

**MINUTES OF A MEETING OF THE  
ILLINOIS STUDENT ASSISTANCE COMMISSION**

**June 28, 2002  
1755 Lake Cook Road  
Deerfield, Illinois**

**COMMISSIONERS PRESENT:**

J. Robert Barr, Chairman  
Pauline Betts  
Claudia M. Freed  
Odell Hicks, Jr.  
William J. Hocter  
C. Richard Neumiller  
Kevin O'Kelly  
Hugh Van Voorst  
Gretchen Winter

**COMMISSIONERS ABSENT:**

Christopher Kurczaba

**STAFF PRESENT:**

Larry E. Matejka, Executive Director  
Kathy Rooney, Deputy Executive Director  
Marcia Thompson, Chief Financial Officer  
John Jennetten, Chief Program Officer  
Tom Breyer, Deputy Program Officer  
Lori Thull, State Relations  
Chris Peterson, Program Services  
Joanna Dill, Program Services  
Nancy Stephens, *College Illinois!*  
Kris Smith, RPPA  
Ellen Greenan, RPPA  
Mark Holysz, Client Relations  
Debora Calcara, Commission Secretary

**PUBLIC ATTENDANCE:**

Cynthia Armster, City Colleges of Chicago  
Geoff Andres, IBHE  
Tim Berry, Carl Sandburg College  
Meg Breslin, Chicago Tribune  
Deb Brody, Robert Morris College  
Jerry Cebrzynski, Lake Forest College  
Larry Chapman, John A. Logan College  
Marilyn Comer, College of DuPage  
Gary Davis, ICCTA  
Janeen Decharinte, Lewis University  
Kathy Facenda, DeVry University  
Tom Flint, CAEL  
Don Fouts, FIICU  
Francois Hajduk, Harold Washington College  
Sarah Hawker, ICCB  
Toni Henle, Women Employed  
Eric Johnson, Northern Illinois University  
Tynia Kessler, Lake Land College  
Diane Kroll, Carl Sandburg College

Carolyn Lindley, Northwestern University  
Dave Louis, Kishwaukee College  
Dennis Massey, McHenry County College  
Kevin Miller, Northern Illinois University  
Karen Morozink, Wheaton College  
Andrew Nelms, Northern Illinois University  
John Olino, Columbia College  
Donna Peltz, Wheaton College  
Dick Petrizzo, College of DuPage, ICCTA  
Lavon Pettis, Joliet Junior College  
Brian Pomeroy, College of Lake County  
Cheri Rich, Lake Land College  
John Schoultz, DePaul University  
Scott Seibring, Illinois Wesleyan University  
Mary Shaw, University of St. Francis  
Sandy Street, University of Illinois  
Sue Swisher, St. Xavier University  
Dave Tretter, FIICU  
Mitch Vogel, UPI  
Eric Weems, Loyola University  
Jerry Weber, Kankakee Community College  
Mark Weber, Moraine Valley Community College

### **Agenda Item 1. Announcements**

The Chairman called the June 28, 2002 special meeting of the Commission to order at 9:00 a.m. He indicated that the focus of the meeting would be the FY2003 Monetary Award Program, and the challenges the Commission and its clients will face in implementing the \$38.3 million budget cut the program sustained in the recently completed spring legislative session.

### **Agenda Item 2. Minutes of the June 14, 2002 Meeting of the Commission**

Ms. Betts **MOVED THAT** the minutes of the June 14, 2002 Commission meeting be approved as submitted by staff. Mr. Neumiller seconded the motion, which was approved unanimously.

### **Agenda Item 3. IDAPP Demand Student Loan Revenue Notes/Liquidity Facility**

No action was required on this item.

### **Agenda Item 4. Monetary Award Program FY2003 Recompute Formula**

Chairman Barr introduced the item, thanking all those who had taken the time to comment on this very important item, whether in writing or in testimony they planned to present at today's meeting. He observed that 14 individuals had requested time to address the Commission and in addition, 29 written statements had been submitted. Acknowledging that those weighing in on this item represented many different points of view, he also noted that he had no doubt that they were motivated by a common goal, i.e. adopting an FY2003 recompute formula that best serves the students of Illinois.

