

Examining Funding Models for Unintended Disparities

Insights, Frameworks, and Data-Driven Approaches

SHEEO Policy Conference

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SHEEO

State Higher Education
Executive Officers Association

Project Aspects

Convene Higher
Education
Funding Experts



Curate Original
Empirical
Research Studies



Craft Policy
Analysis
Framework



Special thanks to this project's supporters:

Gates Foundation

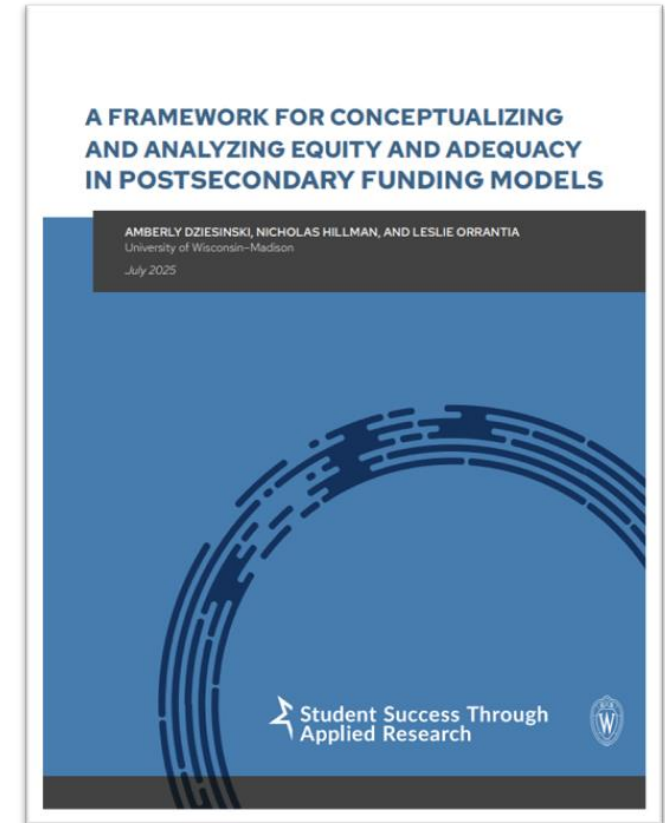


What is a funding disparity?

- **Funding Disparities:**
 - Occur when funding differences weigh disproportionately on some institutions or student populations
 - Create a disadvantage where the institution or student populations are less supported in reaching a specified goal
 - Money matters for student outcomes
 - Can be related to either inadequacy or inequity

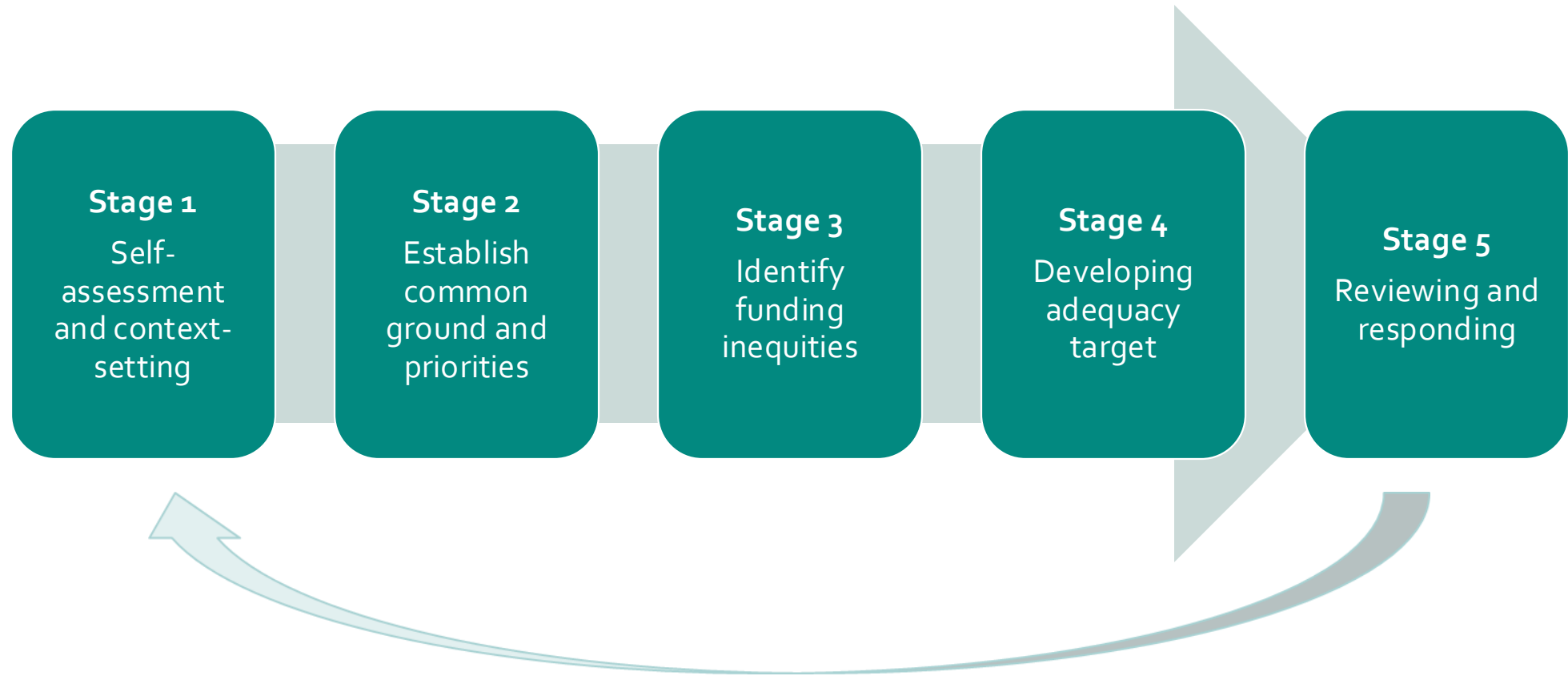
A Framework for Conceptualizing and Analyzing Equity and Adequacy in Postsecondary Funding Models

