying to help out at home still and many different things. So, just being aware of the dynamic with that and how we put that forward.

“Also I just want to make everyone aware is that along with occupy Wall Street there has been another movement that has been started that is called Occupy Colleges, and this has to do with that many people, and specifically my generation have with us a reality or it is just perception, but feel as if universities have really partnered with much of the business world in the way they are conducting the university system and so if you do not know about that I encourage all of you all to get abreast and educated about what is happening with Occupy Colleges. It is starting the same way. There was just 75 schools where the students across the campus walked out of classroom, walked out of class for two days. I just want you all to know as we look forward the IBE SAC and myself, we want to work with you, we want to work collectively, but please do know that many of our concerns as a student and as the next generation moving forward we also want to be afforded those same opportunities that the generation before us was afforded. Thank you. If there are any questions I can answer them.”

Dr. Reid said, “David, I see none. Listen we appreciate it a great deal. You have some of your colleagues, some students in our audience, one is from Chicago State and I think two or three from Southern Illinois University who are here. I do not know if they are SAC members, but they are supporting. Thank you for your leadership with students, it has tremendously improved from years ago and we appreciate this.

“We had another position paper from Illinois Latino Council on Higher Education (ILACHE). I do not know if you want to make some comments.”

Ms. Liz Ortiz said, “First of all I would like to thank George Reid, the IBHE, the legislators and this committee for allowing ILACHE to present a position paper. On behalf of the 500 members of ILACHE I would like to say that we are concerned about

access and educational attainment of Latinos. That does not mean that we are not concerned for all the students of Illinois, of course we are, but our mission is to represent the Latinos in the state. We are very concerned that we do not want to perpetuate the two Illinois, one of prosperity and one of low achievement, and we feel strongly that race and ethnicity must be included in the underrepresented status because we have been historically denied access. We pledge to work with the IBHE, this committee and the state to resolve these difficult issues and we are very glad that we are having this conversation. Further, there is just a few points I wanted to point out and I will be available for anyone, I know time is of the essence here, if they have questions about the report or would like to talk to any of the board members we are at your service.

“But we would like to stress that Latino students, we know of the changing demographics, Latinos accounted for 99 percent of the State of Illinois, that our students be seen as an asset not a challenge to overcome, that financial aid continues to be a barrier to access and that our students be held harmless when it comes to admission and raising these metrics for performance funding. I would like to address the middle class or even higher income Latino students, Latino families have lost two to three dollars of their savings, our middle class has been eroded in this economic crisis. So even students who come from modest means or even what you would consider in the higher quartile of social economic status are really being challenged in these economic times. Because of that we would like to invest and preserve MAP and DFI, diversifying our faculty in Illinois, because they are fellowships and scholarship monies that help our students.

“We also would like to point out that there are model programs in the state such as Northeastern Proyecto P’Lante, El Centro at University of Illinois at Chicago that have demonstrated success and we should look at them as a best model.

“We think that holding our institutions accountable for achievement of all students, but especially Latino students, is instrumental in achieving our goals and again we always say although undocumented students are a small percentage of our students here in Illinois, and by the way they are not just Latino students, they include in Chicago a large polish population.”

**[Tape cuts off between file #1 and file #2.]**

Mr. Geoffrey Obrzut said, “...the C.F.O. at ICCB if Elaine could wave her hand. Ellen did a good job along with the other co-chairs. We appreciate all their effort and time that they put into. Also serving on the committee was Mike Monaghan for the Trustee’s Association and Dr. Gayle Saunders from Richland Community College and also President of the President’s Council. Here with me today from ICCB along with Ellen is Dr. Karen Hunter-Anderson, one of the Vice Presidents, as well Dr. Elaine Johnson, one of our Vice Presidents, and then last but not least, our Board Member that serves on this committee Tom Pulver, who is a faculty member at Waubonsee, has been very helpful with performance based funding suggestions.

“Our group was able to adopt five guiding principles performance based funding which I will discuss briefly and then I will turn it over to Dr. Elaine Johnson who will discuss the six performance measure that we have so far for this system. As you can see from the handout we have we took Dennis Jones and other’s suggestion in trying to keep it simple. We could have come up with a dozen different measures, but we felt it would have been counterproductive if we would have done that. With that let me start with our five guiding principles. We strongly feel as a system in order for performance based funding to be successful new funds must be added to the FY 2013 budget. When we looked at other states we found that those states that were successful with performance based funding had some performance funding incentive and we feel that needs to be done here as well. If it is not, it will be robbing Peter to pay Paul and we know many of our community colleges are not in a position to take another hit. So we are hoping that some additional funding can be added.

“The second principle that we strongly feel is necessary that the community colleges and universities should have separate funding and metrics for the performance initiative. We feel that we have different missions and that this should be shown in the performance based funding metrics, a division from the four-year schools, as well as the research universities would be very wise. I think most of the people in this room would agree with that from the conversations that I have heard from our previous three meetings.

“The third principle is that community colleges should not compete against each other for their performance based funds. Our 39 community college districts differ widely and if we try to come up with a one size fits all it will be very hard to do especially when you have colleges like College of DuPage, Harper, College of Lake County and some of the southern Illinois schools like Shawnee and Southeastern that are very rural and would be very hard to compare the two with performance based funding.