Continuing, he invited anyone who wished to testify but had not yet submitted a request to do so, to convey that request immediately to the Commission's Secretary, Ms. Calcara. He indicated that while the public notice regarding this meeting had stipulated that such requests should be submitted in advance of the meeting, the members of this Commission had no wish to discourage input; rather, they strongly encouraged institutions and other parties to share their thoughts on this item. He also cautioned, however, that this meeting did not represent an open forum. Speakers should limit their remarks to five minutes, and will basically be called upon in the order their requests were received. Commissioners were urged to hold off on any questions or comments regarding a particular presentation until everyone requesting the opportunity to testify had done so.

In concluding his opening remarks, the Chairman noted that while the agenda item presented by staff set forth two basic options, there are also numerous variations of these two options that may well be proposed, as well as some alternatives. He emphasized that the Commissioners had by no means come to this meeting with their minds made up, and added that in reality, there is no simple or "right" answer to this matter. Whatever decision is made, thousands of students and dozens of institutions will suffer, and more likely than not, each of the Commissioners will leave the room wondering about the consequences of their action and if they made the best decision possible. One thing he suggested that everyone keep in mind is that as serious as a problem as the MAP cuts are, the proverbial sky isn't falling. Even with these cuts, the State of Illinois still does a much better job than virtually any state in the country when it comes to helping needy students, appropriating hundreds of millions of dollars a year to ISAC for student aid programs such as MAP.

The Chairman acknowledged the arrival of Mr. Hugh Van Voorst, who was recently appointed to the Commission by the Governor and has been confirmed by the Senate. Mr. Van Voorst is from Union Hill in Kankakee County, and as Chairman of the Kankakee Community College Board, was appointed to fill that seat on the Commission designated as the community college representative.

Prior to addressing the FY2003 MAP recompute formula, Mr. Matejka commented on the bond issues that staff would be presenting to the Commission in upcoming months, indicating that he had made note of these financings in his report in the agenda book for the June 14 meeting. Continuing, he also pointed out that although the FY2003 MAP recompute formula represented the focus of today's meeting, Commissioners should also be aware that the FY2003 budget cut sustained by the Merit Recognition Scholarship program made clear that there would not be enough money to fund awards to all eligible students. Specifically, instead of recognizing the top 5 percent of each high school graduating class, ISAC would only be able to make awards to the top 4 percent.

Finally, Mr. Matejka recognized Mr. Os Amaro of the agency's Information Services staff. Upon hearing that the sound system for this room had broken down as plans for this meeting were underway, Mr. Amaro had volunteered to bring in and set up his own equipment from home, so that the meeting could proceed without complication.

With regard to the FY2003 MAP recompute, Mr. Matejka reiterated some of the observations made by the Chairman. He thanked all those who had taken the time to provide feedback; reiterated that even with these cuts, Illinois will continue to boast one of the most generously funded need-based grant programs in the country; and noted that the decision to hold a special meeting reflected ISAC's awareness that the onset of the academic year is fast approaching, and institutions and students will have to scramble to fill the gap left by the MAP cuts they are facing.

Mr. Matejka clarified the implications of the budget cuts that MAP had sustained. Relative to FY2002, the program was faced with the loss of \$38.3 million. Most, if not all, students will see their eligibility decrease, with 12,000 students losing their eligibility altogether. In the final appropriation approved for the 2002-03 academic year, no funding was appropriated to help students offset the substantial tuition and fee increases they would face this fall. No funding was appropriated for an increase in the maximum award. No funding was provided to meet the sharp increase in application volume that has been consistent throughout this processing cycle. Moreover, he continued, funding was eliminated entirely for "fifth-year" MAP, meaning that for the 2002-03 academic year, students will cease to be eligible for MAP grants after they have received the equivalent of 8 semesters or 12 quarters of assistance. Mr. Matejka pointed out that of the roughly 12,000 students expected to lose their awards entirely, 7,000 represented "fifth-year" students who are trying to complete their undergraduate studies.

