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IBHE TO FOCUS ON AFFORDABILITY CRISIS

ISAC chief to spell out measures to save MAP, discuss future of financial aid

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SPRINGFIELD – The affordability of a college education in Illinois, fragile after years of funding restraints and tuition increases, is about to fall off a cliff.

Unless the General Assembly appropriates an additional \$200 million to fund the state's primary need-based Monetary Award Program (MAP), nearly 138,000 students will lose a vital financial lifeline to college opportunity when the spring semester arrives at colleges and universities across Illinois. MAP funding was cut in half as part of the budget resolution between the legislature and Administration for fiscal 2010.

The Illinois Board of Higher Education will focus attention on the financial aid crisis at its regular meeting October 6th at the Lakeshore Campus of Loyola University in Chicago, featuring a presentation by Andrew Davis, executive director of the Illinois Student Assistance Commission, which administers the MAP program.

“There is no higher priority for the Board of Higher Education than to ensure that we remove any barriers – including financial obstacles – to college opportunity,” Carrie J. Hightman, IBHE Chairwoman, said. “One of the key recommendations of the *Illinois Public Agenda for College and Career Success* is to ‘make Illinois one of the five most affordable states in the country to get a college education.’ Pulling the financial rug out from beneath students in the middle of the academic year is hardly the way to achieve this critical objective.”

The Chairwoman also noted that the *Illinois Public Agenda* stresses the need for Illinois to increase educational attainment, particularly among students of color and low-income students. “We cannot help students attain college credentials if we are unwilling to provide the financial support needed for them to enter and remain in college,” Hightman said.

With half-a-year's funding, ISAC decided to pay full MAP awards to students for the fall semester, leaving no funds available for spring semester grants. However, since students register

for spring classes in October and November, the legislature's fall veto session is viewed as the last chance to fully fund the MAP program and keep thousands of students in school.

Davis, whose agency has been coordinating efforts to rescue the MAP program, will update the Board on measures undertaken throughout the higher education community to focus legislative attention on the need to restore funding for MAP grants. In addition, Davis' presentation will:

- Offer his perspective on college affordability, including its relationship to college costs and time-to-degree, based on recent research and on ISAC's experience in administering financial aid programs,
- Outline current and potential ISAC initiatives, and
- Discuss how the initiatives advance the goals of the *Illinois Public Agenda for College and Career Success*, with particular emphasis on an "affordability summit" planned for early next year under the aegis of House Joint Resolution 54, which directs IBHE, ISAC, and the Illinois Community College Board to review models for assisting low-income students and present recommendations to the General Assembly.

As grim as the news regarding financial aid for this year may be, Board members will hear an equally downbeat forecast about the fiscal climate heading into FY 2011.

A report examining funding trends and economic conditions paints a bleak picture for the next fiscal year, still nine months away. The report notes that despite the infusion of \$1.5 billion of federal stimulus dollars, general funds revenue fell \$515 million, or 1.7 percent, in fiscal 2009, and the state Commission on Government Forecasting and Accountability (CGFA) "estimates that revenue sources closely tied to the economy will continue to decline." Projections for 2010 indicate the state will suffer two consecutive years of declines in base revenues totaling \$2.7 billion.

In addition, spending demands for big-ticket programs and services – Medicaid, state employees' health insurance, pensions, and K-12 funding – will continue to pressure state budget decisions. The budget paper also states, "the backlog of unpaid bills, declining revenues, and the pension hole passed over by borrowing in fiscal year 2010, the state will face the loss of federal State Fiscal Stabilization Fund funding in fiscal year 2011."

The budget context report notes that Board deliberations over funding priorities will be guided by the *Illinois Public Agenda for College and Career Success* to ensure that scarce

resources are directed to the goals of increasing educational attainment, enhancing affordability, strengthening workforce development, and promoting economic growth.

“We recognize the significant fiscal challenges facing the state and the difficult choices facing our elected leaders,” Chairwoman Hightman said. “But given that situation, the *Illinois Public Agenda* offers the surest path toward economic recovery and long-term stability for the state and its citizens.”

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