“And tying in number four then, to determine performance within a specific metrics each district will be measured against changes from year to year to establish district performance. We feel that performance increases or decreases should not be compared to other districts statewide to allocate funds and that performance funding is about enhancing the performance of each college. By doing it this way we feel that they will be able to accomplish that.

“The fifth principle, and we also feel very strongly on this, is that if there is no new funds appropriated for FY 2013 that a maximum of \$1 million be allocated from our base operating fund for the first year. And with that let me turn it over to Dr. Elaine Johnson who will talk about the measures that we came up with.”

Dr. Elaine Johnson said, “Thank you Geoff. One thing I would mention, because I told the committee last time that they had some concerns on proposed vision statement from the beginning on the one that said higher education finance in the State of Illinois does not promote the *Public Agenda* goals, the first one. They really felt like that was not

clear. I did talk to Al and he indicated that came from the affordability study, but they were going to give some other language thinking more that we should be more positive. I just wanted to mention that on the record.

“For the metrics performance funding this committee is proposing, which Geoff has said is going to go to other people to be tweaked, but that we would count degree in certificate completion, degree in certificate completions for at-risk students and the community college system metric at-risk are those who are academically or financially at risk of not achieving their educational goals. The metric will measure in student completion for students receiving a Pell Grant and/or students who are enrolled in remedial education.

“The third metrics is transfer to a four-year institution, full and part-time students who transfer to another institution of higher education within three years for full-time students and five years for part-time students.

“Metrics four is remedial and adult education advancement, remedial students and adult education students who advance to college level courses.

“Five was momentum points, for first time students completing 12 credit hours, first time full-time students completing 24 hours in the first year, adult education students who meet a grade level based upon pre-imposed test performance for purpose of this metrics completion of remedial courses is included and adult education grade levels are based on the NRS standards.

“Number six metric is transfer to a community college, full-time and part-time students who transfer to a community college within 18 months of leaving the initial college. Lateral transfer is recognized as an important performance measure because lateral transfer students remain in higher education and reasons for lateral transfer are often promoted by changes in student’s home residence, employment or pursuit of programs not offered at the home institution.

“These metrics will go to the presidents’ retreat, as Geoff had mentioned. They are meeting October 28 and 29. We meet on the 4<sup>th</sup> of November, Presidents’ Council and the trustees again meet on November 11. That should give us plenty of time to have weigh-in information back to you before our next meeting.”

Mr. Geoffrey Obrzut said, “Before we open with any questions, I thought Ellen, Mike or Tom if you want add anything I would be happy to have your comments as well. If not, we will open it up.”

Mr. Tom Pulver said, “I think it is important as you saw in a couple of points that we pointed out that we different kinds of metrics for the part-time student, because the community college is the place of return, refreshment and so forth and we have such a large population of non-traditionally aged students. I get a kick out of when we refer to

those kids, some of those kids are almost as old as me. So I think it is important that the community colleges individually do not get penalized because of the fact that we have such a diverse population age-wise as well as economic-wise and I think in everything else-wise. It is important that we look at that. As it has been mentioned I guess several times we have several constituencies who still have to report in to give our final report on this.”

Ms. Ellen Andres said, “I just wanted to add that we spent a lot of time on these metrics and there are some things missing. For example getting employment, whether or not you get a degree if you start at the community college, and maybe you do not finish your certificate because you get a job. There is also somebody who comes back to get some extra education because I just want to learn how to do web design. And, it came to the point where there just was not, we could not hit every mission. So we have it down to six metrics but they really do not get the whole mission of the community college and so our thought is this is a way to start and as performance based funding gets rolling we can always add in or subtract out, but it is missing parts of our mission that are very important and we spent a lot of time about what if the metrics is really measuring performance and how you are doing as a community college. We are missing pieces, but we just could not hit every piece.”

Mr. Geoffrey Obrzut said, “Ellen or Karen can you explain, Senator Maloney asked me about the NRS standards.”

Mr. Pulver said, “That is alright George, I was just pretty much going to say what Ellen said. There are so many things that community colleges do that it was very difficult for our committee to identify just a few metrics that would adequately measure the work of the community colleges, but I think very important to be included is the transfer from the community colleges to the universities, the four years schools or to another community college was critically important.”

Ms. Karen Hunter-Anderson said, “The question was about NRS standards reporting measures. The National Reporting Standards are how we evaluate our performance in terms of adult education to receive federal funds. So in effect, it is already a performance based funding system. We are required by law in order to receive those funds to adhere to the standards that are set by NRS. The reason we wanted to include those measures in the metrics was because, for two reasons, one we are working, they are very robust measures that show student level gains for adult education students and we are working very hard to include those in the Longitudinal Data System that would then align with our performance based funding measures. So I think those are good reasons for including it and since the system already exists it is one we are required to adhere to. We have spent a lot of time and energy on that system then we think we ought to not just reinvent the wheel.”

Mr. Dennis Jones said, “Just a couple of observations on this. One, the metrics here I would say are very much in the mainstream of what is best practice in the country

now. I think I would really endorse what is here as good metrics and the other point is just to remember that this is about connecting to the *Public Agenda* and not everything that all institutions do are connected to the *Public Agenda*. There are parts of all institutional missions that are beyond what we are talking about. The fact that you do not have everything under the tent is okay for this application.”

