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Funding U.S. Historically Black Colleges and Universities: A Policy Recommendation

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Introduction

Public Historically Black Colleges and Universities (HBCUs) continue to receive inequitable funding at state-levels (Gasman, 2010; Minor, 2008). The Higher Education Act of 1965 designates an HBCU as an "institution whose principal mission was and is the education of black Americans, was accredited and was established before 1964" (UNCF, 2013, para. 1). The current funding situation is problematic because HBCUs have successfully educated African Americans, low-income, and underprepared students (Gasman, 2010). Perhaps with equitable state support, the educational gains of HBCUs may improve. The purpose of this article is to analyze three policy alternatives that would improve resources at HBCUs. First, attention is given to funding trends for HBCUs at federal and state levels. Second, three policy alternatives are introduced along with evaluative criteria to analyze each policy alternative. Finally, a policy recommendation is offered based on the policy alternative that appears to be the most feasible.

The Fiscal Landscape for Public HBCUs

Federal Funding. The U.S. Department of Education's Title III budget, which are federal funds designated for educating underrepresented populations, includes funds allocated within the budget specifically for HBCUs (Gasman, 2010). The U.S. is currently facing an economic slump and the federal government has flat funded designated HBCUs (U.S. Department of Education, 2012), for what could be viewed as a decrease in funding given inflation and technological advances. State-level funding is even more dismal.

State Funding. In a comprehensive investigation of funding for state-supported HBCUs, Minor (2008) highlighted inequities in state support for HBCUs in comparison to predominantly White colleges within four states. The following four tables (see Tables 1-4) highlight higher education appropriations for the states of Alabama, Mississippi, Louisiana, and North Carolina. Minor concluded that a lion's share of the four states' higher education appropriations were secured by the flagship—or most reputable—institutions. He also concluded that institutions with higher enrollments and vast degree programs receive a larger portion of the states' appropriations.

Table 1

Alabama State-Supported Higher Education Institutions Appropriations in 2007

	(in millions)
University of Alabama, System	$532.6
Auburn University	$228.0
University of Southern Alabama	$120.3

Troy University, System	$52.0
Alabama A&M University	$44.3
Jacksonville State University	$42.7
Alabama State University	$42.5
University of North Alabama	$30.1
University of Montevallo	$21.2
University of West Alabama	$14.3
Athens State	$13.4

Note. HBCUs highlighted in gray. Adapted from "Contemporary HBCUs: Considering Institutional Capacity and State Priorities," by J. Minor, 2008, East Lansing: Michigan State University, College of Education, Department of Educational Administration, p. 19. Copyright 2008 by Michigan State University, College of Education, Department of Educational Administration.

Table 2

Louisiana State-Supported Higher Education Institutions Appropriations in 2007

	(in millions)
Louisiana State University	$204.8
University of Louisiana Lafayette	$67.7
University of New Orleans	$65.1
Southern A&M (and Southern Law)	$55.8
University of Louisiana at Monroe	$52.3
Southeastern Louisiana University	$51.4
Louisiana Tech University	$47.9
Northwestern State University	$34.5
McNeese State University	$32.2
Nicholls State University	$30.1
Grambling State University	$29.2
Southern University at New Orleans	$15.1
Louisiana State University-Shreveport	$14.7
Louisiana State University-Alexandria	$8.6

Note. HBCUs highlighted in gray. Adapted from "Contemporary HBCUs: Considering Institutional Capacity and State Priorities," by J. Minor, 2008, East Lansing: Michigan State University, College of Education, Department of Educational Administration, p. 20. Copyright 2008 by Michigan State University, College of Education, Department of Educational Administration.

Table 3

Mississippi State-Supported Higher Education Institutions Appropriations in 2007

	(in millions)
University of Mississippi Medical Center	$204.8
University of Mississippi	$67.7

Mississippi State University	$65.1
University of Southern Mississippi	$55.8
Jackson State University	$52.3
Alcorn State University	$51.4
Delta State University	$47.9
Mississippi Valley State University	$34.5
Mississippi University for Women	$32.2

Note. HBCUs highlighted in gray. Adapted from "Contemporary HBCUs: Considering Institutional Capacity and State Priorities," by J. Minor, 2008, East Lansing: Michigan State University, College of Education, Department of Educational Administration, p. 21. Copyright 2008 by Michigan State University, College of Education, Department of Educational Administration.

