



Illinois Higher Education: A Comparative Analysis

In this report, we examine access to Illinois higher education compared to other states. Given that higher education is not compulsory like elementary and secondary education, it is important to consider the state's effort to provide higher education in two ways.

- First, we look at the opportunity Illinois has provided within its higher education system to serve its residents.
- Second, we examine sources of funding.

We conclude that Illinois provides less state funding to higher education than would be expected given its status as the 8th wealthiest state in the nation. This scarcity of funding manifests itself not as low appropriations per Full-Time-Equivalent Student (FTES), nor in high tuition and fees, but in reduced enrollment in public four-year institutions, and a high dependence on local funding for the community colleges.

Specifically:

- More of Illinois' continuing high school

graduates leave the state to attend college than is typical nationally.

- And of those who remain in state, larger proportions enroll either in a private in state institution or a two-year public college than is typical nationally.
- Only two states rank below Illinois in the proportion of their higher education students attending in-state four-year public institutions.
- Illinois' two-year public sector is highly dependent on local funding, ranking 44th in the nation in the proportion of funding coming from state sources. In half of the states, no local funding is used to support the two-year public sector.

The pattern of higher education enrollment for Illinois residents is a low cost strategy for the state, although it places a high burden of effort on local communities that provide more support than do state resources to support a large two-year public sector.

Cautionary notes concern the extent to which budget reductions in FY 2003 and

2004 are eroding Illinois' capacity to provide the quality postsecondary education that Illinois' residents deserve and need; and the extent to which the two-year sector can be expected to expand significantly its repertoire of programs given its heavy reliance on local funding.

- Only four states attract a smaller proportion of its freshmen from other states than does Illinois. In addition, Illinois is not increasing its stock of college graduates at the same rate as more than 40 percent of other states.

The link between a strong four-year sector and the state's competitive future deserves additional study.

The full report, **Illinois Higher Education: A Comparative Analysis**, is available at <http://ierc.siue.edu> under Publications. Contact me at jpresle@siue.edu for more information.

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HIGHLIGHTS OF FINDINGS

ENROLLMENT PATTERNS COMPARED TO OTHER STATES

Illinois has mixed grades on the college-going patterns of its youth.

- Illinois ranks 14th in the college-going rate of Illinois residents by age 19 (42%),
- 25th in high-school graduation rate (71%), and
- 20th in the continuation rate of high-school graduates (60%).

Illinois' college-going rate of 19-year olds dropped from a high of 49 percent in 1994 (rank 6th).

What Does this mean? Illinois is losing ground in comparison to other states with regard to high school graduation and college continuation rates. But overall, the proportion of 19-year olds enrolled in college still places Illinois in the top third among the states.

Illinois is a large net-exporter of college freshmen.

- Illinois ranks 31st in the percent of continuing high school graduates enrolling in state (76.5%).
- Illinois ranks 47th in the proportion of its freshmen (12.4%) from out of state.

What does this mean? Many Illinois high school graduates leave the state for college. And Illinois' higher education does not attract students from other states. Illinois loses the economic benefits that come with a large influx of

students. But it gains from the savings in state subsidies to those who enroll out of state.

The pattern of enrollment of in-state resident freshmen differs from other states.

- Illinois ranks 13th in the percent of this group enrolling in a public in-state two-year institution (40%),
- 47th in the percent of this group enrolling in a public in-state four-year institution (35%), and
- 5th in the percent of this group enrolling in a private institution within the state (25%).

What Does this mean? Illinois provides more of its freshman access to public higher education through the two-year sector than many other states.

Illinois also relies on its two-year sector more than most other states for total enrollment.

- Illinois ranks 8th in the percent of total in-state enrollments that are in public two-year institutions. Nearly 47 percent of Illinois' higher education students attend such institutions (37 percent of Full-Time-Equivalent Student (FTES) enrollment).

- It ranks 48th in the percent of total in-state enrollments that are in public four-year institutions. About 27 percent of Illinois' higher education students attend these types of institutions (32 percent of FTES).
- It ranks 12th in the percent of in-state enrollments that are in private institutions. About 26 percent of Illinois' higher education students attend these types of institutions (30 percent of FTES).

What Does this mean? Illinois' community college sector plays an even larger role for all in-state enrollments than for freshmen alone. Full-time-equivalent student enrollment is quite evenly distributed across the three sectors. The pattern of higher education enrollment for Illinois residents is a low cost strategy for the state.

Illinois' stock of college graduates is falling behind other states.

- Illinois has a small net out-migration of college graduates (-3% from 1989-2001). In contrast, half of all states had net in-migration – meaning that growth in the number of people with at least a bachelor's degree exceeded the number of baccalaureates produced by institutions in the state.

- Illinois is one of only six states with a net out-migration of both college freshmen and college graduates.
- Illinois ranks 21st in its increase of its baccalaureate stock of residents from 1989-2000 (+5.6%).

What does this mean? Illinois is falling behind other states in its proportion of residents who are college graduates.

FUNDING PATTERNS COMPARED TO OTHER STATES

Illinois' effort in funding higher education falls behind other states.

- Illinois ranks among the top ten states in per capita personal income. But it ranks only 26th in the state dollars it spends per capita on higher education, and 32nd in state dollars per \$1,000 of income.

What does this mean? Illinois spends less on higher education (from state taxes) than almost half the states given its population size, and two thirds of the states given its per capita personal income. Instead, the state relies on its college freshmen enrolling out of state, enrolling in the private in-state sector, and in two-year public institutions. Nor does the state attract out-of-state freshmen to its public institutions at the same rates as other states.

Illinois' public sector relies more heavily on tax sources for funding than most other states.

- Illinois public institutions get about three quarters of their operating income (state + local + tuition and fees) from state and local taxes, ranking in the top quartile among the states.

- Students contribute the other one quarter of this income, placing Illinois in the bottom quartile among the states on this measure.
- Illinois' public sector ranks in the second quartile in total \$/FTES (state + local + tuition and fees) among states.
- State funding to Illinois higher education has fallen for three consecutive years, especially for the four-year sector.
- Illinois ranks close to the top of states with regard to funding for student financial aid.

What does this mean? Students in Illinois public institutions contribute less to their education than do students in many states. And Illinois residents are well-served by state financial aid. Funding decreases may be eroding Illinois' comparative position, especially in the four-year sector.

Illinois' two-year sector relies more heavily on local funding than in most states.

For Illinois' two-year sector, 54 percent of state and local funds come from local sources, ranking 6th in the nation.

What does this mean? The community colleges' reliance on local aid will cushion the effects of state budget cuts since property tax bases are more resilient to economic downturn than other types of taxes. Since the proportion of funding by source varies among the community colleges, the impact of cuts will vary.

A cautionary note concerns the extent to which the two-year sector can be expected to expand significantly its repertoire of programs given its heavy reliance on local funding.

State support to the private sector is strong.

- \$/FTES from state taxes (including financial aid) to private institutions places Illinois in the top quartile among the states.

What does this mean? The state provides greater subsidies to its residents who enroll in the private sector than do many other states.

INTRODUCTION

Recently, the Illinois Education Research Council examined Illinois' funding of its elementary and secondary school districts, paying particular attention to differences in funding between high and low poverty districts in the state and sources of funding (state versus local) (Presley & Randolph, 2002). Compared to other states, Illinois was found to have both a large funding gap between its highest and lowest poverty districts (rank 2nd out of 47) and an overall low funding level to its highest poverty districts (rank 34th out of 47). Illinois'

relatively heavy reliance on local funding for its school districts, coupled with state funding levels that fail to adequately compensate for the wide variation in districts' capacities to raise local funds, contribute to the state's funding pattern at the K-12 level.

In this report, we widen our focus to examine how well Illinois supports higher education compared to other states. Given that higher education is not compulsory like elementary and secondary education, it is important to consider the state's effort to

provide higher education in two ways. First, we look at the opportunity Illinois has provided within its higher education system to serve its residents. Second, we examine funding sources compared to other states.

Table 1 shows how Illinois ranks on the measures we use in this study. We provide state-by-state data in tables at the end of the report and these are referenced in the last column of Table 1.

ILLINOIS RESIDENTS' ACCESS TO HIGHER EDUCATION

TRENDS IN COLLEGE GOING RATES OF NEW HIGH SCHOOL GRADUATESⁱ

Illinois ranks in the top third of states (14th) in the college-going rate of its residents by age 19, although its position has dropped since the mid-1990s. About 42 percent of Illinois' youth enrolled in college nationwide by age 19 in 2000. The college-going rate is the product of two measures – high school graduation and college continuation. Illinois ranks in the middle of states with regard to its public high school graduate rateⁱⁱ (71% with a rank of 25th – the national average is 66%). Illinois ranks higher with regard to its college continuation rate of high school graduates (60%

with a rank of 20th – the national average is 57%).ⁱⁱⁱ

Illinois' college-going rate dropped from a high of 49 percent in 1994 (rank 6th) due to a combination of a 6.3 percent drop in the high school graduation rate and a 3.8 percent drop in the continuation rate to college for high school graduates. Only five states experienced an increase in high school graduation rates during this period (Maine, Nevada, Texas, Utah, and Virginia), while 31 reported an increase in their college continuation rates.

