



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

January 7, 2009

The Honorable Arne Duncan  
Secretary of Education  
United States Department of Education  
400 Maryland Avenue, SW  
Washington, DC 20202

**RE:** January 15, 2010 Fourth Cut to Louisiana Higher Education Sought Since 2009. Please Deny Maintenance of Effort Waiver

Dear Secretary Duncan:

I am writing to you as President and CEO of the National Association for Equal Opportunity in Higher Education (NAFEO) which, as you know, is the national membership association of the nation's 105 Historically Black Colleges and Universities (HBCUs) and 50 Predominantly Black Institutions (PBIs) located in 25 states, the District of Columbia, Virgin Islands, and Brazil, to respectfully request that the Department decline to grant the State of Louisiana the waiver that it will need under the American Recovery and Reinvestment Act (ARRA) to make proposed additional cuts in state obligated funds for elementary, secondary, postsecondary education and for higher education. A waiver in this case appears contrary to the letter and spirit of the State's agreement with the Department in receiving ARRA funds under the State Fiscal Stabilization Fund (SFSF Program) and is inimical to the best interest of the students and families of the State of Louisiana, disproportionate numbers of who are families of fewer financial means. I am especially concerned that granting such a waiver would have a debilitating impact on Grambling State University and the Southern University System, the State's public Historically Black Colleges and Universities (HBCUs).

Relative to the waiver being contrary to the letter and spirit of the State of Louisiana's ARRA agreement with the Department of Education, as I understand it, the one-time SFSF funds were, among other things, to provide states with sorely needed dollars for institutions of higher education and school districts struggling to meet tremendous deficits or gaps in funding. To receive the funds, the states had to represent that the investments would improve education outcomes or infrastructure; that the funds would not maintain the status quo, but rather that they would yield quantifiable improvements; and that the funds would not supplant local funding. The states had to commit to maintaining state funding for supported institutions/systems/activities at the same levels in FY 2009-2011 as they maintained in 2006 (maintenance of effort guarantee). It is expected that only in extreme cases will the Department of Education permit a state to waive the maintenance of effort requirement.

Recently, the governor's office of the State of Louisiana requested that the Louisiana Board of Regents (with recommendations from the Management Boards for the Louisiana State University System, Southern University System, University of Louisiana System, and the Louisiana Community and Technical College System) make recommendations of additional cuts in higher education. This request comes on the heels of cuts in January 2009 and July 2009, and the request is for reductions in January and July 2010. This request comes at a time when the State has empanelled a Louisiana Postsecondary Education Review Commission, on which I am privileged to serve, that is already looking at ways of cutting \$150 million from higher education and making adjustments to the system to improve outcomes.

The request for additional cuts in higher education funding also comes at a time when the State is still maintaining a Rainy Day Fund. Further cuts would certainly have a destabilizing impact on higher education in the State of Louisiana, one of the lowest performing states in the Union. Perhaps most important, to permit Louisiana a waiver from its maintenance of effort requirement, when it has unexhausted funds (Rainy Day Funds) and after it received the SFSF funds with full knowledge of its obligations, would be inimical to the letter and spirit of the program and its regulations. It would establish bad precedent and open the floodgates for numerous other states with stockpiled funds to seek a waiver.

Waivers under SFSF must be granted in rare, dire circumstances and must be done judiciously. The granting of a waiver to the State of Louisiana under these circumstances, as a state review commission is nearing completion of its work on reshaping higher education in Louisiana to make it more effective and efficient, and to reduce the budget by roughly \$150M, and at a time in which the State has a Rainy Day Fund, appears to be among the clearest cases of when not to grant a waiver imaginable.

For the above reasons and others that I welcome the opportunity to discuss with you, I respectfully request that you deny the waiver requested by the State of Louisiana and prevent the State from making further cuts to higher education at this time.

I thank you for your favorable consideration of this request, and I look forward to working with you and your team in clearly delineating the types of extreme cases in which a waiver might be appropriate. I may be reached at (202) 552-3300.

With best regards, I am sincerely,



Lezli Baskerville  
President & CEO

cc:

Martha Kanter (Undersecretary of Education)

Robert Shireman (Deputy Undersecretary of Education)

John Wilson (White House Initiative of Historically Black Colleges and Universities, Executive Director)