



If You Can Dream It, You Can Achieve It at an HBCU!

April 14, 2011

Honorable Arne Duncan
Secretary
United States Department of Education
400 Maryland Avenue, S.W.
Washington, D.C. 20202-0001

RE: Budget Reduction Priorities for FY 2011

Dear Secretary Duncan:

On behalf of the nation's 105 Historically Black Colleges and Universities and 50 Predominantly Black Institutions, I thank you for advancing an FY 2012 budget that reflects your appreciation, and that of the Administration, for the unique and important value of HBCUs and MSIs for advancing our national goal of moving from having roughly 39% of Americans with a 2- or 4-year certificate or degree, to 60% of Americans with a 2- or 4-year certificate or degree by 2020.

I am writing to urge that in making the tough decisions you must now make to reduce significantly the discretionary funding for Aid for Institutional Development within the Higher Education account in the FY 2011 budget, you are guided by your understanding of the significant value of HBCUs and MSIs, and the reduction principles that yielded no proposed reduction in funding levels for HBCUs and MSIs in your 2012 budget.

I am informed that a \$50 million cut below the FY 2010 is required from the account covering various programs for HBCUs and MSIs. NAFEO believes that level funding and, indeed, increased funding for HBCUs and MSIs is indicated by at least four compelling factors: (1) the education outcomes of HBCUs with regard to increasing the numbers of black graduates, especially in growth and high needs disciplines; (2) their proven ability to graduate students that are well prepared for the rigors of college work as well as the disproportionate percentages of students who were ill-served by their elementary and secondary school systems, and to prepare and graduate these students at a lower cost than their historically white counterparts; (3) the fact that their historically white counterparts are disengaging from educating the growing numbers in their states of racial and ethnic minority students, low-income and first generation students, and those who have traditionally been underserved by the American education systems; and (4) the fact that HBCUs are a \$10B short-term business, the nation's 23rd largest business, just above Bank of America, with more than 188,000 employees, and which, like Bank of American might be destabilized if the federal government reduces, rescinds or fails to keep pace with inflation in its investment in these intellectual and economic stimulators.

Though woefully underfunded and under-supported by public and private sources since their founding in the years following the Civil War, HBCUs are today providing **the best return on investment of all classes of higher education institutions**. According to The College Board's

Trends in College Costs report, a 4-year degree at a private HBCU costs roughly \$10,000 less than a comparable degree at a private Historically White College or University (HWCU); and a 4-year degree at a public institution costs \$2,500 less than a 4-year degree at a public HWCU, on average. HBCUs are graduating disproportionate numbers of students in growth and high needs disciplines. While HBCUs are just 3.3% of all American colleges and universities, as you know Secretary Duncan, they are graduating 50% of black teachers, 22% of black students with a bachelor's degree in science and engineering; roughly 28% of all blacks who go on to receive a PhD in engineering. The top 8 and 20 of the top 50 US institutions producing black S & E doctorate recipients are HBCUs.

The above data are supported by the 2010 Commission on Civil Rights report on "*The Education Effectiveness of Historically Black Colleges and Universities*" and the 2011 NSF report, "*Enhancing Underrepresented Minority Participation: America's Science and Technology Talent at a Crossroads*." The results are due, in large measure, to Title IIIB funds allocated to HBCUs and other targeted federal funds that now hang in the balance. A reduction in federal funds for HBCUs and PBIs will prove disastrous. A reduction in the base HBCU and PBI funding at this time in which economic and social freedom are increasingly linked to a postsecondary education; when the Administration has set as a national goal returning the nation to educational eminence by 2020 (which requires HBCUs to graduate an additional 135,000 students to supplement the 270,000 now enrolled); when the states are reducing funding to HBCUs disproportionate to other higher education institutions, and have failed at all times to realize the Supreme Court's mandate that they invest in public HBCUs such that they are "comparable to and competitive with" their public white counterparts, spells pure disaster for these institutions and the students they serve. The federal government must not disinvest from these institutions. HBCUs and PBIs are the clearest, the most effective and efficient pathway through which excellent, diverse students from all walks of life, especially low-income, first generation students from traditionally underserved communities, are being prepared, inspired, and graduated to serve humanity and help their communities and the economy thrive.

For the above and other reasons, NAFEO and its membership urge you to maintain funding for HBCUs and PBIs as you seek to cut \$50M additional dollars from the FY 2011 budget. You might consider taking these funds from those institutions whose endowments and financial bottom line suggest their ability to easily absorb a reduction.

I stand ready to continue working with you and members of The Department to identify a fair and equitable way of avoiding cuts to HBCUs and PBIs. I may be reached at (202) 552-3300 or (202) 439-4704.

Sincerely,

Lezli Baskerville
President & CEO