Table 4

North Carolina State-Supported Higher Education Institutions Appropriations in 2007

	(in millions)
University of North Carolina - Chapel Hill	$490.3
North Carolina State University	$428.0
East Carolina University	$213.9
University of North Carolina - Charlotte	$156.3
University of North Carolina - Greensboro	$138.6
Appalachian State University	$113.5
University of North Carolina - Wilmington	$91.4
North Carolina A&T State University	$88.1
Western Carolina University	$80.4
North Carolina Central University	$73.8
Winston-Salem State University	$65.4
University of North Carolina-Pembroke	$50.0
Fayetteville State University	$48.7
University of North Carolina- Ashville	$32.6
Elizabeth City State University	$31.4

Note. HBCUs highlighted in gray. Adapted from "Contemporary HBCUs: Considering Institutional Capacity and State Priorities," by J. Minor, 2008, East Lansing: Michigan State University, College of Education, Department of Educational Administration, p. 22. Copyright 2008 by Michigan State University, College of Education, Department of Educational Administration.

For example, in the state of North Carolina, the University of North Carolina—Chapel Hill and North Carolina State University independently received more funds than all of the HBCUs combined within the state (Minor, 2008). One may argue that these flagship institutions deserve a lion's share of the funding because of their higher enrollments. Yet, when one compares the University of North Carolina—Chapel Hill's $15,700 in state funding per student to North Carolina A&T University's $7,800 in state funding per student, inequities in funding per student are revealed (Minor, 2008). In addition, HBCUs often educate students who may not have pursued a postsecondary degree and the institutions maintain different missions. With continuous funding inequities, how does the U.S. expect these institutions to improve, grow, and contribute to President Barack Obama's 2020 (The White House, n.d.) goal of being the most educated nation as measured by college degree attainment (Gasman, 2010)? Historically, the federal government has made great strides in recognizing HBCUs need for support, however, at the state level trends of support are not as evident (Minor, 2008).

The goal of the present manuscript is to compare three state-level policy alternatives that might assist in eradicating the funding gaps between state-supported HBCUs and predominantly White institutions. To achieve the goal, objectives include:

(a) decreasing the funding gaps by 50 percentage points by 2018;
(b) eradicating the funding gaps by 2023; and,
(c) maintaining funding equity.

The proposed timeline was chosen to align with President Barack Obama's 2020 goal (The White House, n.d.) and the Lumina Foundation's (n.d.) Goal 2025. To obtain the aforementioned goal and objectives, the suggested alternative policies, and their respective possible outcomes, were judged using evaluative criteria.

Evaluative Criteria

Four evaluative criteria were used to assess the anticipated outcomes of the three proposed alternatives. The criteria were: (1) institutional autonomy, (2) affordability, (3) administrative operability, and (4) political feasibility. As suggested by Patton and Sawicki (1993), each policy option was assessed and ranked based on their probable impact on the identified criteria. *Institutional Autonomy* was measured by how well each policy would uphold the spirit of institutional autonomy or the missions of the institutions. *Affordability* was measured by assessing financial implications for implementing a proposed alternative. *Administrative Operability* measured the manpower needed to initiate, implement, and sustain the proposed alternative. Administrative operability was chosen because a sustainable policy is important in reaching the overarching goal and objectives. *Political feasibility* was used to determine the likelihood of a proposed policy being accepted by major stakeholders. Political feasibility was measured using a PRINCE Analysis; a PRINCE Analysis: (1) acknowledges stakeholders; (2) their stances; (3) how concerned stakeholders are with the existing problem; and, (4) how much power each group possesses using numerical scores ranging from -3 to 3, a negative score representing opposition (Filipovitch, 2005).