What Does this mean? Illinois is losing ground in comparison to other states with regard to high school graduation and college continuation rates. But overall, the proportion of 19-year olds enrolled in college still places Illinois in the top third among the states.

Table 1. Illinois' Ranking by Selected Enrollment and Funding Measures

		State Rank	Appendix Table
<i>College-Going Rates, 2000</i>			
High School Graduation Rate	71%	25	A
Immediate Continuation Rate to College of High School Graduates	60%	20	A
College-Going Rate by Age 19	42%	14	A
<i>Enrollment of Freshmen Within State, Fall 2000</i>			
Resident Freshmen Remaining In-State for College	76.5%	31	B
Percent Enrolled in Public Two-Year Institutions	39.8%	13	C
Percent Enrolled in Public Four-Year Institutions	35.1%	47	C
<i>Two-Year as Percent of Enrollment in Public Institutions</i>	53.0%	5	C
Percent Enrolled in In-State Private Institutions	25.1%	5	C
Percent of Freshmen From Out of State	12.4%	47	D
Net Migration of Freshmen (immigration minus emigration)	-12.7%	47	--
<i>Total Headcount and Full-Time Equivalent Student Enrollment, Fall 2001</i>			
Percent Enrolled in Public Two-Year Institutions - Headcount	46.7%	8	E
Percent Enrolled in Public Four-Year Institutions - Headcount	26.9%	48	E
Percent Enrolled in In-State Private Institutions - Headcount	26.3%	12	E
Percent Enrolled in Public Two-Year Institutions - FTE	37.2%	10	F
Percent Enrolled in Public Four-Year Institutions - FTE	32.5%	48	F
Percent Enrolled in In-State Private Institutions - FTE	30.3%	11	F
<i>Net Migration of College Graduates -- 1989 to 2001</i>	-2.7%	28	E
<i>Income and Funding of Higher Education</i>			
State Per Capita Income - FY 2003	\$33,404	8	H
State \$ for higher education/Illinois resident - FY 2003	\$221	26	H
State \$ for higher education/\$1,000 of personal income - FY 2003	\$6.66	32	H
Need-based undergraduate financial aid/Illinois college-age population	\$317	2	--
All undergraduate financial aid/Illinois college-age population	\$339	3	--
<i>Tax Appropriations and Tuition/Fees, FY 2002</i>			
State + Local Share of operating income		First Quartile	I
Tuition and Fee Share of operating income		Fourth Quartile	I
State and Local \$/FTES- public institutions		First quartile	I
Tuition and Fees/FTES- public institutions		Fourth quartile	I
Total State + Local + Tuition and Fees/FTES - public institutions		Second Quartile	I
State \$/FTES - private institutions		First quartile	I
Need-based undergraduate financial aid/FTES	\$867	2	--
All undergraduate financial aid/FTES	\$919	4	--
<i>Source of Funding for Two-Year Public Institutions FY 2002</i>			
State	47.4%	44	J
Local	52.6%	6	J

WHERE DO ILLINOIS' FRESHMEN ENROLL?^{iv}

Illinois' investment in higher education can be assessed by whether its college-going high school graduates are enrolling within the state, and

in what types of institutions. This measure provides an indication of the attractiveness of Illinois' higher education enterprise to potential students,

and the state's historical patterns of providing access to higher education. The pattern for Illinois is quite different from most states.

LEAVING THE STATE FOR COLLEGE

Illinois ranks in the bottom half of the states (rank 31st) in the proportion of high school graduates who continue immediately to college that remains in state for college, with 76.5 percent of its continuing graduates enrolling within the state. The U.S. average in-state enrollment rate is 82 percent, ranging from 92 percent for Mississippi to 40 percent for Vermont (excluding the District of Columbia and Puerto Rico, which are outliers). Generally, college freshmen from the northeastern and great plains states are most likely to leave their home states to attend college, while students in southern states are least likely to leave their home states for college.

Illinois should be concerned about this net out-migration if (a) those who are leaving are more academically prepared and (b) if college graduates do not migrate into the state. A study by the IERC is underway that will be able to answer the first question. The IERC study will also provide information on regional differences in out-migration of Illinois high school graduates. With regard to the second question, we show later that Illinois also has a small net out-migration of college graduates.

FRESHMEN COMING TO ILLINOIS FROM OTHER STATES

Illinois does not enroll a large proportion of freshmen from other states – just 12 percent – ranking 47th in the nation. In Illinois, more than three quarters (77%) of these freshmen enroll in Illinois' private institutions. Overall, Illinois has a net migration of –12.7%, ranking fifth in the nation after Alaska, New Jersey, Hawaii and Connecticut as states with the largest negative net migration rates. Tom Mortenson says “These states provide relatively unattractive higher educational opportunities because they lose more students to other states than they attract (Postsecondary Educational Opportunity, 2002b, page 8).” While Illinois loses the economic benefits that are generated by undergraduate immigrants into the state, it gains from state residents who emigrate to other states' public institutions, saving state tax payers in-state subsidies. Mortenson calculates that Illinois ranks 9th overall in the economic value of undergraduate migration (see page 9 of Postsecondary Education Opportunity, 2002b).

What does this mean? Many Illinois high school graduates leave the state for college. And Illinois' higher education does not attract a high proportion of students from other states. Illinois

loses the economic benefits that come with a large influx of students. But it gains from the savings in state subsidies to those who enroll out of state.

Tuition reciprocity agreements may influence in- and out-migration of freshmen, and further study is needed on this issue.

WHERE THOSE WHO STAY IN STATE ENROLL

Illinois high school graduates who stay in state for college are less likely to enroll in the four-year public sector than just three other states. Illinois ranks 47th out of the 50 states in the proportion of in-state enrollment of its resident freshmen that is enrolled in a four-year public institution (35%). It ranks 13th in the proportion enrolling in a two-year public institution, and 5th in the proportion enrolling in a private institution within the state. In short, Illinois has chosen to provide access to higher education for its citizens through institutions that are of lower cost to the state – two-year public institutions and the private sector – than most other states.

Table 2 provides more detailed information on the enrollment patterns of recent Illinois high school graduates who immediately enroll in college. We see again that 40 percent of continuing high

Table 2. In and Out Migration of College Freshmen for Illinois: 1996, 1998 and 2000

	1996		1998		2000	
	Headcount	Percent	Headcount	Percent	Headcount	Percent
Total Illinois High School Graduates	76,889		81,379		76,861	
Enrolling In-State	60,941	100%	63,964	100%	58,781	100%
IL Two-Year Public	28,729	47%	28,972	45%	23,386	40%
IL Four-Year Public	19,691	32%	21,288	33%	20,659	35%
IL Two-Year Private	753	1.2%	822	1.3%	864	1.3%
IL Four-Year Private	11,768	19%	12,882	20%	13,872	24%
Enrolling Out of State	15,948	100%	17,415	100%	18,080	100%
Two-Year Public	547	3%	602	3%	584	3%
Four-Year Public	7,146	47%	7,876	45%	8,516	47%
Two-Year Private	245	1.5%	459	3%	509	3%
Four-Year Private	8,010	50%	8,478	49%	8,471	47%
Out of State Residents in Illinois Institutions	7,410	100%	8,217	100%	8,307	100%
Two-Year Public	352	5%	383	5%	429	5%
Four-Year Public	1,221	17%	1,319	16%	1,423	17%
Two-Year Private	39	0.5%	190	2%	31	0.4%
Four-Year Private	5,798	78%	6,325	77%	6,424	77%

Source: Postsecondary Education Opportunity. *Residence and Migration for College Freshman by State, Illinois - October 2002.* www.postsecondary.org/archives/Reports/ResMigrations/ResMigrationIL.pdf.

school graduates enrolling in an Illinois institution is in the two-year public sector. However, the number and percent entering through that path has been declining, from 47 percent in 1996 to 40 percent in 2000.^v Growth in freshman enrollments has been occurring

at private institutions within state, and in out-of-state institutions.

What Does this mean? Illinois provides more of its access to public higher education through the two-year sector than many other states. Additional study is

needed to ascertain if freshmen entering through this door complete bachelor's degrees at the same rates as similar students who begin their college careers in a baccalaureate-granting institution.

WHAT DOES TOTAL STUDENT ENROLLMENT LOOK LIKE?

HEADCOUNT ENROLLMENT

When we look at total headcount enrollment we see that the role of the community colleges in Illinois is even bigger. Illinois ranks 8th in the nation in terms of the proportion of its higher education enrollments attending two-year public institutions. Nearly one in two

(47%) of Illinois' higher education total enrollment is in such institutions. The increase in rank suggests that Illinois' community colleges are providing more instruction to nontraditional entrants (i.e., individuals who are not recent high school graduates) than are two-year public institutions nationally.

Again, we see the contrast to enrollment in the four-year public sector. Only two states rank below Illinois in the proportion of total enrollment at four-year public institutions. And total enrollment in the state's private institutions falls to 12th, suggesting that these institutions have a comparatively narrower total

enrollment base beyond the traditional entrant.

