

IEA Higher Education Council Report (1/15/2010)

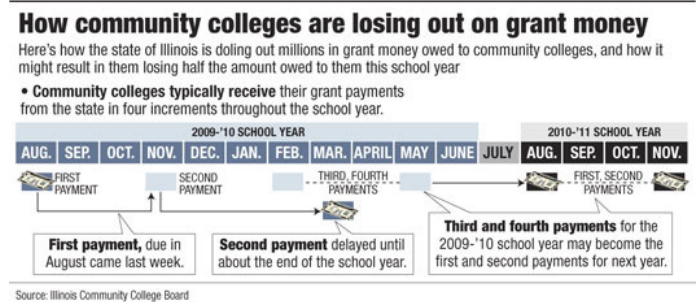


IBHE REACTS TO DELINQUENT STATE FUNDING

After listening to campus leaders report that serious consequences could result if the state of Illinois continued to be delinquent in payments owed Illinois higher education institutions, the Illinois Board of Higher Education responded at its December 8th meeting. The Board adopted a resolution that “instructs staff to organize a campaign (utilizing the resources developed during the recent successful campaign to support the continuance of MAP funding) to support full funding of the State’s financial obligations to postsecondary institutions including whatever revenue sources and cost-saving measures are necessary to accomplish that goal.”

A look at current newsprint speaks to how desperate the situation has become. The *Springfield State Journal Register* reported last November that Illinois institutions of higher education had received less than 1.5 percent of the \$600 million plus owed them halfway through the academic year. A look at individual schools suggests how precarious the situation has and could become.

The University of Illinois system in early December had received only \$400,000 of the \$340 million requested of the \$743million owed nearly \$113 million, Northern Illinois \$58 million, Illinois State \$46 million, etc. etc. The graphic to the right reproduced from a Dec. 4th *Daily Herald* article indicates that payments to Illinois Community Colleges may be delayed until the next academic year. Illinois



Community colleges may lose nearly one-half of scheduled state funding, or about \$148 million, this academic year. All Illinois higher education institutions are bracing for the worse. Universities are preparing for between 8 to 15 percent possible cuts in operating budgets. Furlough policies have been developed for the University of Illinois system and according to the campus newspaper could be implemented in Spring semester. Eastern Illinois University is seeking comments from faculty and staff on a proposed policy to be implemented in February. There is some protection at Southern in Carbondale as collective bargaining contracts would need to be opened. But there is still much concern. A greater dependence upon part-time faculty could result at our community colleges. A recent study released by the U of I Institute of Government and Public Affairs concludes as the IEA has long championed, that only a tax increase can cure Illinois’ budget woes (see: <http://news.illinois.edu/news/09/1116budget.html>).

New Campus Credit Card Restrictions: *The Credit Card Marketing Act of 2009* (P.A. 96-0261) regulates credit card marketing to students pursuing an undergraduate education at an institution of higher education. Effective 1/1/2010, college students can no longer receive incentives (ie. t-shirts and other freebies) for filling out credit applications. The same law also requires schools to offer financial education classes if the school enters into any relationship with a credit card company.