Continuing, Mr. Matejka commented briefly on the two options presented by staff in the agenda book, echoing the Chairman's observation that no matter what option was approved, thousands of students would be adversely impacted. Staff's goal was to implement the cuts in the fairest way possible. He explained that both options assumed continued use of the start-up formula approved by the Commission in January; that start-up formula was based on 2001-2002 tuition and fee charges.

Under Option 1, the Commission would leave all awards announced to date intact, and would simply halt new award announcements once it appeared that all available funds had been committed. Mr. Matejka explained that under this option, approximately 120,000 students would qualify for awards, as compared with 140,000 in FY2002. Staff is projecting that announcements would have to be suspended in late July. He also reiterated that even students receiving grants would find them based on prior year tuition and fee charges, meaning the purchasing power of their grants would be substantially reduced.

Under Option 2, Mr. Matejka continued, staff sought to avoid having so much of the impact fall on later applicants, who tend to represent some of the neediest students served by MAP. With Option 2, the pain is spread around more by reducing all announced awards by 5 percent. Staff is projecting that this second option would allow announcements to be made through mid-August, and would provide for an estimated 128,000 awards, i.e., 8,000 more than Option 1.

The Chairman indicated that the Commission would now hear from those who had requested time to present testimony. A summary of the testimony provided by each such presenter is provided in the following paragraphs.

Ms. Cheri Rich, Vice President for Student Services at Lake Land College, presented a statement on behalf of the Illinois Community College Chief Student Services Officers. In that statement, it was noted that community colleges account for 6 out of every 10 students enrolled in higher education in Illinois. They represent the largest constituency served by MAP, both in terms of applications submitted and awards paid; however, Ms. Rich pointed out, they receive the least in terms of MAP payout. She noted that the Chief Student Services Officers appreciate the difficulty of the decision the Commission must make, and have decided to support the staff recommendation (Option 2).

Mr. Larry Chapman, Dean of Student Services at John A. Logan College, also spoke on behalf of the Illinois Community College Chief Student Services Officers, expressing his support for Option 2.

Dr. Donald Fouts, President of the Federation of Independent Illinois Colleges and Universities (FIICU) referred Commissioners to his previously submitted written statement. He noted that one of the issues it touches on is whether any reductions made to announced awards should be done on a flat dollar basis or a percentage basis. He expressed faith that the Commission would act fairly and in the best interests of students. Finally, he suggested the possibility of creating a coalition of students, financial aid administrators and others to ensure that we do the best job possible next year in telling the story of MAP to state lawmakers, i.e., with the goal of securing increased funding.

Dr. Gary Davis, Executive Director of the Illinois Community College Trustees Association (ICCTA), also expressed confidence that the Commission would make the best decision. He conveyed ICCTA's appreciation for the concern that ISAC has shown over the past five years for what is typically referred to as non-traditional students, who represent a large part of the population served by community colleges. He referred the Commission to an article that had recently appeared in *The Chronicle of Higher Education*, noting that he had included a copy of it on the reverse side of his testimony.

Ms. Sarah Hawker, Vice President for Workforce Development and Adult Education at the Illinois Community College Board (ICCB), also spoke in support of the staff's recommendation (Option 2). She commented about how much students at community colleges and universities depend upon MAP and other financial aid programs to pursue their educational and career goals, and how helping them achieve these goals is critical to the socioeconomic welfare of the State of Illinois. She spoke at length about the important role of community colleges in this regard, and provided some statistics to illustrate her point. Finally, with regard to MAP, she suggested that community colleges represent a bargain and a wise investment; again, though they enroll almost 60 percent of all college students in this state, they account for only 12.4 percent of MAP payout. Ms. Hawker concluded her testimony by reiterating her support for Option 2, and expressed appreciation for the effort being made to extend the application deadline as late into the year as possible.