FULL-TIME-EQUIVALENT STUDENT ENROLLMENT

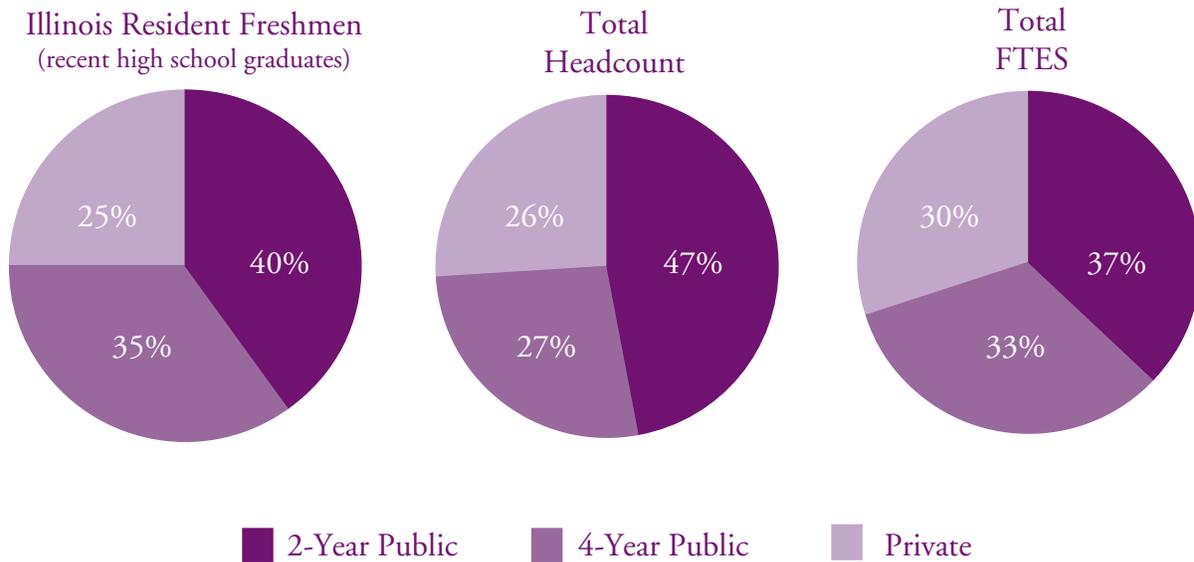
Full-time equivalent student (FTES) enrollment measures total enrollment in institutions of higher education using the number of credits for which students are enrolled, instead of counting the actual number of people enrolled. At two-year institutions, for example, students are more likely to be enrolled on a part-time basis. This measure again includes all students enrolled for credits, not just freshmen

who are recent high school graduates.

This third measure of student enrollment provides a somewhat different picture of the distribution of enrollments across Illinois' institutions of higher education. Students are much more likely to be enrolled part-time in the community colleges, so that sector's FTES count drops in comparison to the other two sectors. FTES enrollments are distributed roughly one-third, one-third, one-third among the three sectors, while the rankings nationally are similar to those

for headcount enrollment. This picture of enrollment in Illinois institutions of higher education shows how enrollment is like a three-legged stool, supported quite equally by the public two-year sector, the public four-year sector and the private sector.

What Does this mean? Illinois' community college sector plays an even larger role for all in-state enrollments than for freshmen alone. The pattern of higher education enrollment for Illinois residents is a low cost strategy for the state.



ILLINOIS' STOCK OF COLLEGE GRADUATES

We consider here whether Illinois' pattern of enrollment in higher education is paying off with regard to an increase in its stock of residents with bachelor's degrees. A recent study of the interstate migration of college graduates compared the number of

college graduates produced by states to the number of people age 25 and over with bachelor's degrees (Postsecondary Education Opportunity, 2003). That report showed that between 1989 and 2001 the share of states' populations age 25 years and older with bachelor's

degrees increased in all states except Wyoming. The increase for Illinois was 5.6 percent, with a rank of 21st.

Illinois exports slightly more college graduates than it imports, with a net migration of -2.7 percent over the period

1989-2001. This places Illinois 28th in the nation. Twenty-six states experienced net in-migration over the same period. Illinois is one of only six states with a net out-migration of both freshmen and college graduates.

The study comments that some states “want the money

higher education brings to their states right now, while other states are content to lose freshmen to other states and build jobs for college graduates that payoff over a longer period of time. Then there are the six states [including Illinois] that lose both freshmen and graduates to other states. These states lose coming and going” (page 9).

What does this mean? Illinois is falling behind other states in its proportion of residents who are college graduates. Further research is needed to more clearly understand the underlying dynamics of net out-migration of college graduates, and the potential impact on Illinois’ competitive future.

COMPARISON OF FUNDING FOR HIGHER EDUCATION

STATES’ WEALTH AND THE FUNDING OF HIGHER EDUCATION

States, together with local governments, provide the largest source of funding for higher education institutions.^{vi} In 1999-2000, for example, state and local funds constituted about 44 percent of all revenues received by higher education institutions in the U.S. (Postsecondary Education Opportunity, 2001). While it stands to reason that more wealthy states have greater ability to fund their higher education institutions than less wealthy states, a state’s pattern of support for higher education

is influenced by historical and political factors, as well as socioeconomic conditions. More wealthy states, therefore, may or may not fund higher education better than less wealthy states.

Table 1 shows Illinois’ ranking for per capita income – an oft-used measure of wealth or fiscal capacity. Illinois ranks 8th out of 50 in terms of its per capita income, which shows that Illinois is a relatively wealthy state. Table 1 also

shows where Illinois ranks with regard to state appropriations^{vii} for higher education per capita (Illinois fell from 22nd in FY 2002 to 26th in FY 2003), and per \$1,000 of income (32nd). This first view of Illinois’ position with regard to the funding of higher education, then, shows that the state invests less in higher education per capita than about half of the states in the Union. And it invests even less when compared to the relative wealth of the state.

SOURCES OF FUNDING

We showed earlier that Illinois ranked 47th in the proportion of resident freshmen enrolling in its public four-year sector, and 48th in the proportion of total and FTES enrollment in that sector. Illinois relies much more heavily than most other states on its public two-year sector

and its in-state private institutions (as well as institutions out-of-state where almost one third of freshmen enroll).

Here we turn to the question of funding to institutions to support education. Public institutions in Illinois have three sources of

operating income – state appropriations, local appropriations (for the community colleges), and the tuition and some fees paid by students (some of which may be subsidized by state financial aid, as well as other sources of financial aid.)

Just as states vary in the patterns of enrollment among types of institutions, so they also vary in the patterns of funding available to institutions. In some states, for example, public tuition is high while appropriated funds are low. Some states use local funding to support in part their two-year institutions, while others do not. And some states provide high financial aid to students to help offset college costs, while others do not.

First of all – a disclaimer. The most recent data that are available nationally with regard to funding are for FY 2002 – and thus do not reflect the major changes that have occurred in the funding of Illinois higher education since then.^{viii} We will caution the reader when conclusions may change given the changing fiscal environment.

Where does Illinois stand? If we look at the sources of

public sector's operating income, we find that Illinois' public sector gets about three quarters from state and local taxes, and about one quarter from tuition and fees. This places Illinois in the top quartile of states in the proportion of funding from state and/or local taxes, and in the bottom quartile in the proportion of funding from tuition and fees.

What does this mean? Students in Illinois' public institutions contribute a smaller proportion to their education than do students in most other states. And with regard to the disclaimer: Many other states are raising tuition much more than Illinois in response to falling state appropriations. Illinois' students may be contributing an even smaller proportion of costs compared to other states in FY 2004.

When we looked at \$/FTES,^{ix} we found the same pattern.

Illinois' public sector fell into the top quartile of \$/FTES from state and local funds, and in the bottom quartile in \$/FTES from tuition and fees. Overall, Illinois' public sector fell into the second quartile of states for \$/FTES when these sources are combined.

What does this mean? While overall funding appears to be fairly strong, where Illinois ranks on this measure does not tell us whether Illinois' public sector is well funded or poorly funded. That assessment awaits a much more detailed analysis that takes into account differences across states in institutional missions, the size of sectors and institutions, and the mix of two-year and four-year institutions. And with regard to the disclaimer: Since FY 2002, Illinois' public sector may have lost ground in comparison to other states, especially in the four-year sector, where cuts have been the greatest.

STUDENT FINANCIAL AID

We showed in the previous section that students in Illinois contribute a smaller proportion towards the costs of education in the public sector than do students in many other states. In this section we show that Illinois ranks high among the states in the provision of student financial aid.

The National Association of State Student Grant and Aid

Programs (NASSGAP) reports each year on state-sponsored student financial aid. The latest report (FY 2002 data) (DeSalvatore et al, 2003) shows that Illinois ranked 2nd in need-based undergraduate aid and 3rd in all undergraduate grant dollars per resident college-age population (18-24 in 2000). This is a measure of effort that controls for the size of the state. The NASSGAP report also

shows that Illinois ranked 2nd in need-based grant dollars per FTE undergraduate student and 4th in total undergraduate grant aid per FTE student that year. These FTE measures include all students enrolled in Illinois institutions, not just residents. So they provide only a rough measure of Illinois' comparative position with regard to financial aid for its resident college-going

population. Illinois' high ranking is certainly related to the unusually large proportion of resident college-goers who are enrolled in the private sector in state (Illinois ranks 5th) – with about half of all state financial aid going to Illinois residents enrolled in these institutions. The other half of

state financial aid goes to students in the public sector – where more than half of all resident freshmen and total FTE students enroll in the two-year sector.