Alternatives and Outcomes

"Penny-for-Education" Tax. The "penny-for-education" tax is the first policy alternative. This policy proposal suggests a one-cent sales tax for states with HBCUs. This policy alternative is modeled after Richard Riley's "penny-for-education" tax implemented while serving as Governor of South Carolina. He imposed the one-cent sales tax to improve funding for K-12 public schools (*The Washington Post*, 1998). The proposed alternative would come with a five-year sunset clause to give states ample time to adjust higher education allocations to make allocations more equitable across institutional types. If adjustments have not been adequate after five-years, the tax should be extended in five-year increments. The “penny-for-education” tax is a reasonable option because it recognizes that HBCUs have been underfunded. In addition, the “penny-for-education” tax would offer financial assistance to HBCUs, ultimately, increasing productivity. This alternative is a regulatory policy, which is implemented solely based on its feasibility (Fowler, 2004). If implemented, costs are likely to emerge as the primary issue. Implementing the “penny-for-education” tax appears to favor HBCUs and this may induce opposition by majority institutions. Lastly, there may be opposition from taxpayers and politicians due to increased taxes.

Partnership Programs. Partnership programs between HBCUs and nearby institutions, particularly predominantly White institutions, with adequate state and physical resources are the second alternative (Gasman, 2010). This allows students from HBCUs to take classes and use the facilities of neighboring institutions to enhance their educational experience. This policy alternative is modeled after Cooperating Raleigh Colleges (CRC, n.d.), an organization of public, private, HBCUs, and majority institutions in Raleigh, North Carolina. CRC (n.d.) allows students to enroll at other institutions when a course, or courses, is not offered at home institutions. CRC (n.d.) also includes a cooperative library agreement and faculty exchange opportunities. This policy would have a five-year sunset clause and the policy can be lifted depending on when the current higher education allocations are redistributed. In addition, the policy should include a federal stipend budgeted within discretionary Title III funds. By implementing the partnership policy, students at HBCUs would not lose the benefits of attending a historically Black institution; however, they would be able to enroll in courses not offered at their institutions, use resources and facilities at other institutions, and gain exposure to some of the newer technologies that are available at other institutions, particularly science and engineering laboratories. This alternative is a regulatory policy (Fowler, 2004). If implemented, affordability would not be a major factor but administrative operability would be a concern because the policy requires additional roles for faculty, staff, and administrators. In addition, procedures must be developed for the administrative and technical aspects of the partnership program. Lastly, there may be opposition from faculty and administrators who might suggest partnership programs may hinder institutional autonomy.

HBCU Mergers. Merging HBCUs within states is the third, and final, policy alternative. This policy alternative calls for HBCUs within close proximity to merge in hopes of receiving more state funds. For example, the Technical College System of Georgia merged many technical colleges within close proximity to reduce costs (*Victoria Advocate*, 2011). In addition, Georgia State Senator Seth Harp proposed two HBCUs should be merged with nearby predominantly White institutions in 2009; former Mississippi Governor Haley Barbour proposed similar mergers for Mississippi’s state supported HBCUs in 2009; and more recently, Louisiana Governor Bobby Jindal suggested mergers for state-supported Louisiana HBCUs (Rivers, 2010; Stewart, 2011). To assist in the transitions and merger of the institutions there should be a stipend budgeted within discretionary Title III funds. This alternative is a regulatory policy (Fowler, 2004). If implemented, affordability would be a moderate concern due to restructuring: administrative operability will be a chief concern as the manpower needed to facilitate the transition will be high. Politically, there may be high opposition by alumni, administrators, faculty, staff and students of the institutions. They may find the policy as a hindrance to institutional autonomy, apprehensive to their respective school's history and mission, and view it as a lengthy and volatile transition.

When comparing the three policy alternatives, all three are similar in that they are regulatory policies. The "penny-for-education" tax appears to be the least affordable option, while the partnership program alternative is the most affordable. In addition, the "penny-for-education" tax appears to promote the most institutional autonomy. The "penny-for-education" tax would also appear to be the most administratively operable because of the subtle changes it requires in existing policies; however, it is not as politically feasible as partnership programs or HBCUs mergers.