Mr. Jeff Mays said, “To continue the love fest here. I think these are great metrics and you have given it a great deal of thought. I particularly like the momentum points that you have in here so we can see that if completion is where we want to go you are actually going to be tracking that for every kid as you go. On the adult basic education advancement, many of those will not go to college courses. Have you considered using industry recognized credentials as a completion point?”

Ms. Karen Hunter-Anderson said, “Yes definitely. We are looking at that both, our strategic plan for adult education does put those momentum points in there and that is a very important aspect with a lot of the grant work we are doing. A lot of the foundation dollars that we are receiving, they are looking at industry based standards and trying to integrate students more into the career pathways into college readiness programs so that those measures are there.”

Ms. Ellen Andres said, “I just wanted to add briefly the third page actually shows how the metrics will be calculated and we just took two of them. Each college then has like 2008 graduation, 2009 and you either increased and would get money, stayed level get no money or decreased get no money. So that is how we came up with the idea of you are just trying to increase your own performance. Each community college have their numbers and they have to increase their own numbers.”

Dr. Reid said, “We appreciate that. This is great work on the part of the community colleges. Geoff, we thank you, Ellen and all your team; very appreciative of all your work.”

Mr. Geoffrey Obrzut said, “We appreciate the opportunity to present it.”

Dr. Reid said, “And as Dennis said, the report that he and Al Phillips are going to make now is consistent with what you have just done and so we are glad to see that all of this sort of dovetailed. Thank you so much.

“Now, unless there is an objection we will turn to Item 7. Al Phillips will you come up and Dennis Jones. I want Dennis to sort of give us the second stage for this, give us some scope and perspective and then Al will dive into and walk us through the formula.”

## **Proposed Preliminary Performance Funding Models – Dennis Jones and Al Phillips**

Mr. Dennis Jones said, “Just a very few comments. AI is about to present to you an approach to doing this and it has been developed by the IBHE staff. I will admit that I had my finger in it, but not my whole hand and arm. A couple of observations and backup a little bit. What you are going to see is something that explicitly links to the *Public Agenda* goals which is where we started all of this. It reflects different institutional missions, so it gets away from the one-size fits all, not just between four-year and two-year institutions but within different types of four year institutions as well which was a concern we heard over and over again. It rewards continuous improvement so it starts every institution with where they are rather than with where we wished they were or against some magical goal that we set for them. It says let us benchmark this against right now and then move forward and reward positive change from where you are. It is not prescriptive in any way about how improvements are to be made. That is up to the Chancellors, the Presidents to figure out how to do that. It does reflect a lot of the conversation around the table about how to respond to the specifics of underrepresented underserved populations. It recognizes the difficulties and the importance both of serving those populations. It recognizes the economic circumstances that the Illinois institutions of higher education are in so it does not overreach and it does not have in the proposal something that is in statute in a couple of other states like 25 percent of the money going into this from the get go. I think that Geoff and Elaine you will see that it would be very easy to take your proposal and fit it into the framework that is presented here with almost no change in the framework. It responds to, I think most of the issues that Chancellor Cheng referred to. I think it accommodates. It does not solve the affordability issue, it does not presume to. The final thing is that there is still room for modification in this, this is not presented as something that is set in stone, but I think it does present a pretty good framework to be tweaked rather than blown up and started over. With that set of observations and the other thing I will say is, however long this goes I have to leave at 1:00 p.m. so when you see me get up and walk out of the room it is not because you have angered me or frustrated me, although you may have. I am not going to attribute my behavior to that reality.”

Dr. Alan Phillips said, “Thank you Dennis. First, I want to say is we once again appreciate all the input that we have received, all the hard work that was done to identify issues, concerns. Once again, we have used that extensively to guide this effort, because as we went through trying to put this model together we tried to frame it in a way to address as many of those issues and problems as we possibly could. As I said, we tried to use this model to address as many of the outstanding issues as possible and I think as we go through this you will see how I believe we have been able to address at least some of the key issues.

“I want to start off by saying this is a framework for the model. As I walk you through this there is no real data. This is to show you how the model is designed and how it works. The other thing, one of the attributes of this model is that it is independent of funding. So, whether or not we get additional money which is the desire, we can put

that into the model and distribute that money based on performance or in the event we have to do a set aside or over time have to address more and more base funding with the model, we can do that too. The model is independent of the funding. Wherever the money comes from we can plug into the model and distribute it based on performance.

“The purpose of this presentation is to propose performance money model that is linked to the goals of the *Public Agenda* and the Act, that is equipped to recognize and account for each university’s missions and set of circumstances, something that has been brought up repeatedly as a major concern, adjustable to account for changes in policy and priorities and we all know that takes place over time as well. It also, while it sets the state goals and other standards it is not a model that tells the colleges and universities how they have to go about achieving those goals and standards. It is descriptive, but not prescriptive.

“As we looked to put the model together we focused once again on the Illinois *Public Agenda* goals, increase attainment, insure affordability, although as it has been discussed that is almost a separate discussion and as we know this is probably one of the most important issues that gets brought up every time. We want to increase the number of high quality credentials and do a better job integrating research assets to meet the economic needs of the state.

“The other thing we took into consideration was the language in the Public Act. If you look at the second bullet, we are to reward performance of students who are academically or financially at-risk which includes first generation students, low income students and underrepresented students. Additionally, we have to recognize and account for the different missions of the institutions and I will show you how we plan to do that. We have to focus on completion of degrees and courses and certificates. And for community college we also have additional factors that are appropriate for their unique mission and responsibilities. All along the way we have to maintain quality of the degrees, programs and certifications.