What does this mean? These findings suggest that Illinois' contribution to student financial

aid, and thus student affordability, is strong in comparison to other states. With regard to the disclaimer: Decreases in state appropriations in FY 2003 may have weakened Illinois' position in this regard.

FUNDING OF TWO-YEAR PUBLIC INSTITUTIONS BY SOURCE

Two-year public higher education institutions in Illinois are similar to elementary and secondary (K-12) schools in the state, in that both types of institutions are aggregated into geographically-bounded districts and both receive revenues from state and local sources. At the K-12 level, Illinois ranks 48th out of 50 states in terms of the proportion of state and local funding coming from state sources (Presley and Randolph, 2002).

The data presented in Table 1 show a similar pattern of state and local funding for two-year

public higher education institutions in the state. Illinois ranks 44th out of 50 states in terms of the proportion of state and local funding for two-year public institutions coming from state sources. Palmer (2002) reports that in about half of the states, all state and local funding is provided by the states since no local funds are appropriated for these institutions. Of the 25 states that provide local funds, Illinois ranks 6th in the proportion of state and local funds provided by local sources, with 53 percent of total funds coming from local sources.

The local tax base can be constrained by tax caps and farmland assessment that put limits on local tax revenues. The base does, however, benefit from increasing property values, and more stability during fiscal downturns.

What does this mean? The community colleges' reliance on local aid will cushion the effects of state budget cuts since property tax bases are more resilient to economic downturn than other types of taxes. Since the proportion of funding by source varies among the community colleges, the impact of cuts will vary.

STATE SUPPORT TO THE PRIVATE SECTOR

States also provide funding to their private institutions of higher education, often through the provision of state financial aid. In Illinois, state funding includes a number of financial aid programs as well as grant and capitation support.

We found that Illinois' private institutions ranked in the top quartile with regard to

state dollars per total FTES. This is in line with the state's policy of providing access to four-year institutions through the private sector to a greater extent than in most other states.

What does this mean? The state provides greater subsidies to its residents to enroll in the private sector than do many other states.

And with regard to the disclaimer: Illinois private institutions also lost base funding in FY 2003 and FY 2004, and were impacted by cuts in the state financial aid programs. The private sector may have lost ground in comparison to other states.

SUMMARY

Illinois currently has average performance with regard to high school graduation, college continuation rates and percent of resident freshmen enrolling in its in-state (public and private) colleges and universities. More of Illinois' continuing high school graduates leave the state for college than is typical nationally, and of those who stay, many more enroll either in a private institution or a two-year public college than is typical nationally.

This pattern of enrollment in Illinois higher education

relieves the state of the financial burden of providing additional seats in the public four-year sector, where funding per student is typically higher and not shared with local funding. Its effort per \$1,000 of income places the state in the third quartile among the states.

Illinois' public sector gets a larger proportion of its operating funds from state and local sources than many other states, falling in the top quartile. In contrast, Illinois' public institutions receive a much smaller proportion of revenue from tuition/fees than other states, falling into the

bottom quartile on this measure. Taken together, the resources available to public institutions place Illinois in the second quartile among the states.

Unlike two-year public institutions in half of the other states, Illinois' two-year public institutions rely on local funding, as well as state funding, to operate their programs. Local residents and businesses in Illinois bear a greater share of the burden of providing for two-year public institutions than local residents and businesses in 43 other states in this country.

CAN ILLINOIS' HIGHER EDUCATION ENTERPRISE MEET GROWING DEMAND FOR EDUCATION AND TRAINING?

Illinois, like other states, faces an economy that requires higher levels of education among its citizens. More jobs than ever require education through at least the first two years of college, and economic mobility is most clearly determined by having a bachelor's degree.

Through the combined efforts of all of the education sectors, Illinois is striving to increase its high school graduation rate and college continuation rate. Improvement will likely come through changes among young adults from the state's less affluent families – those for whom access to the public sector will be most critical.

Enrollments are balanced to take advantage of historical migration patterns of resident

students to other states, enrollment in the private sector within state, and high enrollment in the two-year public sector. This is a low cost strategy for the state, although it places a high burden on local communities who provide more than half of the \$/FTES at the two-year level. A cautionary note concerns the extent to which the two-year sector can be expected to expand significantly its repertoire of programs given its heavy reliance on local funding.

With the changing demographic characteristics of Illinois' college-going population, more may want to seek a baccalaureate education closer to home and at affordable institutions. Illinois needs to ensure that its newest

generation of college-going students has the opportunity to complete undergraduate study through paths that are affordable and geographically accessible. This may mean expanding upper-division enrollments in public senior institutions, either on campus or through baccalaureate completion programs co-located at community colleges, as well as continuing to provide sufficient student financial aid for others to enroll in the more expensive private institutions.

We believe that it would be useful to undertake additional analysis to understand the underlying dynamics that result in Illinois being a net loser of college graduates, and the potential implications for Illinois' competitive future.

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ENDNOTES

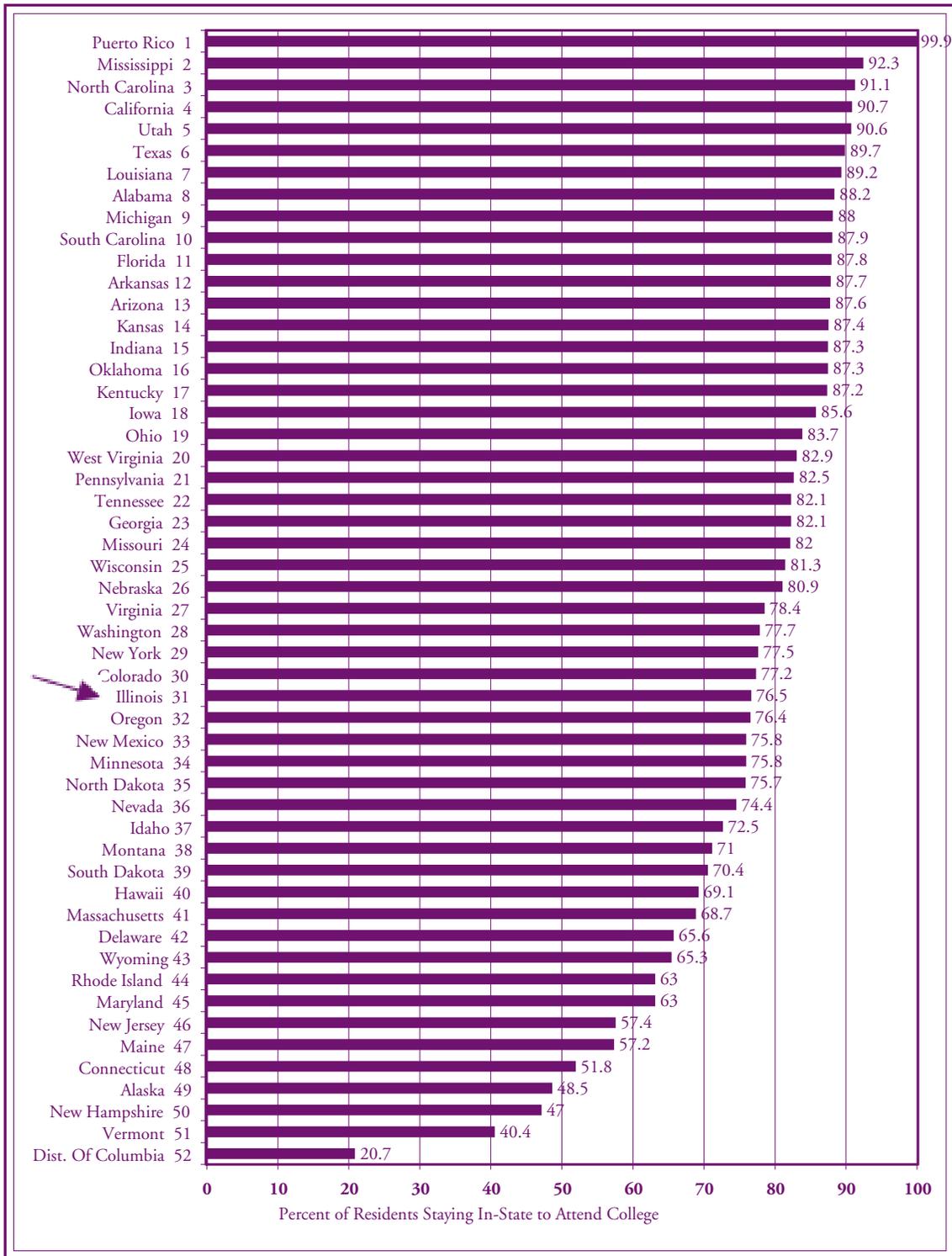
- ⁱ This section draws heavily from Postsecondary Education Opportunity, (2002a).
- ⁱⁱ Postsecondary Education Opportunity measures 'regular' high school graduates, excluding GEDs, certificates of completion or other alternative means of completing high school without actual graduation.
- ⁱⁱⁱ Illinois moves up on the combined measure because some states have high graduation rates combined with low college going rates, and vice versa. Postsecondary Education Opportunity (2002a) contains all state rankings.
- ^{iv} This analysis draws heavily on Postsecondary Education Opportunity (2002b) and state-specific data tables provided on www.postsecondary.org/pr/pr_02.asp
- ^v Total headcount at Illinois' community colleges showed little change (about 340,000), while total FTE enrollment dropped by about two percent.
- ^{vi} In addition to state tax appropriations for operating expenses and state student aid, two-year public institutions in 25 of the 50 states receive local tax funds. Four-year institutions, both public and private, do not receive local funding.
- ^{vii} 2002 Per Capita Income data are from the Bureau of Economic Analysis, Second Quarter 2002. State appropriations include state tax funds for operating expenses and student aid but exclude capital expenditures (<http://www.coe.ilstu.edu/grapevine>).
- ^{viii} In FY 2002 Illinois higher education experienced a 1.1 percent mid-year reduction in public universities and 1.2 percent for the community colleges that is not reflected in this analysis. In addition, beginning in FY 2002, public universities were required by the state to contribute \$45 million out of their general funds resources to cover a portion of the cost of the state employee group health insurance program, something that the universities had not been aware of at the beginning of FY 2002. This equated to an additional 3.0 percent reduction in funds available to public universities that year.
- Illinois was one of 14 states whose state appropriations for higher education declined in FY 2003, with a change of -4.03 percent. Only Virginia, Idaho, Missouri and Oregon experienced larger drops. Budgets were again reduced in FY 2004. In both FY 2003 and FY 2004 the percent decrease was much larger for the four-year public sector than the two-year sector (6.1 percent versus 4.1 percent in FY 2003, and 7.7 percent versus 4.4 percent in FY 2004).
- Private institutions also lost base funding in these fiscal years. And in FY 2003, both public and private institutions were impacted by cuts in the state financial aid programs.
- ^{ix} These appropriations per FTES are not adjusted for cost differences in the provision of higher education across the states. State and local appropriations reflect revised 2001-02 figures from the Grapevine National Database of Tax Support for Higher Education, Center for Higher Education and Educational Finance (<http://www.coe.ilstu.edu/grapevine>). In order to provide greater interstate consistency in funding by sector, minor adjustments were made to the Grapevine FY02 state and local appropriation figures. These adjustments resulted from variations in the reporting and presentation of Grapevine's state summary data. In addition, we excluded state financial aid. FTE figures were calculated from Fall 2001 enrollment data obtained from the IPEDS database using the following formula: FTE = (full-time enrollment + 0.333*part-time enrollment).