Alternative Evaluation. The proposed policy alternatives were evaluated and ranked using scores of 1, 2, or 3 (3 being the highest ranking) for each criterion, then added to get a final score (see Table 5). *Institutional autonomy* was measured by how well each policy proposal would uphold the spirit of institutional autonomy or the missions' of the institutions. *Affordability* was measured by assessing the financial implications for implementing a proposed policy alternative. The affordability score was doubled because of decreasing state-level appropriations and the current fiscal climate in the United States. *Administrative operability* was measured by predicting the manpower needed to initiate, implement, and sustain the proposed policy alternative. *Political feasibility* was measured by the acceptability of a proposal by the major stakeholders. Political feasibility was ranked using the PRINCE Analysis (see Tables 5-7). The overall matrix (see Table 8) identifies the dominant, or best, alternative by ranking each policy proposal against each other for each criterion. The policy with the highest score was the policy recommended.

Table 5
"Penny-for-Education" Tax Alternative PRINCE Analysis

Stakeholders	Stance (-3 to +3)	Priority (1 to 3)	Power (1 to 3)	Total
For				
Administration/Trustees	3	3	2	18
Faculty/Staff	3	1	1	3
Students	3	1	1	3
Against				
Taxpayers	-3	3	3	-27
Politicians	-2	3	3	-18
Overall Score				**-21**

Table 6
Partnership Programs Alternative PRINCE Analysis

Stakeholders	Stance (-3 to +3)	Priority (1 to 3)	Power (1 to 3)	Total
For				
Politicians	2	3	3	18
Taxpayers	3	3	3	27
Some Students	3	1	1	3
Some Administration/Trustees	3	2	2	12

Some Faculty/Staff	3	1	1	3
Against				
Some Students	-2	1	1	-2
Some Administration/Trustees	-2	1	3	-6
Some Faculty/Staff	-2	1	1	-2
Overall Score				**53**

Recommendation and Implementation

Recommendation. Given the literature reviewed, evaluative criteria, and projected outcomes, the recommended policy is partnership programs based on its overall score of 13 (see Table 8). Although the "penny-for-education" tax ranked higher in institutional autonomy and administrative operability, the partnership program policy received an affordability score of six, which highlights its low costs. Because of the current economic state, affordability has to be considered extremely important; therefore, based on all of these observations the partnership program policy alternative appears to be the best policy recommendation at this time.

Table 7

HBCU Mergers Alternative PRINCE Analysis

Stakeholders	Stance (-3 to +3)	Priority (1 to 3)	Power (1 to 3)	Total
For				
Taxpayers	0	3	3	0
Politicians	1	3	3	9
Against				
Administration/Trustees	-3	3	2	-18
Faculty/Staff	-3	1	1	-3
Students	-3	1	1	-3
Alumni	-3	1	1	-3
Overall Score				**-18**

Table 8

Overall Alternative Evaluation Scores

	Autonomy	Affordability (x2)[a]	Administrative Operability	Political Feasibility	Overall Score
"Penny Tax"	3	2	3	1	**9**
Partnerships	2	6	2	3	**13**
Mergers	1	4	1	2	**8**

[a]Affordability rankings are multiplied by two because of the current economy and recent cuts in State higher education appropriations.

Implementation. The recommended policy proposal should be implemented immediately. It will be important for participating institutions to discuss and draft plans for future partnerships. Once the plans have been discussed, federal stipends should be dispersed to participating institutions to help handle the administrative and technical costs associated with the programs. While there are no extreme financial costs, implementation of the policy will require the attention of faculty, staff, and administrators, and governing boards.

Monitoring & Evaluating. Offices of institutional research should monitor the policy and reports should be made to the states, White House Initiative on HBCUs, and the U.S. Department of Education. To monitor the policy, data should be collected to indicate how many students are taking advantage of studying at partnering institutions and to help forecast the specific needs of HBCUs. After the first two years of implementation, institutions can evaluate the effectiveness of the policy by surveying administrators, faculty, staff, and students. The evaluations may be done using appropriate evaluative methods. While partnership programs is the recommended policy, all of the policy alternatives could be considered depending on a states' financial situation and the interests of state constituents.

The proposed policy is recommended to help politicians decrease, and ultimately eradicate, the funding gap between state-supported HBCUs and predominantly White institutions. In turn, the policy may increase the successes of HBCUs. In addition, the policy will result in a myriad of positive outcomes for faculty, students, institutions, broader communities, and the United States.

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