Dr. Dave Louis, President of Kishwaukee College, noted that rather than repeat much of what has been said by previous presenters, he would like the record to reflect that he is in agreement with the comments provided by Sarah Hawker (ICCB), Gary Davis (ICCTA), and Cheri Rich of the Illinois Community College Chief Student Services Officers. He expressed his support for Option 2, emphasizing the importance of extending award announcements as late as possible. He thanked the Commission, conveying his willingness to support them in the decision they reached on this very difficult issue.

Ms. Toni Henle, a Senior Policy Associate with Women Employed, indicated that she was speaking on behalf of both herself and Mr. Tom Flint, Vice President of Lifelong Learning at the Council

on Adult and Experiential Learning (CAEL). She observed that while their position is closer to Option 2 than Option 1, she and Mr. Flint are proposing a somewhat different twist, with the overriding objective being the protection of students with the lowest Expected Family Contribution (EFC). She suggested that at the very least, an effort be made to protect students with zero EFC's, and if possible, extending that protection to those with only a \$2,000 or \$3,000 EFC. These students, who have the greatest need but the least ability to pay, are the most adversely impacted when award announcements are suspended. In referencing the written proposal that she and Mr. Flint had submitted, she stated they were at a disadvantage because they didn't have access to the data needed to model it.

Ms. Cynthia Armster, Associate Vice Chancellor with the City Colleges of Chicago, thanked the Commission for the opportunity to comment on this item, indicating that she was testifying on behalf of the Board of Trustees of the City Colleges, as well as Chancellor Wayne Watson and the Office of the District. She indicated that the City Colleges of Chicago support the 5 percent award reduction provided for in Option 2, as it will allow MAP to reach more students. On a related note, she referenced "Empty Promises, The Myth of College Access in America," a report recently released by the federal Advisory Committee on Student Financial Assistance. She cited some of the findings presented in the report, suggesting that the numbers translate into roughly 400,000 students a year being denied access to higher education opportunities due to the lack of financial aid available to them. In concluding her remarks, she reiterated the support of the City Colleges of Chicago for Option 2, emphasizing the priority the system has also given to helping as many students as possible.

It was noted that Ms. Marsha Weiss, Director of Financial Aid at the University of Illinois at Chicago, had submitted a request to address the Commission but was not present.

Mr. Tim Berry, Student Representative to the Board of Trustees at Carl Sandburg College, indicated that he was speaking on behalf of the students of Carl Sandburg, particularly older, low-income students who had dependents to support. While recognizing that all students would experience the impact of the 5 percent cut proposed in Option 2, he expressed support for that option, emphasizing the importance of extending the deadline in order to help these older, low-income students advance themselves. Continuing, he added that the students of Carl Sandburg prefer a percentage award reduction rather than an across-the-board dollar reduction, which would disproportionately hurt community college students. On a personal note, he expressed appreciation for the MAP assistance he had received, noting that it had enabled him to pursue a degree in law enforcement.

Mr. Richard Massie, Vice President of Student and Administrative Services at Shawnee Community College, expressed his support for keeping the announcement process open as long as possible, indicating that he wished to echo the sentiments expressed by his colleagues from the community college sector who had already testified. Referencing Mr. Matejka's comment regarding the State's decision not to increase the maximum award in FY2003, he noted that Shawnee Community College would like to suggest that the Commission consider decreasing or capping the maximum grant, at perhaps \$2,000, \$3,000 or even \$4,000, in order to spread available funds to more students.

Mr. Orlo Austin, Director of Financial Aid at the University of Illinois at Urbana-Champaign, spoke in his capacity as President of the Illinois Association of Student Financial Aid Administrators, Inc. (ILASFAA). He expressed appreciation for the decision to convene this special meeting, to give financial aid administrators and institutions as much time as possible to notify students and assist them with their efforts to fill the gap left by the MAP cuts they will suffer. Continuing, he observed that while there was clearly agreement on the importance of student aid, there was perhaps also some honest disagreement on how best to ration and distribute available funds. Whatever the outcome of today's meeting, he observed, ILASFAA is confident that the educational opportunities of individual students will be of paramount importance to the Commission as they take action on the FY2003 MAP recompute formula. Finally, he

too commented on the support the State of Illinois has traditionally given to financial aid, adding that he hoped that this year proved to be an aberration.