“The first step, identify the performance measures or metrics that support the achievement of the state goals. Now as I go through this, what we did was to illustrate the model we picked a measure. Now, as you work through the model there will be a number of measures but it is much easier to walk you through the model to take one and walk you through and understand that this would apply for all the measures in the model and in the case of the community college there would be six of these. There could be more or less, but in this case we picked number of bachelor’s degrees awarded and we looked at a three year average. We also heard that in some of the input that they would prefer an average that will help to level out any spikes in the data or years when there may have been problems or challenges that may have been unforeseen. Where possible we will average the data. The first thing you do is identify the measure. The second thing that you do is you collect the data on that measure. In this case University A has a three year average of 1,000 bachelor’s degrees awarded and in this case the source might be IPEDS data. The source may also be other sources data understanding that they have

to be widely accepted, recognized, validated and we have to have the data. In some cases some data exists for some institutions and not for others. So there may be a number of sources such as IPEDS, CCA data or other sources of data, as long as it is appropriate and applies across the board.

“The next step and this gets into subcategories. One of the things we have talked about is how to identify those underserved populations or categories or subcategories we want to put emphasis on. So in this case what the model does is we have identified just for this example that if you have a subcategory that you want to put additional emphasis on then those students would count more in the model. For instance, if you have of your 1,000 three year average or students for the institution if 50 of those students were Hispanic and 50 were African American that would give you a total of the 1,000. One hundred of those are subcategories you want to put emphasis on. In this case we say for those categories there is a 40 percent premium. We just picked that, it could be 30 percent, it could be more, it could be less. Each category could be weighted differently depending on what the needs, the goals, the objectives or what we are trying to accomplish would be. Basically, what this means is that if you have 100 black or Hispanic students they would count as if it was 140, so that you get a premium for those students in the subcategories. We can also do this for STEM, low income, whatever the category may be in each of the performance measures.”

Mr. Timothy Harrington said, “Where does the premium percentage come from?”

Dr. Phillips said, “This is just an example. We just used this for example purposes. We would have to determine that based on the particular subcategory or which ones had higher priorities than others.”

Mr. Dennis Jones said, “And of the national approaches that do this, 40 percent is kind of the minimum. The maximum is the one that Texas uses which is 100 percent. That is a policy variable not magic.”

Dr. Reid said, “It would be a conversation that we would have with the Presidents of their institutions in terms of what premium they think is appropriate for their institutions and we would negotiate with the Presidents.”

Dr. Abbas Aminmansour said, “So is it fair to assume that this premium may change from one institution to another?”

Dr. Reid said, “Yes it will change from one institution to another.”

Dr. Phillips said, “Depending on their mission.”

Dr. Reid said, “Chicago State for example.”

Dr. Aminmansour said, “Both in terms of the number and the category?”

Dr. Reid said, “Absolutely, because Chicago State for example would not have the same premiums as would ISU for example.”

Dr. Phillips said, “This touches on getting at the uniqueness of the colleges and universities. So if you have 1,000 students and 100 of them are African American/Hispanic then that would count for an additional premium so that would be treated as it were 1,040 students.

“The next thing we do is normalize the data and I will talk to this briefly and then there is another chart that explains this maybe a little better. So you have your 1,040 students, now if you have several performance measures but they are different then the question is, for instance, if you have 1,000 students that are graduates and one of the things you want to measure is research expenditures and the college/university spent \$2 million, so the question is how do you add \$2 million to 1,000 students and get a number that you can use? So what we do is we normalize the data. If you assume that each of the measures is equally important then you take the \$2 million and divide by a factor that gets you close to the 1,000 because these are just numbers that we are going to add up to give you a value. So what you do is you normalize the data so that you are changing apples and oranges into apples and apples. So in this case we said okay we like the 1,040 number so we are going to give it a multiplier of one. If it were in fact \$2 million or \$20 million research expenditures we might multiply it by a factor of .0001 so now you have two numbers that are roughly equivalent, because what you are saying is each of those measures is equally important and I will get the way we weight those for each of the colleges and universities here in a minute to adjust it to each ones particular situation and mission.”

Mr. Harrington said, “It could be a percentage, you might not equate a dollar figure to a student graduating or getting a certificate, it might not be a one to one correspondence. It might be one-half to one or one-third to one.”

Dr. Phillips said, “Correct and I have a chart that shows that a little bit better in a second. One of the big issues is how do you distinguish in the different missions and requirements and responsibilities, because each of the colleges and universities in the state are unique in their own way. They serve different students, they have different missions. Now in the past we had talked about coming up with a model for research universities and maybe a model for four-year comprehensive universities. What we did instead was we looked at the Carnegie classifications for all of the colleges and we identified them by their Carnegie classification and then we listed them from left to right, high research on the far left which is the University of Illinois, Champaign-Urbana and University of Illinois, Chicago down to large masters universities on the right and on the far right you have University of Illinois, Springfield. In this case, and I am still sticking with bachelor’s degrees and five other unnamed measures. What you do then is you take a look at each university’s mission, each university’s situation and then you identify percentages for each measure that are tailored to the mission of each college and

university. For example, if you say performance measure five is research, obviously for University of Illinois that is going to be a pretty high priority. If University of Illinois of Springfield is University C that percentage for them is probably going to be very small, maybe five percent. However, if you want more bachelor's degrees from the master's universities those numbers would be higher than the numbers for University of Illinois or University of Illinois, Chicago. So what you do is you tailor the percentages for each of the measure according to the mission of the particular college and what we are looking at for each of the colleges is, once again we are starting with our Carnegie classification, we are looking at the number of programs, and their unique missions and then we will start out with percentages that are appropriate for each college/university and the concern was that they all be treated differently. So while the measures will be consistent across all the colleges, the weightings for each of the colleges will be different based on their mission. Research for University of Illinois be a higher percentage than say research at Eastern Illinois University, because that is more of their mission. So what we are doing is taking that into consideration when we identify what is important for that college/university or the goals where we really want them to be putting their effort."

