April 2015

Panel: Higher Education Scorecards, Performance Based Metrics and Faculty Compensation

Jonathan P. Blitz
University Professionals of Illinois

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Panel: Higher Education Scorecards, Performance Based Metrics and Faculty Compensation

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Collective Bargaining and Labor Relations in Higher Education
CUNY Graduate Center
April 20, 2015
Jonathan P. Blitz
University Professionals of Illinois
General Appropriations in Illinois

$1.3 Billion

0.5% of 1.3 Billion Set aside for performance based funding = 6.5 M

99.5% of 1.3 Billion = 1.29 B

Performance based funding model applied to each institution to determine the portion of these general funds allocated (0.5% ±)
## FY2012
Universities with University Professionals of Illinois (UPI) Bargaining Units

<table>
<thead>
<tr>
<th>Institution</th>
<th>General Appropriations (Millions)</th>
<th>General Appropriations Subject to Performance Based Funding Formula (Thousands)</th>
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</thead>
<tbody>
<tr>
<td>Chicago State University</td>
<td>39.2</td>
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<td>55.5</td>
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</table>

What else is happening in Illinois? At EIU?
In Illinois

“State general funds support for public universities as a percent of total educational and related revenues declined from 72.2 percent to 39.8 percent between fiscal years 1999 and 2014, while the share from tuition (university income funds) increased from 27.8 to an estimated 60.2 percent.” *IBHE 2015 Annual Report*

At EIU

The lower the state general fund contribution – the less effect performance funding formulas have on finances and negotiations. In 2014 EIU received approximately the same dollar amount as in 1999. Adjusted for inflation…I only have data back to 1973.

http://thekeep.eiu.edu/jcba/vol0/iss10/16
General funds decrease means tuition and fees must increase. Some factors limiting enrollment (tuition and fee income funds) include:

1. Available students
2. Affordability
3. Competition

The trend starting in 2009 will continue.

With respect to high school graduates in Illinois (i.e. available students) “…the graduating class of 2028 will be 14 percent smaller than the class of 2009 (by 20,000 graduates).” WICHE report on Illinois
Illinois has the third highest net out-migration of college students to other states (28,000 students/year) National Center for Education Statistics

Illinois' higher education costs are about $3,000 more than the national average College Board
All of these factors have hurt enrollment at the regional schools in Illinois.

Enrollments

Tuition and fees (Income funds)

$ Available

Bargaining

Total Enrollment AY2004-AY2013

0 5,000 10,000 15,000 20,000 25,000 30,000 35,000 40,000 45,000 50,000

UI UIC NIU ISU SIU-C SIU-E WIU NEIU EIU CSU UIS

AY2009 AY2010 AY2011 AY2012 AY2013

IBHE, Jeff Stowell

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Illinois Performance Based Funding in Perspective

At EIU
• Performance based funding model - approximately $250 K in play
• Late March 2015 budget rescission for FY15 - approximately $1 M (General funds – 2.25 %)
• Governor proposed reduction of EIU budget for FY16 - approximately $13 M (General funds – 31 %)

A wild guess after all negotiations are done for FY16 budget - approximately $4 M (General funds – 10 %)

For the above reasons - performance based funding has not (yet) had an effect on bargaining in Illinois. But we are watching for at least two reasons.
House bill increases share of general funds subject to performance based formula from 0.5% to 5%.

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• Measurement of outputs in funding formula a culture shift.

• Universities → Colleges → Departments → Faculty

• IF performance based funding is here to stay, eventually it will affect faculty, contract and salary negotiations.

• IF performance based funding is here to stay, unions are likely to resist these pressures as much as possible.

Thank you for your attention!