Mr. Mitch Vogel, President of the University Professionals of Illinois (UPI), acknowledged the difficulty of the decision to be made, but expressed confidence that the Commission would act more responsibly in making that decision than did those who last month agreed to a budget deal that so deeply cut MAP funding. Even more galling than the cuts, he continued, was the fact that they were imposed without any real thought being given to the needs and enrollment habits of MAP recipients, to the fact that award announcements had already been made and that students had made plans and choices based on those tentative announcements. He indicated that UPI supported Option 2 over Option 1.

Continuing, Mr. Vogel spoke to the issue of fifth-year MAP. He suggested that in spite of legislative intent and the language included in the budget bill, he had spoken with individuals who felt the Commission had the legal right to grant fifth-year awards, since the pertinent language in the agency's enabling Act had not been amended. While expressing appreciation for the political risk this would entail, he suggested that it was a risk worth taking, particularly if the alternative was the betrayal of thousands of students. Should the Commission opt not to take this risk, he suggested preserving fifth-year eligibility for the neediest cohort of those students. Among the other possibilities he asked the Commission to consider was lowering the maximum award, or at least revisiting the practice of annually increasing it, and extending award announcements further by cutting all awards by more than 5 percent.

Mr. Dennis Massey, President of McHenry County College, thanked the Commission for the opportunity to provide input on this item, expressing support for Option 2. He emphasized the negative impact that an earlier deadline would have on the students enrolled at McHenry. He also suggested Commissioners should understand that the loss of fifth-year eligibility hurts many former community college students who transfer to four-year institutions. Many of these students work and are unable to take more than 12 hours per semester; eliminating fifth-year MAP will compromise their ability to obtain their undergraduate degrees. On a final note, he thanked the Commission for the less-than-half-time demonstration project and urged that such assistance continue to be offered.

Mr. Francois Hajduk, Director of Financial Aid at Harold Washington College, withdrew his request to testify, adding that instead, he would make himself available for questions.

The Chairman reiterated his appreciation for the input that had been provided and then proceeded to recap what has been presented thus far, either verbally or in written statements. In addition to the two options presented by staff in the agenda book, several variations of those options have been suggested. In the testimony presented, he observed, considerable support was expressed for Option 2, which represents the ISAC staff's recommendation. While no testimony was given in support of Option 1, which would necessitate an earlier cutoff, several of the individuals who submitted written comments did voice their support for this first option. He added that suggestions were also made to use a flat dollar reduction instead of a percentage reduction, and to modify the formula to protect students with the lowest EFC's.

Finally, with regard to the issue of fifth-year MAP, the Chairman spoke to what he perceived as the harsh and rather unexpected attack on these students, and the apparent misperception in Springfield that this represented some sort of boondoggle for lazy students who have been loafing around. He emphasized the importance of better educating lawmakers on who these students are and how many of them are enrolled full-time in programs that obligate them to attend college for five years. With regard to the suggestion that the Commission retained the legal right to ignore legislative intent and preserve fifth-year MAP eligibility, he rejected this possibility. He argued that the Commission needed to move beyond that issue and adopt an FY2003 formula, so that students can be informed that their awards are being

eliminated or reduced and begin working with their schools to explore alternative sources of financial aid.

At the Chairman's request, Mr. Matejka commented on the suggestion to modify Option 2 by using a flat dollar reduction instead of a percentage cut. Specifically, a question was raised regarding how big a cut would be needed to get to roughly the same point in August as would be possible with a 5 percent cut. Mr. Matejka explained that the models run by staff projected that a dollar reduction of \$175 to \$200 would be necessary, with the cut likely to be closer to \$200.