- **Key questions:**
 - How do we know disparities exist?
 - Which students and institutions are affected?
 - How can we set ourselves up to address disparities?



<https://sstar.wisc.edu/equity-funding/>

Framework Stages





Stage 1:

Self Assessment and Context Setting

- Purpose:
 - Reflect on prior efforts and goals
 - Build information base to inform the analysis of funding disparities
- Actions:
 - Identify policy priorities
 - Identify key stakeholders



Stage 1:

Self Assessment and Context Setting

- Guiding questions:
 - Does your state currently have a statewide set of goals for higher education?
 - Does your state have any prior commitments to address disparities in funding or other types of disparities?
 - Whose voices, perspectives, and experiences were absent from past efforts to develop funding practices? How will they have meaningful participation in the process in the future?



Stage 2:

Establish common ground and priorities

- Purpose:
 - Prompt critical and data-driven thinking about the meaning, causes, and effects of funding disparities
 - Understand who is most affected by funding disparities
- Actions:
 - Understand what a funding disparity is and how funding affects student outcomes
 - Analyze the relationship between funding and student outcomes
 - Analyze differences in outcomes across student groups
 - Analyze funding levels across institutions



Stage 2:

Establish common ground and priorities

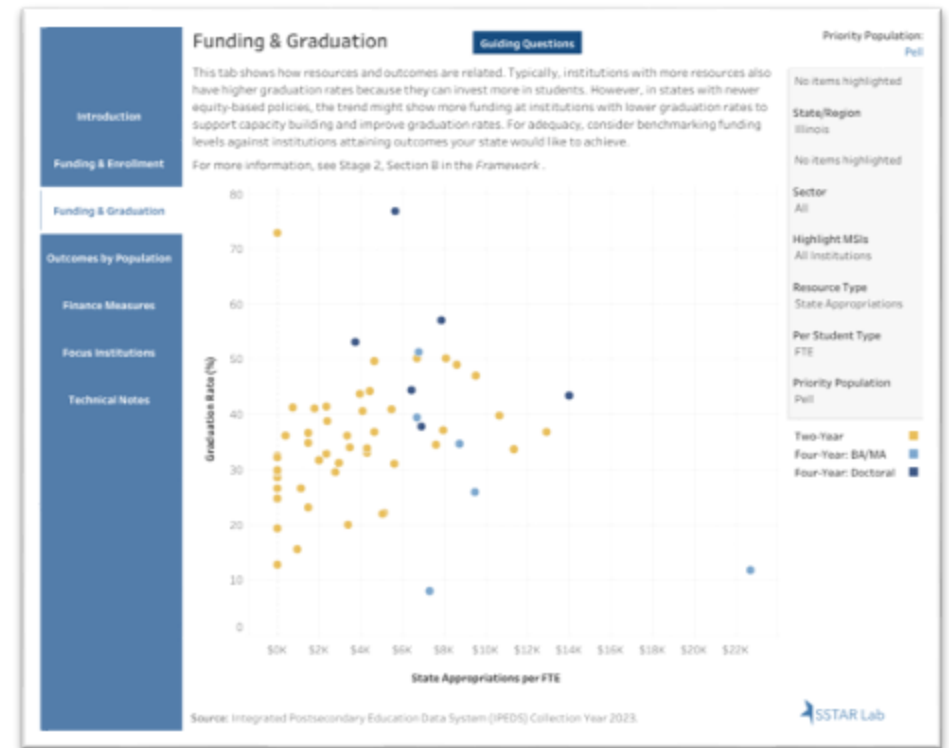
- Visualizing the data
 - How similar or different are financial resources across institutions? What student or institution characteristics relate to those differences?
 - What is the relationship between each institution's financial resources and outcomes?
 - Are there gaps in access or completion for any student groups or institutions?

