Support University State Appropriation

Background:

State support is paramount to the University of Illinois’s efforts to provide a quality education to a growing number of students and healthcare to some of the state’s underserved communities. The university’s activities are far reaching and support the state’s public service and economic development goals in many additional ways.

- Provide funding for the U of I at its current level of $663 million. State general revenue funding provides for U of I’s core goal – teaching our undergraduate students
- Proposed cuts in funding will severely damage the three U of I campuses, reaching deeply into the University’s educational, research, service and economic development missions. Cuts of this magnitude would result in:
  - Decline in student services
  - Threatened quality of education
  - Increased time to degree completion
  - Reduced workforce
  - Diminished service to the state
  - Challenged research environment

A 2013 Study by the Economic Policy Institute, found that education investments are good not only for a state’s economy and residents, but also for a state’s budget in the long run. The majority of students graduating from state schools will remain in the state over their working lives, and as a result of being better trained, will have better jobs. This means they will earn more and stay employed at a higher rate, paying more income and sales taxes and relying less on state assistance programs.

### Wages are higher for better-educated workers

*Median annual earnings of U.S. workers, age 25+, by education, 2011*

<table>
<thead>
<tr>
<th>Education Level</th>
<th>Median Annual Earnings</th>
</tr>
</thead>
<tbody>
<tr>
<td>High school dropout</td>
<td>$20,329</td>
</tr>
<tr>
<td>High school graduate</td>
<td>$28,659</td>
</tr>
<tr>
<td>Associate degree</td>
<td>$36,853</td>
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<tr>
<td>Bachelor’s degree</td>
<td>$49,648</td>
</tr>
<tr>
<td>Master’s degree</td>
<td>$60,709</td>
</tr>
</tbody>
</table>

Benefits of State investment in the University:

- For each dollar in direct appropriations the University of Illinois leverages over four dollars in non-state funding.

- We have a total of 678,701 alumni, 378,084 living in Illinois and 74,101 in Chicago alone.

- The University of Illinois in the fall of 2014 enrolled a record enrollment of over 78,500 students enrolled at its three campuses and College of Medicine programs in Rockford and Peoria, and online. This is over 10,000 more students per year than in fall 2000.

- Students come to the three campuses from 101 Illinois counties. The U of I awarded a record 20,400 bachelors, masters, doctoral, and professional degrees and certificates last year. UI student are successfully finding employment.

- In Illinois, one in three pharmacists, more than 40% of the dentists and one in six physicians graduated from UIC. UIC has the largest medical college enrollments in the nation, and a comprehensive set of health care colleges.

- UI LABS, an initiative that spun out of the University of Illinois, secured $320 million in funding to establish the Digital Manufacturing and Design Innovation Institute, a world-class, first-of-its-kind manufacturing hub based in Chicago that will transform American manufacturing.

- In FY 2013, innovators at University of Illinois generated 344 technology disclosures, 96 U.S. patents, and 11 new startup companies.

- Funding for scientific research results in novel technologies and innovations, new startup companies, jobs, and economic growth. In Fiscal Year 2014 (FY2014), the University of Illinois received more than $914 million in research funding.

- From 2010-2013, the University of Illinois was responsible for nearly ¼ of the startups created at Illinois universities, and is ranked 5th among public universities for producing venture capital-funded entrepreneurs. The majority of these companies remain in Illinois.

- The University of Illinois now provides more need based financial aid to its students than the State of Illinois does through the MAP program, or the federal government does through the Pell program.

- More than 2 ½ million Illinois residents take part in Illinois Extension programs each year, including nearly 300,000 who participate in 4-H youth programs. Communities are directly served by Extension staff in 27 units located throughout Illinois.

Conclusion:

Cuts in this range will damage every dimension of campus excellence from faculty quality to effective instructional programs to building maintenance to services provided for Illinois citizens to economic development in the state. Leading faculty will leave, and promising new faculty will not join the university. Research dollars will be diminished as the campus becomes less competitive. A sinking reputation will lower the quality of the students attracted to the university. As the value of degrees erodes, the campus's contribution to the state workforce will shrink. Reduced capacity in all major areas of university productivity will directly and negatively affect the experience of students, from larger classes in obsolete, unmaintained classrooms to reduced financial aid, higher loan debt, reduced graduation rates, and increased time to degree.