Table A: High School Graduation Rates, College Continuation Rates and College-Going Rates, 2000

State	Abbrev	Graduation Rate	Rank	Continuation Rate	Rank	College-going Rate	Rank
Alabama	AL	58.9%	41	58.0%	27	34.2%	36
Alaska	AK	62.3%	37	44.3%	48	27.6%	50
Arizona	AZ	59.2%	40	50.0%	42	29.6%	48
Arkansas	AR	73.1%	21	52.9%	36	38.6%	24
California	CA	67.4%	32	47.7%	44	32.1%	43
Colorado	CO	70.3%	27	52.8%	37	37.1%	29
Connecticut	CT	77.0%	9	62.2%	14	47.8%	8
Delaware	DE	60.7%	39	59.9%	18	36.4%	30
Florida	FL	55.3%	44	57.5%	28	31.8%	44
Georgia	GA	52.3%	49	60.4%	16	31.6%	45
Hawaii	HI	64.1%	36	59.8%	19	38.4%	27
Idaho	ID	76.9%	10	44.8%	46	34.4%	33
Illinois	IL	70.9%	25	59.8%	20	42.4%	14
Indiana	IN	67.7%	31	60.0%	17	40.6%	17
Iowa	IA	79.8%	6	64.5%	7	51.5%	5
Kansas	KS	73.8%	18	67.5%	3	49.8%	6
Kentucky	KY	64.7%	35	58.7%	26	37.9%	28
Louisiana	LA	54.9%	45	59.2%	22	32.5%	42
Maine	ME	75.7%	11	54.3%	33	41.1%	16
Maryland	MD	71.2%	24	54.7%	31	39.0%	23
Massachusetts	MA	74.8%	14	69.0%	2	51.6%	3
Michigan	MI	67.3%	33	58.7%	25	39.5%	18
Minnesota	MN	83.7%	3	63.9%	10	53.4%	2
Mississippi	MS	53.5%	48	63.4%	12	33.9%	38
Missouri	MO	72.3%	23	53.4%	34	38.5%	25
Montana	MT	77.9%	8	54.4%	32	42.4%	15
Nebraska	NE	83.8%	2	59.3%	21	49.7%	7
Nevada	NV	68.7%	30	40.3%	49	27.7%	49
New Hampshire	NH	73.8%	17	59.0%	23	43.5%	13
New Jersey	NJ	81.0%	5	63.6%	11	51.6%	4
New Mexico	NM	55.3%	43	58.9%	24	32.6%	40
New York	NY	53.9%	47	63.9%	9	34.4%	32
North Carolina	NC	58.8%	42	65.4%	6	38.4%	26
North Dakota	ND	84.1%	1	69.4%	1	58.4%	1
Ohio	OH	69.6%	28	56.1%	30	39.0%	21
Oklahoma	OK	72.5%	22	49.7%	43	36.1%	31
Oregon	OR	67.2%	34	51.1%	41	34.3%	34
Pennsylvania	PA	73.2%	20	61.5%	15	45.0%	11
Rhode Island	RI	69.3%	29	65.9%	5	45.6%	10
South Carolina	SC	51.0%	50	66.3%	4	33.8%	39
South Dakota	SD	73.8%	19	64.0%	8	47.2%	9
Tennessee	TN	54.8%	46	62.2%	13	34.1%	37
Texas	TX	61.9%	38	52.5%	38	32.5%	41
Utah	UT	81.5%	4	38.1%	50	31.0%	47
Vermont	VT	75.6%	12	45.3%	45	34.3%	35
Virginia	VA	73.9%	16	53.1%	35	39.3%	19
Washington	WA	70.8%	26	44.6%	47	31.6%	46
West Virginia	WV	74.4%	15	52.4%	39	39.0%	22
Wisconsin	WI	78.0%	7	57.2%	29	44.6%	12
Wyoming	WY	75.0%	13	52.2%	40	39.2%	20

Source: Postsecondary Education Opportunity (2002a), Number 123.

Chart B. Percent of Resident Freshmen Remaining In State for College By State, Fall 2000



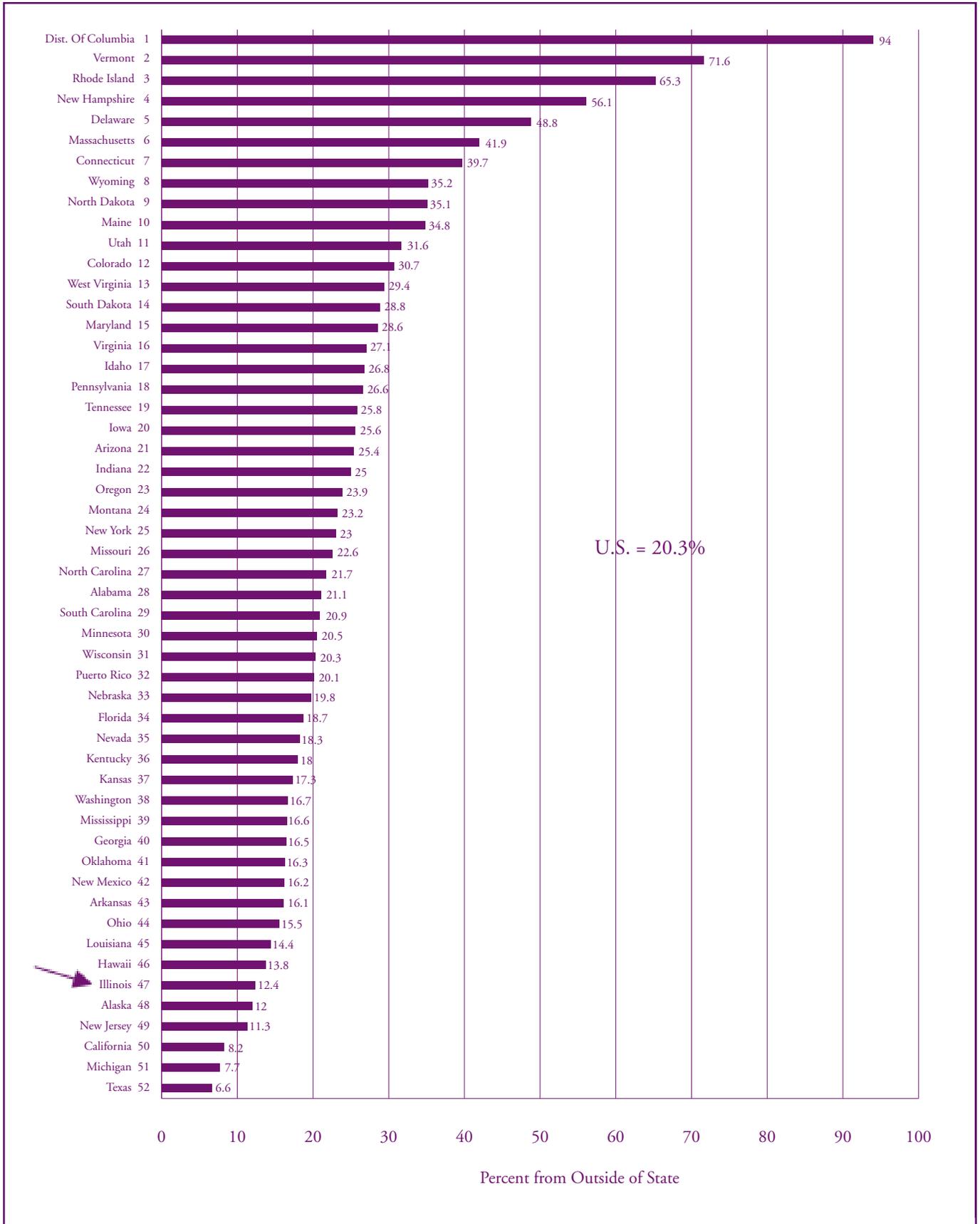
Source: Postsecondary Education Opportunity (2002b), Number 124.