Mr. Dennis Jones said, "I think that last statement that Alan just made is important, because one of the things these weights do is let you expect different contributions from different kinds of institutions. It is not just mission, but it is also, and the trap that is easily gotten into is to weigh baccalaureate degrees high for everybody and what that does is create an incentive for the institutions that have long waiting lists to take everybody and that is not what you want. The University of Illinois at Champaign, for example, to do, you want it to contribute to overall in different ways. You may want it to contribute to more low income, more minority students, but not necessarily to see if it can double its undergraduate population to produce baccalaureate degrees. This is a way of kind of moderating some of the natural impulses."

Mr. Timothy Harrington said, "I have a two part question really quickly. Number one, could a performance measure for instance be first generation students?"

Dr. Phillips said, "It could be that would probably be actually a subcategory. So underneath all these measures you may have one or more subcategories for each of those. For instance, bachelor's degrees you have low income, you have disabled, you may have first generation, you may have STEM. So you can put all those categories underneath each of these measures and weight them appropriately as well, as based on the mission of the college or university."

Mr. Timothy Harrington said, "And secondly, to what level do these performance measures have to match across institutions?"

Dr. Phillips said, "The performance measures will be the same for all the institutions. That way it keeps everybody on the same playing field."

Mr. Timothy Harrington said, “But the subcategories will be weighted differently.”

Dr. Allan Karnes said, “When we go across, each school negotiates their weight.”

Dr. Phillips said, “We will start off with, we will put some numbers on the table based on our analysis of each college and university’s mission, numbers of programs. So we will start out with numbers that we believe to be appropriate as a start point, but these are certainly subject to discussion based on input from the colleges and universities, but we will put together a start point for discussion.”

Dr. Karnes said, “Well my question was we said before that schools would negotiate the premium weighting as well, but if you are able to negotiate the percentages you put on it and then the premium weight as well it seems like you double negotiate there.”

Dr. Phillips said, “Well it is all going to add up to 100 percent.”

Dr. Karnes said, “But the premium weighting does not. That simply goes into a raw number.”

Dr. Phillips said, “That is correct.”

Dr. Karnes said, “So my question is, should the premium weighting be uniform across the state for underrepresented groups?”

Mr. Dennis Jones said, “The practice in most states is that it is, because it reflects again the state priority and think it is important to keep the perspective that this is a mechanism to reflecting state priority not just institutional wants and understand that every institution is in a different place. The weighting is on the measures themselves, reflect that, but if you are saying but certain subpopulations are really important to pay attention to then those populations ought to be the case for everyone.”

Dr. Phillips said, “Now, this is kind of putting it all together. So step six basically you multiply and sum the data and gives you a performance value. So in this case, as you can see, the top line is bachelor’s degrees you add in the premium, the scale, the weight for that college/university and it gives you a number for that measure. Now if you go down to the bottom and consider \$20 million is research, basically what we did was we multiplied by one-thousandth and that gives you 2,000 which once again is a number that is relative to the rest of the numbers that you are looking at. In the terms of performance measure five that could be degrees per 100 FTEs. Once again, that is not comparable so you would multiply that by 100, gives you 1,500. Basically all it does is it normalizes the data. You multiply it by the appropriate percentage and it gives you a total performance value.

“Step seven, you use that value to distribute the performance funding, whatever it is. In this case what we said was we have a million dollars and this is kind of the community college example. So you take the three universities A, B and C, you add up their total point score and that is the total pie that you have to deal with. So then what you do is you take a pro-rata share of the total for each of the universities based on their points and then you multiple that times the amount of funding and it gives you the level of performance funding based on a given amount of funding and then that is how that would be allocated.”

Dr. Karnes said, “Could we go back to the previous slide, one more? Now would you not have to choose one of those data plus premiums to be the base number so that when you went down to, let us say we took 1,040 the degrees as the base number. Would we not want to apply a scale of say .25 to the \$4,500.00 scale?”

Dr. Phillips said, “We might do that.”

Dr. Karnes said, “Because if you take it across see you are coming up with a much bigger number in the second measure and it seems to me that it simply should be 15 percent of about 1,000.”

Dr. Phillips said, “I have no argument with that. Once again this is dummy data and just for the purpose of the example, but the truth is we would try to make them as equal as possible without getting too carried away with scales and keep it fairly simple, but I have no argument with that. You could very easily do that.

