

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 in 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.

Rural communities face unique challenges in a modernizing economy. Currently, rural Illinois counties have significantly lower percentages of bachelor's degree holders. This report outlines that educational disparities exist between wealthier rural students and those who can't afford to attend college. For rural students pursuing four-year degree opportunities, attending college often means paying high tuition costs and taking on large amounts of debt. Student loan debt limits graduates' ability to return to rural areas, where it is more difficult to pay off student loans. These inequities have the potential to exacerbate population and economic declines in rural communities. The report concludes with specific policy recommendations that can have a direct impact on improving equity in higher education for rural students.

Key Findings

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

Access:

Rural students have fewer postsecondary options and must travel farther to reach them.

- Of the state's 62 private colleges, only 25 are outside Chicago's metropolitan area and just 7 serve areas with limited public college options
- Three-quarters of the state's most selective private colleges are in the Chicago area
- The median Illinois student from a rural area travels 40% farther to get to college, and over 100 miles to get to a private college, compared to 30 miles for urban and suburban students
- Only 18% of two-year public college students in the most rural counties transfer, compared to nearly a quarter of students at colleges in mostly urban counties

■ 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:

Rural students borrow more to pay for college.

- Rural students are more likely to attend for-profit institutions, which are more expensive than any other sector, at a net price of \$22,000 for the lowest-income students

- Being from a more rural area makes a student significantly more likely to be in the lowest income bracket, and the cost of Illinois public universities for students in the lowest income bracket is \$12,800, among the highest in the nation

■ Policy Recommendations to Decrease the Cost of a Degree

- Better fund public institutions
- Eliminate the Monetary Award Program at for-profit institutions
- Offer completion grants

Ability to Pay:

Rural households have less income than those from more urban areas of the state. However, they also have more financial stability and assets than urban Illinoisans.

- Rural students disproportionately attend community colleges, and MAP applicants at these colleges are four times more likely than those at public universities to be denied MAP funding, despite being eligible and applying
- Surveyed public four-year university students from more rural areas in Illinois owe \$10,500 in debt, compared to \$9,200 for those from cities and suburbs
- In a national survey, 73% of rural students with the greatest loan amounts move to cities, compared to just 37% of those with the least loan amounts

■ Policy Recommendations to Increase Students' Ability to Pay

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