Mr. Hocter asked Mr. Matejka how far along the Commission was in terms of making MAP announcements, and expressed concern about the prospect of disrupting matters by revisiting announcements that had already been shared with students. In response, Mr. Matejka explained that award announcements have been going out for months, since start-up of the 2002-2003 processing cycle earlier this year. All such announcements were made using 2001-2002 tuition and fees, and if Option 2 is approved, will be reduced by at least 5 percent below that previously announced level. So, students who historically have been able to depend upon MAP to help offset increasingly steep tuition increases, will find no such relief this year. In fact, with the 5 percent cut, the purchasing power of their FY2003 award will be less than the award they received last year. This fall, students attending public universities are facing an average tuition increase of roughly 16 percent, while students enrolled at community colleges and private institutions will see such costs increase by an average of 5 percent.

Continuing, Mr. Matejka also emphasized that as has been suggested, the greatest disruption will occur among fifth-year students, many of whom have been assuming that they will be receiving a MAP award. If the Commission adopts Option 2 or a variation of it, staff will work closely with institutions to notify impacted students. At this point, he observed, the bulk of the work will inevitably fall on institutions, as they struggle to repackage students and fill the holes left by the budget cuts.

Mr. Van Voorst argued that a disproportionate emphasis was being given to cutoff dates. He suggested that ISAC had been given so many dollars for the MAP program, and if the goal is to award roughly 128,000 grants, the agency should continue making announcements until those dollars are expended.

In response, Ms. Freed suggested that the emphasis given to cutoff dates reflected the Commission's longstanding commitment to making award announcements as far into the processing cycle as possible. It was noted that later applicants tend to represent some of the neediest students served by the MAP program. Ms. Freed pointed out that the different cutoff dates provided for in Option 2 versus Option 1 translated into 8,000 more students receiving grants.

Ms. Freed also commented on Mr. Vogel's suggestion that the Commission take this opportunity to make policy. She argued that the task before the Commission today was to implement budget reductions, not make policy. She also clarified that the action taken today was fiscal year-specific, and sought confirmation that funding for the Illinois Incentive for Access (IIA) Grant program had not been cut.

Mr. Neumiller **MOVED THAT** the Commission approve staff's recommendation, which is reflected in Option 2, the specific formula components of which are set forth in Appendix B on page 4-10 of the agenda book. Mr. Hicks seconded the motion.

Ms. Winter asked Mr. Matejka about his suggestion that it would take a flat dollar award reduction of \$175-200 to get to the point in August that is made possible by the 5 percent cut. She asked why this number was so much higher than the \$100 projected in FIICU's written testimony. It was noted

that staff's analysis reflected actual data and applications submitted to date. Mr. Fouts suggested that FIICU was working off some other data.

Ms. Winter also commented on the testimony provided by Ms. Toni Henle at the June 14 meeting in Peoria. While recognizing that this was certainly not the time to revisit the entire MAP formula, Ms. Winter asked about the administrative implications of protecting zero EFC students, suggesting that it appeared that any such process would require allocating awards to zero EFC students up-front, on a first-come, first-served basis, while holding all other applicants aside until later in the process. Mr. Matejka responded that while such a process would and has worked in states that stop accepting applications in the spring or early winter before the academic year begins, it has not been something that the Commission has supported in the past.

In the exchange that followed, Ms. Winter suggested that adopting the type of changes proposed by Ms. Henle might help move the Commission away from a system that results in annual changes to the cutoff date, and toward one that would allow for an absolute, predetermined cutoff date. She acknowledged that any such dramatic changes would have to be planned carefully, well in advance of implementation. In concluding her remarks, Ms. Winter also spoke enthusiastically about the quality of the dialogue and exchange at today's meeting. She raised the possibility of holding several forums over the next several years at which the policy issues raised today could be put on the table.

In response to a question from Ms Betts, Mr. Matejka explained that responsibility for notifying students would rest with both ISAC and the institutions. He explained that making the systems changes needed to implement the Commission's action and recalculate all awards would take several weeks. In the interim, the bulk of the responsibility for communicating with students will reside in the very capable hands of financial aid administrators, who will be provided with the information they need to begin counseling students appropriately.