Stage 2:

Establish common ground and priorities

Dashboard demo

- Explore the relationship between institutional resources and student outcomes
- Identify outcomes for priority populations
- Identify trends in finance measures





Stage 3:

Identify funding inequities

- **Funding equity:**
 - The distribution of resources is based on need, where those with the greatest need receive the greatest resources
- Purpose:
 - Provide a method for assessing funding equity
 - Create a list of institutions prioritized based on need
- Actions:
 - Rank institutions based on different need factors

Stage 3: Identify funding inequities

Dashboard demo

- Compare ranks across different measures
- Calculate the rank sum
- Prioritize institutions based on need

Introduction	Focus Institutions					Priority Population: Pell	
	This tab generates a list of institutions that have the greatest financial need. The first three columns show how each institution ranks on three key metrics: resources, priority population enrollment, and priority population outcomes. The fourth column calculates the sum of these three ranks, called the "rank-sum." Institutions with a lower rank-sum have a combination of need-related factors that suggest...					No items highlighted	
	For more information, see Stage 3 of the Framework.					State/Region	Illinois
						Rank Group	National Rank
						Sector	Four-Year: All
						Filter by MSI Status	All Institutions
						Priority Population	Pell
						Outcome Measure	Graduation Rate
						Resource Type	State Appropriations
						Per Student Type	FTE
Funding & Enrollment							
	Institution Name	Approps. per FTE Percentile Rank	(Inverse) % Pell Enrollment Percentile Rank	Grad Rate Percentile Rank	Rank-Sum		
	Governors State University	37	12	1	50		
	Northeastern Illinois University	56	11	9	76		
	Northern Illinois University	33	20	30	83		
	Chicago State University	95	10	2	107		
	Eastern Illinois University	30	58	34	122		
	Southern Illinois University Edwardsville	27	55	50	132		
	University of Illinois Chicago	42	15	78	135		
	Illinois State University	5	60	70	135		
Technical Notes							
	University of Illinois Springfield	31	42	66	139		
	Western Illinois University	51	66	24	141		
	Southern Illinois University Carbondale	80	39	47	166		
	University of Illinois Urbana-Champaign	18	78	94	190		



Stage 4:

Develop adequacy targets

- **Funding adequacy:**
 - Funding levels required to reach a specified outcome or goal. There is no universal level of funding “adequacy,” but rather adequacy varies depending on the goal.
- Purpose:
 - Inform states on approaches for assessing adequacy from K12 and higher education
- Actions:
 - Benchmark funding against similar institutions