Table C. Enrollment of Resident Freshmen Within State, By State, Fall 2000

State	% in two-year public	Rank % two-year public	% in four-year public	Rank % four-year public	% in In-State Private	Rank % private	Two-Year as % of public	Rank
Alabama	35.7%	19	51.4%	27	12.8%	31	41%	21
Alaska	1.1%	49	97.1%	1	1.8%	48	1%	49
Arizona	33.8%	23	49.3%	30	16.9%	20	41%	22
Arkansas	27.5%	30	62.0%	12	10.5%	39	31%	34
California	43.5%	6	41.1%	41	15.4%	23	51%	7
Colorado	14.7%	46	72.7%	5	12.6%	32	17%	46
Connecticut	27.2%	32	52.5%	25	20.3%	15	34%	31
Delaware	33.1%	24	54.8%	20	12.1%	35	38%	27
Florida	43.8%	5	41.8%	39	14.4%	24	51%	8
Georgia	30.4%	27	53.5%	23	16.1%	22	36%	29
Hawaii	59.1%	3	28.8%	50	12.1%	34	67%	1
Idaho	22.4%	37	66.1%	9	11.5%	37	25%	41
Illinois	39.8%	13	35.1%	47	25.1%	5	53%	5
Indiana	10.0%	47	67.2%	8	22.8%	8	13%	47
Iowa	42.7%	8	36.7%	46	20.6%	12	54%	4
Kansas	43.1%	7	49.3%	29	7.6%	44	47%	16
Kentucky	32.3%	25	50.7%	28	17.0%	19	39%	25
Louisiana	16.2%	45	75.1%	4	8.7%	42	18%	44
Maine	19.1%	41	59.1%	14	21.8%	11	24%	42
Maryland	44.4%	4	45.3%	36	10.2%	40	50%	9
Massachusetts	30.8%	26	32.2%	48	36.9%	1	49%	12
Michigan	29.8%	28	53.1%	24	17.1%	18	36%	30
Minnesota	39.4%	15	37.0%	45	23.6%	7	52%	6
Mississippi	62.4%	1	31.0%	49	6.6%	46	67%	2
Missouri	29.3%	29	48.6%	32	22.1%	10	38%	28
Montana	16.5%	44	76.8%	3	6.7%	45	18%	45
Nebraska	25.0%	35	55.8%	18	19.1%	16	31%	33
Nevada	25.7%	33	72.0%	6	2.3%	47	26%	38
New Hampshire	20.2%	40	57.4%	16	22.4%	9	26%	39
New Jersey	38.9%	16	40.6%	42	20.5%	13	49%	11
New Mexico	42.3%	9	55.9%	17	1.8%	49	43%	18
New York	24.9%	36	38.5%	44	36.6%	2	39%	24
North Carolina	35.2%	20	51.8%	26	13.0%	30	40%	23
North Dakota	37.7%	18	54.2%	21	8.1%	43	41%	20
Ohio	21.5%	39	53.9%	22	24.6%	6	29%	37
Oklahoma	34.8%	22	55.7%	19	9.4%	41	38%	26
Oregon	41.1%	12	47.0%	33	11.9%	36	47%	17
Pennsylvania	19.1%	42	46.6%	34	34.4%	4	29%	36
Rhode Island	38.4%	17	41.3%	40	20.3%	14	48%	14
South Carolina	39.8%	14	42.0%	38	18.2%	17	49%	13
South Dakota	18.2%	43	67.4%	7	14.4%	25	21%	43
Tennessee	34.9%	21	48.7%	31	16.4%	21	42%	19
Texas	42.3%	10	43.5%	37	14.2%	26	49%	10
Utah	25.1%	34	61.2%	13	13.7%	28	29%	35
Vermont	0.0%	50	64.7%	10	35.3%	3	0%	50
Virginia	22.2%	38	64.0%	11	13.9%	27	26%	40
Washington	41.6%	11	46.0%	35	12.4%	33	47%	15
West Virginia	7.2%	48	81.5%	2	11.4%	38	8%	48
Wisconsin	27.3%	31	59.1%	15	13.6%	29	32%	32
Wyoming	60.5%	2	38.6%	43	0.9%	50	61%	3

Source: Postsecondary Education Opportunity. *Residence and Migration for College Freshman by State, October 2002.* [www.postsecondary.org/archives/Reports/ResMigrations/ResMigration\[State Abbreviation\].pdf](http://www.postsecondary.org/archives/Reports/ResMigrations/ResMigration[State Abbreviation].pdf).

Chart D. Percent of Freshmen from Out of State, By State, Fall 2000



Source: Postsecondary Education Opportunity (2002b), Number 124.

Table E. Headcount Student Enrollment by Institution Type and State, Fall 2001

State	In-State Public Two-year Institutions		In-State Public Four-year Institutions		In-State Private Institutions	
	Percent Enrolled	Rank	Percent Enrolled	Rank	Percent Enrolled	Rank
Alabama	33.3%	24	56.7%	11	10.0%	43
Alaska	3.9%	50	93.0%	1	3.1%	48
Arizona	59.8%	2	35.7%	42	4.6%	46
Arkansas	30.8%	30	58.5%	9	10.8%	42
California	63.7%	1	25.2%	49	11.0%	38
Colorado	31.0%	29	58.0%	10	11.0%	39
Connecticut	25.9%	32	37.9%	40	36.2%	7
Delaware	25.9%	33	51.5%	16	22.6%	16
Florida	50.3%	6	33.5%	45	16.2%	29
Georgia	34.2%	21	48.4%	20	17.4%	26
Hawaii	41.3%	13	35.2%	43	23.5%	14
Idaho	16.0%	44	67.1%	5	16.9%	27
Illinois	46.7%	8	26.9%	48	26.3%	12
Indiana	20.7%	38	54.8%	13	24.5%	13
Iowa	36.1%	20	37.0%	41	26.9%	11
Kansas	40.4%	14	48.8%	18	10.9%	41
Kentucky	33.6%	23	52.2%	15	14.2%	30
Louisiana	23.6%	36	63.7%	6	12.7%	34
Maine	14.6%	46	56.2%	12	29.2%	9
Maryland	38.4%	15	45.1%	28	16.4%	28
Massachusetts	19.1%	40	24.6%	50	56.3%	1
Michigan	32.8%	26	49.7%	17	17.5%	25
Minnesota	36.3%	19	41.5%	35	22.2%	18
Mississippi	43.6%	11	47.9%	22	8.5%	45
Missouri	25.9%	34	38.4%	39	35.7%	8
Montana	15.4%	45	73.7%	3	10.9%	40
Nebraska	32.0%	27	48.0%	21	20.0%	20
Nevada	53.5%	5	45.9%	27	0.6%	49
New Hampshire	18.6%	41	42.7%	32	38.7%	6
New Jersey	38.3%	17	42.8%	31	18.9%	21
New Mexico	50.0%	7	46.6%	25	3.4%	47
New York	23.8%	35	34.3%	44	41.9%	4
North Carolina	42.5%	12	39.9%	38	17.5%	24
North Dakota	20.7%	39	69.4%	4	9.9%	44
Ohio	30.3%	31	46.7%	24	23.0%	15
Oklahoma	33.9%	22	54.2%	14	11.9%	35
Oregon	46.0%	9	40.5%	37	13.4%	32
Pennsylvania	18.1%	43	40.6%	36	41.3%	5
Rhode Island	21.1%	37	29.9%	47	49.0%	2
South Carolina	36.6%	18	44.8%	29	18.6%	22
South Dakota	10.4%	48	61.2%	7	28.4%	10
Tennessee	31.1%	28	46.6%	26	22.3%	17
Texas	45.6%	10	42.7%	33	11.7%	36
Utah	18.5%	42	60.2%	8	21.3%	19
Vermont	13.0%	47	44.5%	30	42.5%	3
Virginia	38.4%	16	47.6%	23	14.0%	31
Washington	56.9%	4	30.1%	46	12.9%	33
West Virginia	8.9%	49	79.7%	2	11.4%	37
Wisconsin	33.2%	25	48.6%	19	18.2%	23
Wyoming	58.1%	3	41.9%	34	0.0%	50