Mr. O'Kelly announced that he was a fifth-year senior, and as such, would suggest that there are a lot of fifth-year MAP recipients out there who aren't loafers. He speculated that many may have done what he did, i.e., start out at a community college, taking 12 hours while working, and then transfer to a four-year school. Continuing, he explained that he had been informally surveying students over the past two weeks, and would have to say that what he heard is consistent with what had been said in the testimony presented today. The most passionate feedback had come from community college students, who strongly favor Option 2.

Concluding his remarks, Mr. O'Kelly referenced the testimony of Sarah Hawker of ICCB regarding community college students who transfer to four-year schools, as he had done. He expressed concern that if budget cuts precluded students at four-year institutions from completing their studies, the capacity of such institutions to accommodate incoming community college students would be diminished.

On the topic of fifth-year MAP, Mr. Hicks asked if state lawmakers understood that many professional programs require five years of undergraduate study, e.g., teaching, pharmacy, nursing, accounting, architecture. He expressed concern about the implications of cutting off such students just as they were completing programs aimed at qualifying them to enter the profession of their choice. He asked how well educated lawmakers were on this issue. Did they understand what they were doing, or were they just focusing on the \$20 million they would save?

Mr. Matejka spoke at length on the countless hours that he and Lori Thull had spent discussing this issue with state legislators, substantive and appropriations staff in the General Assembly, and the Governor's Office. He suggested that there were few issues that were discussed more. All appropriate parties were provided with information on the demographics of the fifth-year MAP population. Typically,

they are students from families whose average income is roughly \$21,000. They have been enrolled each year for 12-14 hours, working on average 25-30 hours a week as well; that sort of schedule makes it virtually impossible for them to take the 16 plus hours they would have to take to finish in four years. Most qualify for the maximum Pell Grant, and have borrowed the maximum each year under student loan programs. Continuing, he added that ISAC staff also stressed that many of these students are enrolled in programs that are structured to take five years, as Mr. Hicks suggested.

In the end, he concluded, it basically came down to the \$20 million that would be saved by eliminating this cohort. In the meetings that staff had with lawmakers, virtually all of them expressed an understanding of the issue and support for fifth-year MAP. That said, he added, there is a feeling among select legislators that this is really a problem at the institutional level, and that eliminating fifth-year MAP might be one way of motivating campuses to do a better job with regard to timely program completion.

Mr. Neumiller thanked everyone who had participated in this decision-making process, noting that he was very impressed with the decorum of the meeting, the seriousness with which everyone is treating this matter, and the dedication that clearly exists to helping needy students. He noted that as this was probably not the only year in which MAP would face a shortfall, it would behoove everyone to focus on what can be done to provide these students with the assistance and relief they need. In particular, he suggested that more effort be given to controlling college cost increases. Finally, he expressed thanks to Ms. Thull and others who worked directly with the General Assembly, for all the hard work they had done in this very difficult session.

Ms. Freed raised a question about alternative sources of student aid available to students whose awards were cut or eliminated. Mr. Matejka responded that there were several possibilities, including institutional aid and/or subsidized, unsubsidized and alternative loans. Some students may offset award reductions by working longer hours. In response to a follow-up question from Ms. Freed, Mr. Matejka confirmed that the MAP cuts would not in anyway compromise a student's eligibility for Pell Grants.

Mr. Orlo Austin commented on the possibility of institutional aid, explaining that private and public institutions alike have fewer resources to offer such aid this year.

Mr. Hocter suggested that he felt it was important for the Commission to have some sort of philosophical basis for the decision it made. For instance, if the motion on the table is to approve Option 2, is the Commission convinced that it is pursuing its mandate to provide funds for the most students in the most equitable way? There was agreement that couching its action in such terms was important for the Commission.

In response to a question from Ms. Winter regarding the possibility of a supplemental appropriation that could be used to help fifth-year students, Mr. Matejka indicated that such a possibility had not been discussed. Noting that the fiscal outlook for the next year did not appear promising, he suggested that there would be little chance of getting any supplementals through. If additional funds were made available to MAP, he explained, it is probably assumed that they would be used to make additional award announcements. That said, he added, a number of legislators have indicated that restoring fifth-year MAP will be high on their list of priorities next spring, in the FY2004 budget process.