“In the model all steps are identical for each university so we are consistent. The model accounts for each institution’s unique mission by weighting each measure appropriate to the college’s mission. The calculation for each university is therefore independent and different so that you will come up with a different number for each college or university, and it is still competitive, because there is a set amount of resources that is allocated based on your score. It is on a pro-rata share and once again, this would be done every year, so this would go into the funding for the college for a specific year and then every year we would recalculate the performance values and would reallocate performance based on where each college or university is at that time. The other thing that I think is possible about this model is it starts off with everybody where they are. It accounts for the uniqueness of each college and university, but especially given the fact that as we have heard several times that colleges and universities have not had much of a chance to impact performance yet, everyone is treated the same and the model applies consistently across all the college and universities.”

Mr. Timothy Harrington said, “I have one more questions and it is just because I am a mathematician, and I am a little confused about something. Originally in one of the first meetings we talked about when we were looking at students, that those students who carried more than one classification may be counted in a different way. This was in our very first meeting that we had where a student who was first generation gets a point. We

were talking about points, but then now we are talking about standardization. So if we standardize does that not take that all off the table then?”

Dr. Phillips said, “One of the challenges is picking the right measures. In this first case picking objective measure performance that you can easily compare across all the college and universities. We are trying to get at some of that with the subcategories, but much like Ellen said there are a lot of measures out there that it is really tough to get good data or treat it consistently across all the college and universities. This is once again a start point. Over time as we get better at this and look at more data and more things we want to count and include and I will talk about that in a second. Then we can add more things in. One of the issues that keeps coming up obviously is quality. Well there are in fact measures of quality. There is quality assessments, there are tests you can have people take, you can do surveys, there are a couple of good surveys. Initially those are little more subjective and less objective and it is a little more difficult to get our arms around those initially, but those are certainly things that would be looked at and considered in the future. As a matter of fact, Tennessee has done that recently and shifted their performance model much more towards quality assessments, of course, it has been around for about 30 years. But, what we are trying to do initially is pick measures that are easily identifiable, easily understood for which we have data, because that is another issue. Some of these measures you have, some of the data is good, some of it is not so good, some of it you have on some colleges, some not on the others. The challenge is to come up with something that is consistent across all the colleges that is easily understood, that everybody when you say this is how we got that number can understand that, and then over time we can get more detailed with the model and add other things in and take a look at others things we can add or other ways to do this.”

Dr. Reid said, “The specializations that the Chancellors and the Presidents put on the weights, the weights are going to determine how much each of these categories is valued at that institution so that the weights at one institution would not be the same at another. So although you have the same measures you would have different weights for those measures.”

Mr. Timothy Harrington said, “I understand that I just know that if, those are two different things when you are talking about counting based on certain metrics, and then standardization, and then suddenly you take that double counting off the table. Just lastly, just because I thought about it, you did mention IPEDS and we have talked about the idea of taking IPEDS off the table correct?”

Dr. Reid said, “Yes Chicago State has talked about that. Yes.”

Mr. Timothy Harrington said, “But you said that we are looking for measures that are easily measurable and to use that as an example, but I want to make sure that is not the guiding principle using IPEDS.”

Chancellor Rita Cheng said, “Tim, the example here for IPEDS was the number of degrees. That is not a controversial IPEDS measure. I think what, I do not want to speak for Wayne, but he was talking about the classic first year retention and six year graduation rates that are not capturing many of the students that we serve. I think that your point is well taken, it is which IPEDS data and are there other data that we all collect that are recognized as being standard measure that we could use.”

Dr. Phillips said, “Conclusion. This model is linked to the goals of the *Public Agenda* and meets the intent of the legislation. It addresses each universities uniqueness and unique set of circumstances. It allows us to change over time if need be and it does not tell the colleges and universities how they need to do this, but what in terms of goals it provides incentives, I will say rather than being punitive and the other advantage is I believe that it starts everybody off where they are and then over time as we look at the model we can add other ways that we can improve it and make it better over time.”

Dr. Aminmansour said, “Just a couple of points. Thank you very much Al and Dennis. Just a couple of points that the Faculty Advisory Council had also pointed out in our statement that sort of relate to establishing metrics is one is I think we need to keep in mind the capacity of the institutions in terms of increasing their performance so to speak in some areas. For example, if you were to increase number of degrees offered that may mean additional facilities, additional sections of courses, more faculty or teaching assistants or whatever. So that is one thing to keep in mind, that it may actually make things much worse if you go beyond a certain threshold you have to add sections and that increases your cost.

“The other point that I would like to make is that there are issues, there are factors, that some of these performance based criteria may be dependent on that are beyond the control of the institutions. For example, funding for research, it is extremely difficult to get additional funding these days from external sources because the industry and even government sources have cut back on their available research funds. For example, for my institution I hope it does not happen, but what if our level of funding went down because of reasons that are beyond our control, would we be penalized for instance for that. It is a complicated issue and I am just pointing out some of the intricacies that we have to be aware of and that is why we had suggested and others have too, we need to start very very slow and low in terms of percentage to make sure we do not do anything that would cause more harm than benefit. Thank you.”

Dr. Reid said, “Thank you.”

Dr. Phillips said, “And Abbas to your comments, this model one of the good things is it is independent of the funding so we could start very small and the model would still work just fine with a small amount of money. I will also tell you that it is like any other model, it is not perfect, it cannot account for everything, but we think it is a pretty good start.”

Dr. Aminmansour said, “I agree I think it is a good start. I totally agree with you, but my point is if, for example, if our institution my university had X million dollars of research funding from external sources last year and this year it is going to go down because there is no money to be had, I do not think we should be penalized for that because it is beyond our control. That is the only point.”