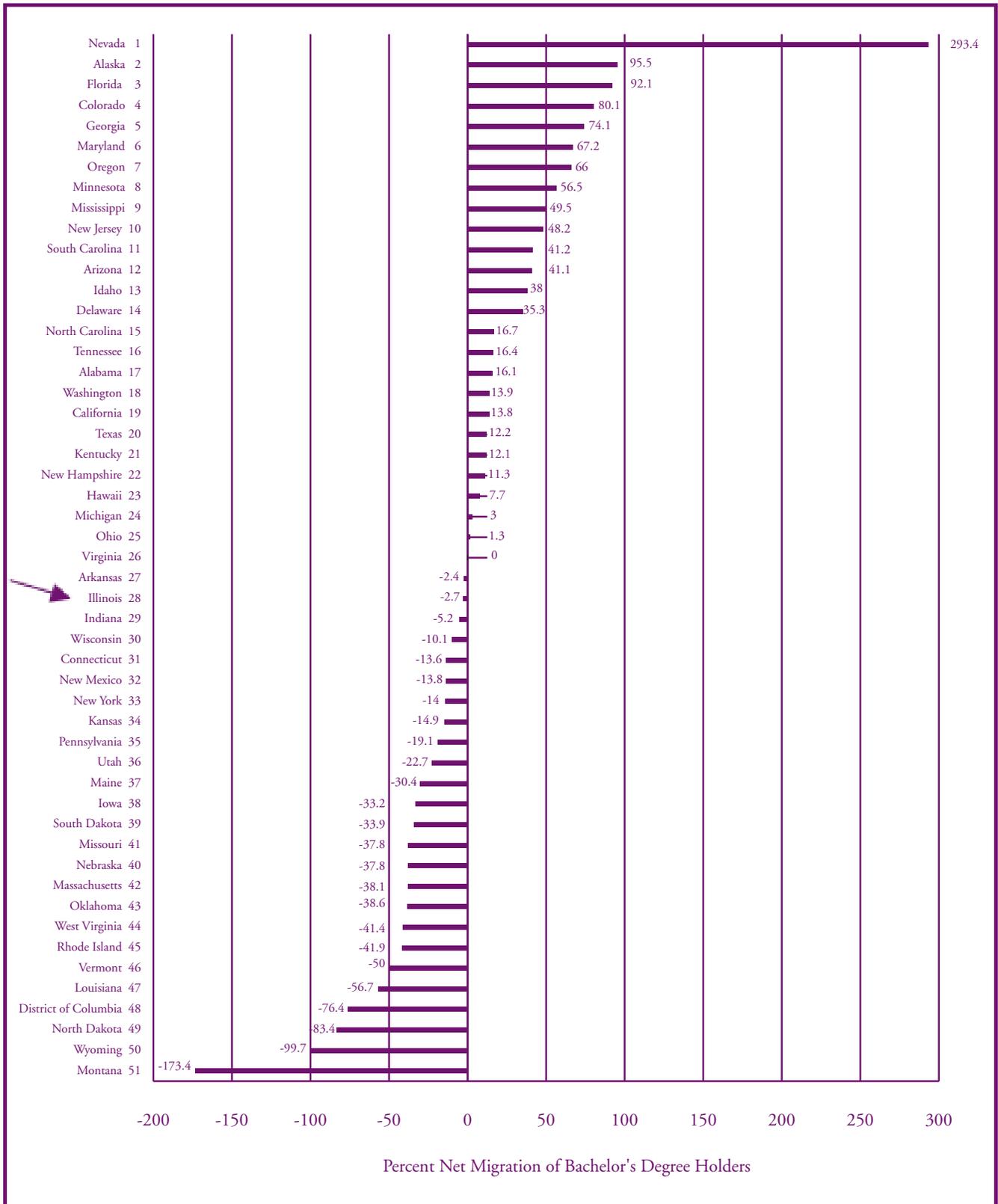
Source: IPEDS Fall 2001 Enrollment Survey. <http://nces.ed.gov/ipeds/>

Table F. Full-Time-Equivalent Student Enrollment by Institution Type and State, Fall 2001

State	In-State Public Two-year Institutions		In-State Public Four-year Institutions		In-State Private Institutions	
	Percent Enrolled	Rank	Percent Enrolled	Rank	Percent Enrolled	Rank
Alabama	29.9%	19	58.5%	12	11.5%	41
Alaska	2.6%	50	93.4%	1	3.9%	47
Arizona	47.0%	4	47.6%	32	5.4%	46
Arkansas	25.5%	26	61.8%	8	12.7%	38
California	51.8%	1	33.9%	47	14.4%	33
Colorado	23.7%	31	65.6%	6	10.7%	43
Connecticut	18.7%	36	40.4%	42	41.0%	7
Delaware	19.9%	34	60.4%	9	19.7%	25
Florida	42.1%	6	39.2%	44	18.8%	27
Georgia	28.4%	22	50.9%	26	20.7%	23
Hawaii	35.1%	12	39.2%	43	25.7%	15
Idaho	13.6%	42	65.6%	7	20.8%	22
Illinois	37.2%	10	32.5%	48	30.3%	11
Indiana	14.7%	41	58.3%	13	27.0%	13
Iowa	30.7%	18	40.8%	41	28.5%	12
Kansas	32.2%	15	55.9%	19	11.9%	40
Kentucky	27.8%	24	56.5%	17	15.7%	32
Louisiana	19.3%	35	67.2%	5	13.5%	36
Maine	12.6%	46	56.4%	18	31.0%	10
Maryland	31.6%	16	51.1%	25	17.2%	29
Massachusetts	14.8%	40	24.2%	50	61.0%	1
Michigan	25.1%	28	56.7%	16	18.2%	28
Minnesota	31.2%	17	44.6%	38	24.2%	18
Mississippi	42.4%	5	48.9%	29	8.7%	45
Missouri	21.8%	32	42.5%	40	35.7%	8
Montana	13.4%	43	76.3%	3	10.3%	44
Nebraska	25.0%	29	52.2%	22	22.8%	19
Nevada	42.0%	7	57.2%	14	0.8%	49
New Hampshire	12.7%	45	45.6%	36	41.7%	6
New Jersey	34.1%	13	45.6%	35	20.3%	24
New Mexico	41.8%	8	54.4%	21	3.8%	48
New York	21.1%	33	34.6%	46	44.3%	4
North Carolina	34.1%	14	45.1%	37	20.8%	21
North Dakota	18.5%	37	70.5%	4	11.0%	42
Ohio	23.7%	30	51.6%	24	24.7%	17
Oklahoma	27.6%	25	58.8%	11	13.6%	35
Oregon	36.5%	11	47.0%	34	16.4%	31
Pennsylvania	13.2%	44	44.2%	39	42.6%	5
Rhode Island	15.0%	38	29.5%	49	55.5%	2
South Carolina	28.6%	21	49.7%	27	21.7%	20
South Dakota	10.8%	47	57.2%	15	32.1%	9
Tennessee	25.3%	27	49.3%	28	25.4%	16
Texas	37.8%	9	48.9%	30	13.3%	37
Utah	14.9%	39	59.2%	10	25.9%	14
Vermont	7.0%	49	47.2%	33	45.9%	3
Virginia	28.4%	23	54.7%	20	16.9%	30
Washington	49.7%	3	36.6%	45	13.7%	34
West Virginia	7.1%	48	80.4%	2	12.5%	39
Wisconsin	28.7%	20	52.2%	23	19.2%	26
Wyoming	51.8%	2	48.2%	31	0.0%	50

Source: IPEDS Fall 2001 Enrollment Survey. <http://nces.ed.gov/ipeds/>
 FTE = Full-time enrollment + 1/3 of part-time enrollment

Chart G. Net Migration of Bachelor's Degree Holders as a Percent of Bachelors' Degrees Produced, 1989 to 2001



Source: Postsecondary Education Opportunity (2003), Number 130.

