

Finance in higher education(state report:illinois state)

[Education](#)



Report: Illinois Report: Illinois Current Economic Status of Higher Education at the Level While Illinois once enjoyed a high rate of college graduation, enrollment, and affordability when compared to the rest of the country, a disturbing trend appears to be happening today. During the 21st century, there has been a consistent and substantial decline in performance in regards to higher education when compared to America as a whole. In the last decade, the average family income has decreased by seven percent, while tuition in higher educational institutions has increased 100%. Ten years ago, the average need-based aid distributed to Illinois residents amounted to \$1, 000, while today it stands at only \$745 (Perna, et al., 2011).

Enrollment Trends

While high school graduation rates in Illinois have increased in the last decade, there has been an actual ten percent decline in university enrollment.

Enrollment at the state's higher educational institutions has the following breakdown: 25% attend public universities, 43% attend community colleges, and 32% attend private colleges and universities.

Total enrollment in the past decade has grown nearly 12%.

The fastest growing segment of the student population comes from African-Americans and Hispanic/Latino families (Ikenberry, et al., 2008).

Funding Trends

The funding of the higher educational system in Illinois is a result of requests by each respective university or college, recommendations by the Illinois Board of Higher Education, the governor, availability of revenue, and

legislative priorities.

In recent years, the amount of money directed to students has decreased in deference to the State Universities Retirement System (SURS). In 2012, 12% of funds were directed to SURS, rather than to students.

Accountability

Each respective public institution is now responsible for setting its own tuition policies

There are few performance incentives currently in place, creating a lack of accountability in the system of higher education in Illinois.

Current Implications of Economic Conditions

Current economic conditions dictate that the funding of higher education in the state cannot keep pace with the rising cost of services rendered.

In a recent study, it was found that there was only an additional \$200, 000 increase in funding across all institutions compared to the previous. While reflects less than a 3% increase, Illinois actually fares better in this area than all but five other states (Reindl, 2004, p. 35)

Outcomes of Economic Response Actions Anticipated by Institutions

Moving forward, a steering committee will examine and make recommendations in regards to performance-based funding.

According to Rogers (2012), “ The Illinois Board of Higher Education will vote on the performance-based funding proposal to pool 0. 5 percent of public university budgets and reallocate them based on the level of achievement in terms of certain metrics” (para. 1).

References

Ikenberry, S. O., Layzell, D. T. & Kangas, W. R. (2008). Higher education and Illinois future.

Springfield, IL: The institute of Government and Public Affairs at the University of Illinois.

Illinois Board of Higher Education. (2013). Planning and Budgeting. Retrieved Feb. 7 from

<http://www.ibhe.org/Fiscal%20Affairs/default.htm>.

Pena, L., Finney, J. & Callan, P. (2011). A story of decline: Performance and policy in Illinois

higher education Philadelphia, Pa: Institute for Research on Higher Education.

Reindl, T. (2004). State funding for higher education: The squeeze continues. College and University, 79(4), 35.

Rodgers, R. (2013, February 6). IBHE to vote on performance funding. The Daily Easter News.

Retrieved February 7 from http://www.dennews.com/news/ibhe-to-vote-on-performance-based-funding/article_057e750a-514b-11e1-947e-0019bb30f31a.html.