Stage 5: Review and Respond

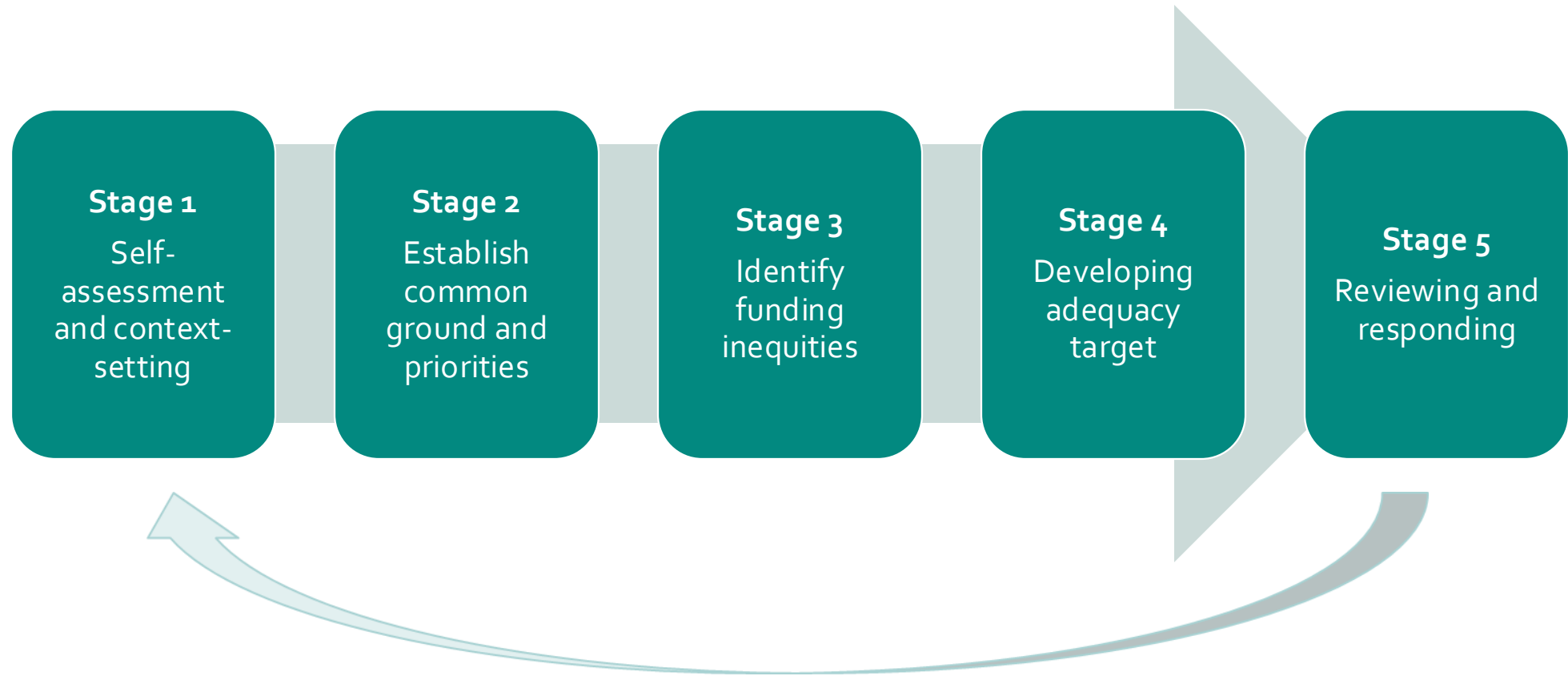
- Purpose:
 - Consider the connection between findings and existing policies
 - Identify how to use the findings to create more equitable funding policies
- Actions:
 - Discuss policies, political and financial feasibility, and next steps