Table H. State Income and Funding of Higher Education By State: FY 2003

State	2002 Per Capita Income	Rank	State Tax Appropriations	Per \$1,000 Income		Per Capita	
				\$	Rank	\$	Rank
Alabama	\$25,128	43	1,148,152	10.19	8	255.91	14
Alaska	\$32,151	14	212,747	10.36	7	330.46	3
Arizona	\$26,183	38	907,227	6.40	36	166.27	41
Arkansas	\$23,512	49	625,987	9.76	12	230.98	21
California	\$32,996	10	9,590,129	8.29	21	273.10	9
Colorado	\$33,276	9	817,236	5.43	42	181.34	39
Connecticut	\$42,706	1	762,600	5.16	45	220.37	27
Delaware	\$32,779	12	192,889	7.11	27	238.91	17
Florida	\$29,596	23	2,916,595	5.92	39	174.51	40
Georgia	\$28,821	28	1,734,481	6.97	29	202.62	32
Hawaii	\$30,001	20	369,649	10.04	10	269.93	6
Idaho	\$25,057	44	305,337	9.10	16	227.67	22
Illinois	\$33,404	8	2,787,048	6.66	32	221.18	26
Indiana	\$28,240	32	1,326,682	7.66	23	215.40	29
Iowa	\$28,280	31	769,854	9.44	13	262.14	13
Kansas	\$29,141	26	712,027	8.86	18	262.17	12
Kentucky	\$25,579	39	1,094,599	10.49	6	267.44	11
Louisiana	\$25,446	41	1,055,455	9.25	14	235.45	19
Maine	\$27,744	33	242,082	6.75	31	187.01	37
Maryland	\$36,298	4	1,301,845	6.62	33	238.51	18
Massachusetts	\$39,244	3	989,019	3.93	49	153.87	48
Michigan	\$30,296	18	2,263,572	7.48	24	225.22	24
Minnesota	\$34,071	7	1,419,395	8.42	19	282.76	8
Mississippi	\$22,372	50	775,243	11.98	3	269.95	10
Missouri	\$28,936	27	875,070	5.38	43	154.26	47
Montana	\$25,020	45	146,034	6.57	34	160.57	45
Nebraska	\$29,771	22	520,691	10.03	11	301.12	5
Nevada	\$30,180	17	370,593	5.64	40	170.51	42
New Hampshire	\$34,334	6	111,135	2.54	50	87.16	50
New Jersey	\$39,453	2	1,791,323	5.29	44	208.53	31
New Mexico	\$23,941	47	620,718	14.05	1	334.61	2
New York	\$36,043	5	3,823,188	5.57	41	199.57	34
North Carolina	\$27,711	34	2,449,659	10.58	5	294.43	7
North Dakota	\$26,982	36	201,497	11.85	4	317.76	4
Ohio	\$29,405	25	2,112,609	6.30	37	184.97	38
Oklahoma	\$25,575	40	811,474	9.01	17	232.27	20
Oregon	\$28,731	29	604,330	6.00	38	171.61	41
Pennsylvania	\$31,727	15	2,011,110	5.12	46	163.04	44
Rhode Island	\$31,319	16	169,438	5.03	47	158.39	46
South Carolina	\$25,400	42	830,305	7.79	22	202.16	33
South Dakota	\$26,894	37	148,588	7.03	28	195.24	36
Tennessee	\$27,671	35	1,153,989	7.22	26	199.06	35
Texas	\$28,551	30	5,209,765	8.35	20	239.20	16
Utah	\$24,306	46	566,431	10.09	9	244.55	15
Vermont	\$29,567	24	75,455	4.16	48	122.37	49
Virginia	\$32,922	11	1,545,680	7.48	35	211.92	30
Washington	\$32,677	13	1,375,255	6.97	30	226.60	23
West Virginia	\$23,688	48	393,695	9.22	15	218.49	28
Wisconsin	\$29,923	21	1,211,788	7.43	25	222.71	25
Wyoming	\$30,578	17	189,786	12.46	2	380.56	1
Total			63,639,456				
Median				7.33		221.94	

Source: www.coe.ilstu.edu/grapevine/table5.html. FY03 Grapevine Survey.

Table I: Tax-Appropriation and Tuition-and-Fee Income by State by Quartile, FY2002

State	Private Institutions	Public Institutions			
	State \$ Per FTES: All Private Institutions	Percent State/Local \$	Percent Tuition/Fees \$	State/Local \$ Per FTES	Tuition/Fees Per FTES
Alabama	Q3	Q3	Q2	Q3	Q2
Alaska	Q4*	Q1	Q4	Q1	Q3
Arizona	Q4	Q2	Q3	Q3	Q3
Arkansas	Q2	Q2	Q3	Q2	Q3
California	Q2	Q1	Q4	Q1	Q4
Colorado	Q2	Q4	Q1	Q4	Q1
Connecticut	Q2	Q2	Q3	Q1	Q1
Delaware	Q4*	Q4	Q1	Q3	Q1
Florida	Q1	Q2	Q3	Q3	Q4
Georgia	Q4*	Q2	Q3	Q2	Q3
Hawaii	Q4*	Q1	Q4	Q1	Q3
Idaho	Q4	Q2	Q3	Q3	Q3
Illinois	Q1	Q1	Q4	Q1	Q4
Indiana	Q2	Q4	Q1	Q2	Q1
Iowa	Q1	Q3	Q2	Q2	Q2
Kansas	Q4*	Q2	Q4	Q2	Q4
Kentucky	Q2	Q2	Q3	Q2	Q4
Louisiana	Q3	Q2	Q3	Q4	Q4
Maine	Q3	Q3	Q2	Q2	Q1
Maryland	Q1	Q3	Q2	Q2	Q1
Massachusetts	Q3	Q3	Q2	Q2	Q2
Michigan	Q1	Q4	Q1	Q2	Q1
Minnesota	Q1	Q2	Q3	Q2	Q2
Mississippi	Q2	Q1	Q4	Q2	Q4
Missouri	Q3	Q3	Q2	Q2	Q2
Montana	Q3	Q4	Q1	Q4	Q2
Nebraska	Q3	Q1	Q4	Q1	Q3
Nevada	Q4*	Q2	Q3	Q4	Q4
New Hampshire	Q3	Q4	Q1	Q4	Q1
New Jersey	Q1	Q1	Q4	Q1	Q3
New Mexico	Q2	Q1	Q4	Q1	Q4
New York	Q1	Q4	Q2	Q3	Q2
North Carolina	Q4*	Q1	Q4	Q1	Q4
North Dakota	Q3	Q3	Q2	Q4	Q3
Ohio	Q2	Q4	Q1	Q4	Q1
Oklahoma	Q2	Q1	Q4	Q3	Q4
Oregon	Q3	Q3	Q2	Q3	Q2
Pennsylvania	Q1	Q4	Q1	Q4	Q1
Rhode Island	Q4*	Q4	Q1	Q3	Q1
South Carolina	Q1	Q4	Q1	Q3	Q2
South Dakota	Q4*	Q4	Q1	Q4	Q2
Tennessee	Q3	Q3	Q2	Q3	Q3
Texas	Q1	Q1	Q4	Q1	Q3
Utah	Q4*	Q2	Q3	Q4	Q4
Vermont	Q2	Q4	Q1	Q4	Q1
Virginia	Q1	Q3	Q2	Q3	Q2
Washington	Q2	Q3	Q2	Q3	Q2
West Virginia	Q2	Q3	Q2	Q4	Q3
Wisconsin	Q2	Q2	Q3	Q1	Q2
Wyoming	Q4*	Q1	Q4	Q1	Q4

Key	Rank
1st Quartile	1-12
2nd Quartile	13-25
3rd Quartile	26-37
4th Quartile	38-50

Disclaimer

State budgets for higher education are in flux. FY 2002 may not accurately represent the current status of higher education funding in some states, including Illinois. It is possible, therefore, that in FY 2004 states may have shifted to an adjacent quartile.

*No state \$ allocations

Source: Derived from FY02 Grapevine Survey. www.coe.ilstu.edu/grapvine (see also endnote viii). IPEDS Fall 2001 Enrollment Survey.

<http://nces.ed.gov/ipeds/>

Note that \$/FTES in the private sector include state financial aid.

Table J. Tax Appropriations of Two-Year Public Institutions by State: FY 2002

State	% of Total \$ Contributed by State	Rank	% of Total \$ Contributed Locally	Rank
Alabama	99.2%	26	0.8%	24
Alaska	100.0%	1	.	
Arizona	28.1%	48	71.9%	2
Arkansas	100.0%	1	.	
California	62.8%	40	37.2%	10
Colorado	83.1%	29	16.9%	21
Connecticut	100.0%	1	.	
Delaware	100.0%	1	.	
Florida	100.0%	1	.	
Georgia	100.0%	1	.	
Hawaii	100.0%	1	.	
Idaho	65.0%	38	35.0%	12
Illinois	47.4%	44	52.6%	6
Indiana	100.0%	1	.	
Iowa	80.0%	31	20.0%	19
Kansas	44.1%	45	55.9%	5
Kentucky	100.0%	1	.	
Louisiana	100.0%	1	.	
Maine	100.0%	1	.	
Maryland	100.0%	1	.	
Massachusetts	100.0%	1	.	
Michigan	48.9%	43	51.1%	7
Minnesota	100.0%	1	.	
Mississippi	100.0%	1	.	
Missouri	60.3%	41	39.7%	9
Montana	24.6%	49	75.4%	1
Nebraska	77.1%	32	22.9%	18
Nevada	100.0%	1	.	
New Hampshire	100.0%	1	.	
New Jersey	53.9%	42	46.1%	8
New Mexico	63.4%	39	36.6%	11
New York*	65.9%	37	34.1%	13
North Carolina	85.2%	27	14.8%	23
North Dakota	100.0%	1	.	
Ohio	83.6%	28	16.4%	22
Oklahoma	82.0%	30	18.0%	20
Oregon	73.2%	33	26.8%	17
Pennsylvania	68.2%	35	31.8%	15
Rhode Island	100.0%	1	.	
South Carolina	28.9%	46	71.1%	4
South Dakota	.	50	.	
Tennessee	100.0%	1	.	
Texas	66.1%	36	33.9%	14
Utah	100.0%	1	.	
Vermont	100.0%	1	.	
Virginia	99.5%	25	0.5%	25
Washington	100.0%	1	.	
West Virginia	100.0%	1	.	
Wisconsin	28.3%	47	71.7%	3
Wyoming	72.8%	34	27.2%	16

Source: FY02 Grapevine Survey. www.coe.ilstu.edu/grapevine

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