Dr. Reid said, “The Chancellors and Presidents will forecast to us what they think they should put their weight and for each year and so they have to take into consideration the landscape out there as they do.”

Mr. Pulver said, “I am just kind of wondering how much human power is it going to take to be able to generate these reports and come up with all the responses, the metrics and so forth. Are the universities and colleges prepared to, are they able to do this today or is this going to take additional staff, how are we going to get this?”

Dr. Reid said, “The way I see it and then Al can speak to it too. The way I see it is that once you guys say that this is a good formula with whatever amendments and additions you might have then we will start talking to the Chancellors and the Presidents to try to get to the weights that are important to each of the colleges and then we will crank the numbers out. When as we were meeting in July, August and September, especially in September, between September and October, our staff was already cranking the numbers. We assume that some parts of this formula, the major parts of this formula are going to be acceptable, so we have already started our cranking and in the months of November and December we will be meeting with the Presidents trying to get down their version.”

President Sharon Hahs said, “I could add a comment on measuring and depending on what measures we end up choosing most of them are readily available, because that was my point to Dr. Reid last week is let us use things the way you have. I do not know if you were going to talk about the proposed measures and a lot of what is on that page is manageable, not absolutely everything, but 99 percent of it probably.

“If we are going to turn to that page I want to change topics and I want to state for the record for everyone I completely disagree with the six year IPEDS rate. That is the antithesis of all the work that you are doing for at-risk students. Institutions who help at-risk students have lousy IPEDS six year rates especially because they have a high percentage of part-time students. So whatever set of measures we end up with I want to categorically oppose that one on behalf of several of the Illinois Publics, not just my own.”

Dr. Reid said, “Absolutely, I follow you. Also, I was in agreement with President Watson as he articulated his view about the IPEDS. I think you are absolutely correct, so we will be using it only in areas that will not affect those numbers if we use it at all.”

Mr. Jeff Mays said, “Briefly I want to thank you and thank Alan for putting this up there for us, because it is a lot of neat stuff. It can change the whole lot of discussions. Part of the beauty of this is its fluidity, is its adaptability and I was wondering what is to keep those metrics as identified by institution going forward so you can see progress, so the public can see progress. Would there be a time when they can change it and a time when they cannot, or a time when they change weighting and a time when they cannot?”

Dr. Phillips said, “A couple of comments. The first one is, one of the things I like about the model is it is fairly straightforward and fairly simple. It is easy to understand, it is not in a black box that nobody knows how you came up with it, but it is fairly straightforward. The second thing is that and I had this discussion with Dennis earlier this morning, once you set the measures and the percentages typically after you get things started you would probably lock them in for three to five years so you have some consistency and people know that every year they are not going to be changing and they are going to be jerked around and that would be after discussion and much thought. The other thing is if you go to the Tennessee model you can go online and see everyone of these numbers for every single institution in the state of Tennessee so it is transparent so you can see performance.”

Mr. Tim Harrington said, “Not that I want to keep wasting everybody’s time but just for something a little different, have we given any consideration or is there any consideration if a student starts at Southern and spends two years at Southern and then transfers to Northeastern and graduates from Northeastern, will both of those schools get some credit for that student?”

Dr. Reid said, “It is according to the mission of the institutions and how they define their weights, their important weights. So, if this is important to them, that is, their transfer rates are important to them, and to capture the students who complete at their institution or go on to complete at another institution that would have to be embedded in the formula as well and can be.”

Mr. Tim Harrington said, “It can be.”

Dr. Reid said, “Absolutely can be.”

Dr. Phillips said, “The other thing I will talk about much like Ellen said, there are lots of different things that you could measure. Some of the things that are not up here, total degrees for FTEs, spending for degree completed, things like unit cost, staff and faculty diversity, transfers, there are a lot of other things that we may or may not want to include that represent different aspects of what a college does. We thought we would start off with data and things that were simple, that we could get data on, that we could get things started.

“The next chart, these are other things that we have talked about adding in, expanding the subcategories to include underserved counties, even STEM students.

There are other things we can put in there. We would have to define contribution, economic development, I mean you could put diversity, so there are a lot of things that you could put in there. The thing that I would like to do is start off where it is manageable and we can get started. We can always make it better. Better is the enemy of good. I would rather get something done that is workable that we can all agree to and then improve it from there. What we can do is we actually have a lot of the data already and so my proposal would be the next time to come back with a model, with the data so that everybody can see how it works.”

Chancellor Cheng said, “I would like to suggest that as a decision model for what to include as measures that we continue to always keep in mind that the end goal is completion. So some of the measures that I have heard today are good measures, but are they going to result in more completions? I think that is the real question for us all. At Southern Illinois University Carbondale we have, I think, the most transfer students into this institution than any institution in the state. So our retention rate from freshman to sophomore is important for the traditional students on campus, but may not end in a lot more baccalaureate degrees at the end of the day if we do not pay attention to the huge number of transfer students that come into this institution. So I think that our weighting for transfer students might be more than other institutions but if we list measure just because we feel good about those measures and they do not end up with more bachelor’s degrees or more completers at the community college level we will not be where we want to be in several years.”

Dr. Phillips said, “I agree completely.”