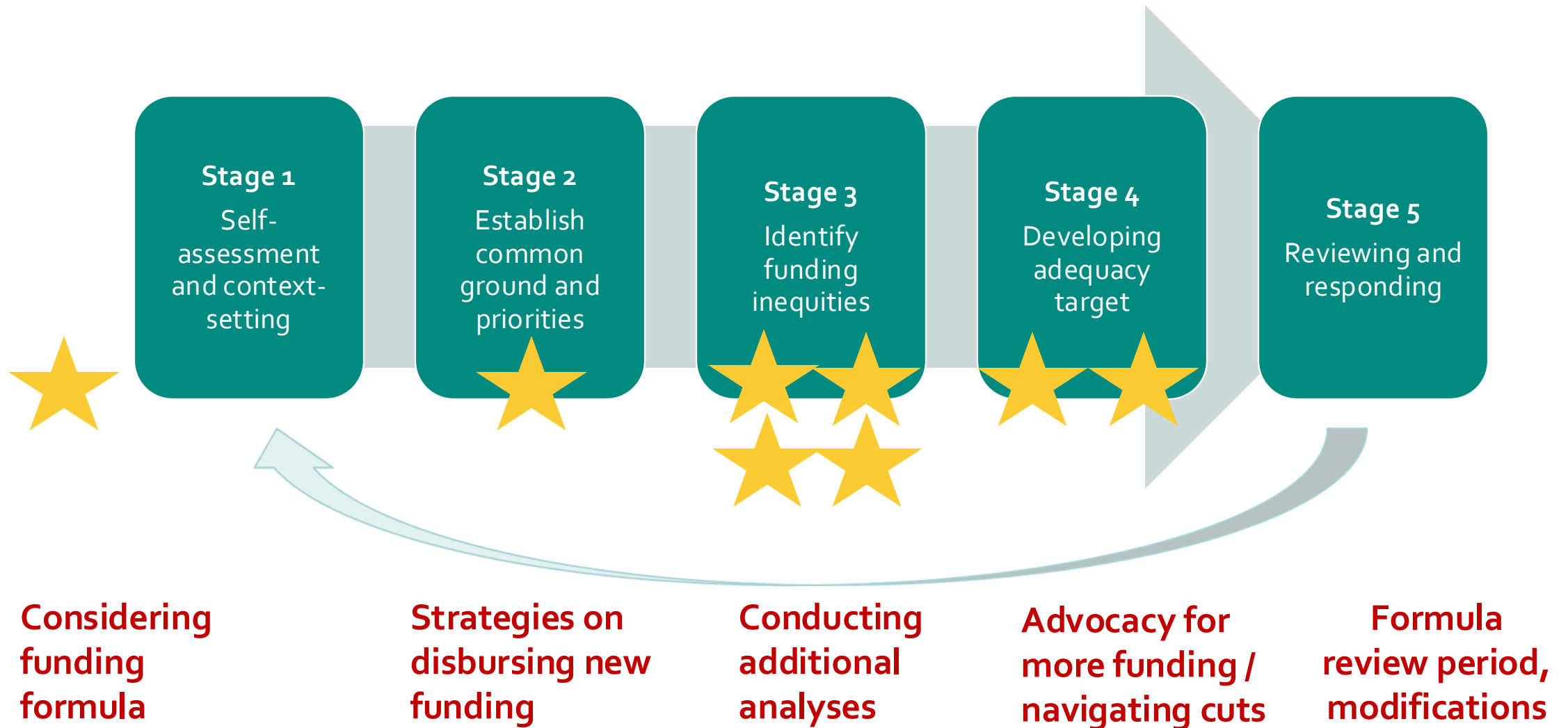
Stage 5: Review and Respond

- Guiding questions:
 - Are there any capacity constraints or administrative burdens holding institutions back from receiving more funding?
 - Who is involved in building your state's new funding model?
 - How will stakeholders navigate political contexts where “equity” is a non-starter or faces legal challenges?
 - What if your state does not have enough resources to adequately fund higher education?

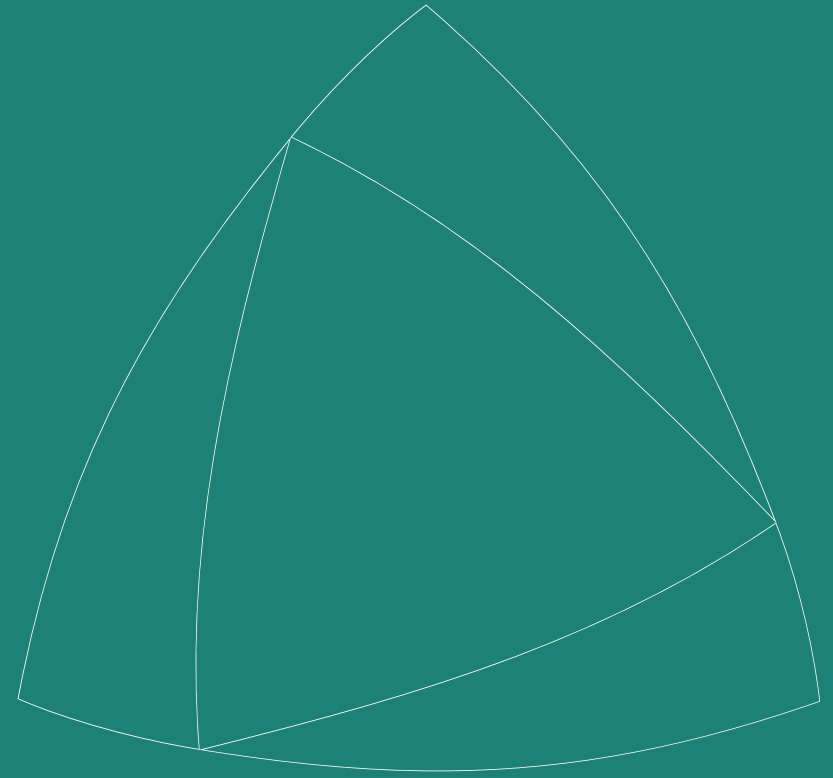
Summary



State Perspectives on Framework



Additional Resources



ADEQUACY AND EQUITY IN EDUCATION FINANCE:

How can K-12 contexts inform higher education?

AMBERLY DZIESINSKI AND NICHOLAS HILLMAN

University of Wisconsin–Madison

June 2024

 Student Success Through
Applied Research



- Literature review released in June 2024
- Explored themes and context across **legal, economic, and measurement**
- Opportunities and policy implications for higher education to consider



New Publications

State Higher Education Funding Research: Findings, Themes, and Future Directions

Written by: Adalberto Castrejón

Explore six additional research papers recently published to advance understanding of the levels and distributions of funding needed to advance state higher education goals.

Visit sheeo.org to read the reports.



Connect with Us!



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- Framework feedback form:
https://uwmadison.co1.qualtrics.com/jfe/form/SV_3R8EwZOco9M2Ubs



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