Executive Summary

Over the last two decades Illinois has gone through a period of disinvestment in higher education, seeing continued losses in higher education appropriations and underinvestment to student financial aid. From 2002 to 2018, funding for Illinois public universities was cut over 50% and community colleges saw similar disinvestment. This environment created increased financial strain for the state’s colleges and universities, leaving them little choice but to raise tuition in order to make up for the loss in funding, effectively shifting the burden to pay onto students.

Latinx college-going in Illinois has been characterized by both recent population growth and mounting barriers. This report, which is the second report of a three-part series, outlines that while degree attainment has increased for Latinx students more than any other racial group, when it comes to four-year college completion, degree attainment hasn’t kept pace with population changes. With the number of Latinx high school graduates expected to plateau and then decline in Illinois over the next decade, unless the state takes action, the number of college graduates will likely stop growing as well. The report concludes with specific policy recommendations that can have a direct impact on improving equity in higher education for Latinx students.

Key Findings

College affordability can be divided into issues of access, cost, and ability to pay:

Access
Latinx college student populations have grown overall, but not relative to growth of high school graduates

- From 2007 to 2017, Illinois Latinx high school graduates increased by 81% and Latinx college enrollment nearly doubled. However, in part because of low transfer and completion rates, the rate of four-year degrees awarded to Latinx graduates did not keep up with enrollment increases

- Though Illinois is lauded for leading the nation in graduation rates for transfer students, Latinx community college students are about 30% less likely to transfer than White students

- Only two of Illinois’ 12 public universities have a share of Latinx students that at least match the state’s population of Latinx 18-24 year-olds

- The completion rate for the state’s Latinx community college students is only 25%, compared to 37% for White community college students. Latinx students at four-year public universities graduate at a rate of 41%, compared to 55% for White students

Policy Recommendations to Improve Access in Illinois Higher Education

- Convene an equitable funding formula work group
- Create a statewide direct admissions program
- Place fewer students into traditional developmental education
- Improve transfer pathways

Cost
Latinx students disproportionately attend less costly community colleges. The colleges and universities with the resources to keep costs lower enroll fewer Latinx students

- At Illinois’ public four-year colleges, the net price for a student whose family makes less than $30,000 is about $12,800 per year, and 26% of Illinois Latinx households fall under that income level
- At Illinois’ private four-year colleges, the net price for a student whose family makes less than $30,000 is about $17,500 per year
- At Illinois’ for-profit colleges, the net price for a student whose family makes less than $30,000 is about $22,000 per year

Policy Recommendations to Decrease the Cost of a Degree

- Better fund public institutions
- Eliminate MAP at for-profit colleges and universities
- Offer completion grants

Ability to Pay
Latinx students may be more hesitant to take on debt, which is increasingly necessary to attend and complete college as cost rise

- Latinx families pay 39% of their income to attend public universities and 49% for private universities, compared to White families paying 31% and 35%, respectively
- The median Latinx family in America has about $14,000 in wealth, compared to $134,000 for White families
- National research shows that Latinx student borrowers are 61% more likely to default on student loans than White students, and this difference is almost completely explained by background characteristics such as family wealth and income
- The median wealth of Latinx college graduates is $33,000, compared to the $181,000 for White four-year degree earners

Policy Recommendations to Increase Students’ Ability to Pay

- Increase state investment in the Monetary Award Program
- Eliminate or limit merit-based aid