The Chairman noted that it was important to remember that this is an election year, one in which all members of both chambers are up for re-election. He observed that everyone here today is represented by a state senator and a state representative who want your vote. Students, institutions, financial aid administrators, faculty, campus administrators and the like, all have a voice, and more importantly, a vote. Pass along your concerns. Just as you did today, he continued, take time to educate your local representatives.

Ms. Hawker made a few follow-up comments, reiterating some of the statistics she cited earlier and emphasizing her strong preference for the 5 percent reduction provided for in Option 2, rather than the \$175-\$200 cut discussed in earlier testimony. She explained that a cut of up to \$200 would fall disproportionately hard on community college students.

Mr. Gary Davis responded to some of the questions and points that were raised, indicating that ICCTA would be working on making sure that community college trustees and presidents understand that they are part of a larger system of higher education in this state. He suggested that they need to understand that the fifth-year MAP issue is one that affects both four-year institutions and two-year institutions. Community college officials need to make a greater commitment to programs that serve their students after they leave the community college at which they were enrolled. He also expressed support for the political effort suggested by the Chairman. With the upcoming elections, the environment in Springfield is likely to be very different next spring, and the opportunity will exist to rebuild and recoup some of the losses we've experienced this year. On a final note, he indicated that he agreed with Mr. Matejka that the State's economic problems are likely to get worse before they get better. What lawmakers need to understand, he added, is the importance of higher education to the economic recovery and welfare of this State.

In response to a question Ms. Winter directed to the audience, Mr. Orlo Austin indicated that neither the Chicago nor Urbana campuses of the University of Illinois has decided how they will handle fifth-year students. He did note, however, that there was a commitment at Urbana to offset award reductions. He reiterated that U of I is struggling to deal with substantial budget cuts as well.

The Chairman reviewed the motion on the table, asking if Commissioners wished to amend the motion or offer a substitute motion. No amendment or substitute motions were offered. Continuing, the Chairman commented on the situation in which ISAC, students and institutions now find themselves. While recognizing the severity of the State's fiscal problems and the difficulty of the decisions that had to be made by state lawmakers, he questioned the priorities that are reflected in the final budget bill approved by the General Assembly and Governor Ryan. He stated that he felt the priorities used to determine who gets what and how much are skewed.

The Chairman expressed his support for Option 2, noting that he agreed with the argument that it is more important to help more people at a slightly lesser amount than fewer people at a higher amount. Prior to calling for a vote on the motion, he asked if there were any further questions or comments Commissioners wished to raise.

In response to a question from Ms. Freed regarding the \$300 minimum award, Mr. Matejka explained that a student whose award dropped below that level simply because of the 5 percent cut would still receive their reduced award, i.e., \$285. In response to a question from Mr. Hicks, it was clarified that once the system changes were made, all new announcement letters would reflect the 5 percent award reduction. There was a brief exchange regarding the time required to program and test these system changes, with Mr. Matejka reiterating that in the interim, the burden of communicating with students would fall largely to the schools.

While indicating that he cannot vote until confirmed by the Senate, Mr. O'Kelly indicated that if he were able to vote, he would vote in favor of the staff's recommendation. He explained that he preferred the 5 percent reduction to the flat dollar amount discussed earlier in the meeting, as he felt the latter would be at least twice as painful as the former for community college students.

At the Chairman's request, Ms. Calcara called the role. The motion to approve the staff recommendation as set forth in Option 2 was approved unanimously by the Commission.

On behalf of the entire Commission, the Chairman thanked everyone who had provided input on this very important issue. He announced that the next meeting of the Commission would be held Monday, July 29, at Harold Washington College in Chicago.

Ms Winter **MOVED THAT** the June 28 special meeting of the Commission be adjourned. Ms. Betts seconded the motion, which was approved unanimously. The meeting adjourned at 11:20 a.m.

Respectfully submitted,

A handwritten signature in cursive script that reads "Debora A. Calcara".

Ms. Debora Calcara  
Secretary to the Commission