Dr. Reid said, “I agree wholeheartedly. I think that this exercise in performance funding the goal is to reach the goals of the state as you articulated Rita and to have the colleges and universities to, as everything can, to improve as we go along.

“So Al it looks like you have done a pretty good job here. Thank you so much.”

Dr. Phillips said, “And one last comment in terms of getting the charts out on time. We were still working on some of this yesterday and early this morning. We will try to do a better job of getting things out as quickly as we can. As you can imagine this was a bit of a challenge in trying to get it all to work and so we appreciate your patience and forbearance.”

Dr. Reid said, “So here is what we are going to do. We are going to bring this back to you one more time. If you have any comments that you want to offer Dr. Phillips to sharpen this formula please do so. Now let me just ask you to abide by the following deadline for the composite list of principles that Dr. Cheng is working on and for Alan’s formula. So as we look at our calendars, the Monday before Thanksgiving is the 21<sup>st</sup>, so if I can get all of your comments to me, into my office, by the close of day on the 21<sup>st</sup>, then that will be the deadline, and after which, I know that I did not do it the first round and you guys pulled by coattail, but this time after which we will not consider them,

because we have had conversations and discussions and talks and position papers and all. It is time now to make a decision and we are pretty close. So after the 21<sup>st</sup> of November we will close the comment period for performance funding.

## Comments

Dr. Reid said, “I want to ask Mike Baumgartner if he had some words of wisdom to give us from Complete College America. We just finished, as you know, the annual meeting of Complete College and Mike might want to say a word or two about that as well.

Mr. Mike Baumgartner said, “First of all I want to compliment you on this process. One of the things that we talk about in performance funding is that it cannot be successful unless everyone is onboard, everybody has had a chance to air their opinions and I have watched this process now over a period of months and am very impressed by that. That has been a hallmark of my time here working in Illinois, as well, that through the *Public Agenda* process, through the finance study, and through this that everybody is around the table, and that drags things out a little bit, but it also makes everybody happier with the outcome, and I think you are all doing a great job with that, and compliment you on that.

“We were in Austin last week for Complete College America’s convening and I see that six of you who are sitting around the table today were there which is great. We have had great attendance from Illinois. Illinois’ commitment to Complete College America has been very high and a special thanks to Senator Maloney for being one of our speakers and to Chancellor Cheryl Hyman who was also a speaker at the meeting. At the meeting we had a particular session on performance funding at which Senator Maloney spoke and really went over a lot of the points that are being made today through the model that both the Community College Board and AI have put up today. You are measuring what matters, you are tying it to the public good, to the *Public Agenda*. They are both simple and straightforward. They are both tied to institutional missions. As Dennis Jones and I have talked, we are both very pleased with the way that this going.

“Finally, I want to turn to a comment that Jeff Mays made earlier on that the long term goal is to change the way institutions are funded, and to focus on completions which Chancellor Cheng just mentioned as well. Regardless of how the formula turns out eventually those are the points that are going to make the difference, that in the end over a long period of time the state changes the way that funding is doled out and that the focus is on completion. Finally, Senator Maloney I want to follow-up with you on a comment you had made earlier about Complete College America and a particular statement, I would like to see what you have in mind and work with you on that. Again, from our perspective I think you are doing an outstanding job here. Thank you George.”

Dr. Reid said, “Thank you so much Mike. I want again thank Chancellor Cheng for her hospitality at Southern Illinois University Salukis. Thank you so much for having us here in Carbondale. Carbondale is a fine place to come.”

Dr. Frances Carroll said, “Dr. Reid thank you for your fine leadership in this.”

Dr. Reid said, “I also wanted to say to Complete College America that Chancellor Cheryl Hyman was added to the Complete College America Board last week and so we are very grateful for that. We were well represented at the annual meeting. Ed Maloney’s group gave the final session presentation and Cheryl Hyman’s group opened up the conference, so we were well represented.”

### **Adjournment**

Dr. Reid said, “Do not forget that the meeting next month which is November 30 after you have eaten your pumpkin pie and your turkey will be at Decatur at Richland Community College on November 30 and that the Board meeting will be December 6 at Moraine Valley Community College at Palos Hills. The Agenda for the November 30 meeting will be the retrospective which I usually give at each meeting, the composite list of principles which you will get from AI and then yours together a composite list of principles, the metrics formula for final presentation and then a discussion and presentation by the legislators and by Julie Smith from the Governor’s office on a plan for securing legislative support and a plan for securing the support of the office of the Governor. That is our agenda going forward.”

Mr. Harrington said, “Are we starting at 10:00 a.m. or 11:00 a.m.?”

Dr. Reid said, “It will be at 10:30 a.m.”

Senator Maloney said, “I would want to acknowledge somebody in the audience. Dan Ryan is here who is, I have known him since he was a baby and his mom and dad were very good friends of mine. Dan is a doctoral candidate down here at Southern Illinois University and he does not have to be here except that he is interested. It is not bad for a kid from the south side. Thanks Dan for being here. I want to thank everybody. I am proud of this group. As a sponsor of this legislation I am proud of this group. People have exhibited a respect and understanding for everybody’s points of view in keeping in mind the big picture of what this performance funding is all about – that is improving our institutions of higher education in order to better serve the students we have. Thank you everybody for your conscientious participation.”

Dr Reid said, “Any other words of wisdom to grace us before we adjourn? If not, meeting adjourned.”