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Public Policy and
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PUBLIC POLICY PRIORITIES FOR THE TRUMP ADMINISTRATION AND THE 115TH CONGRESS

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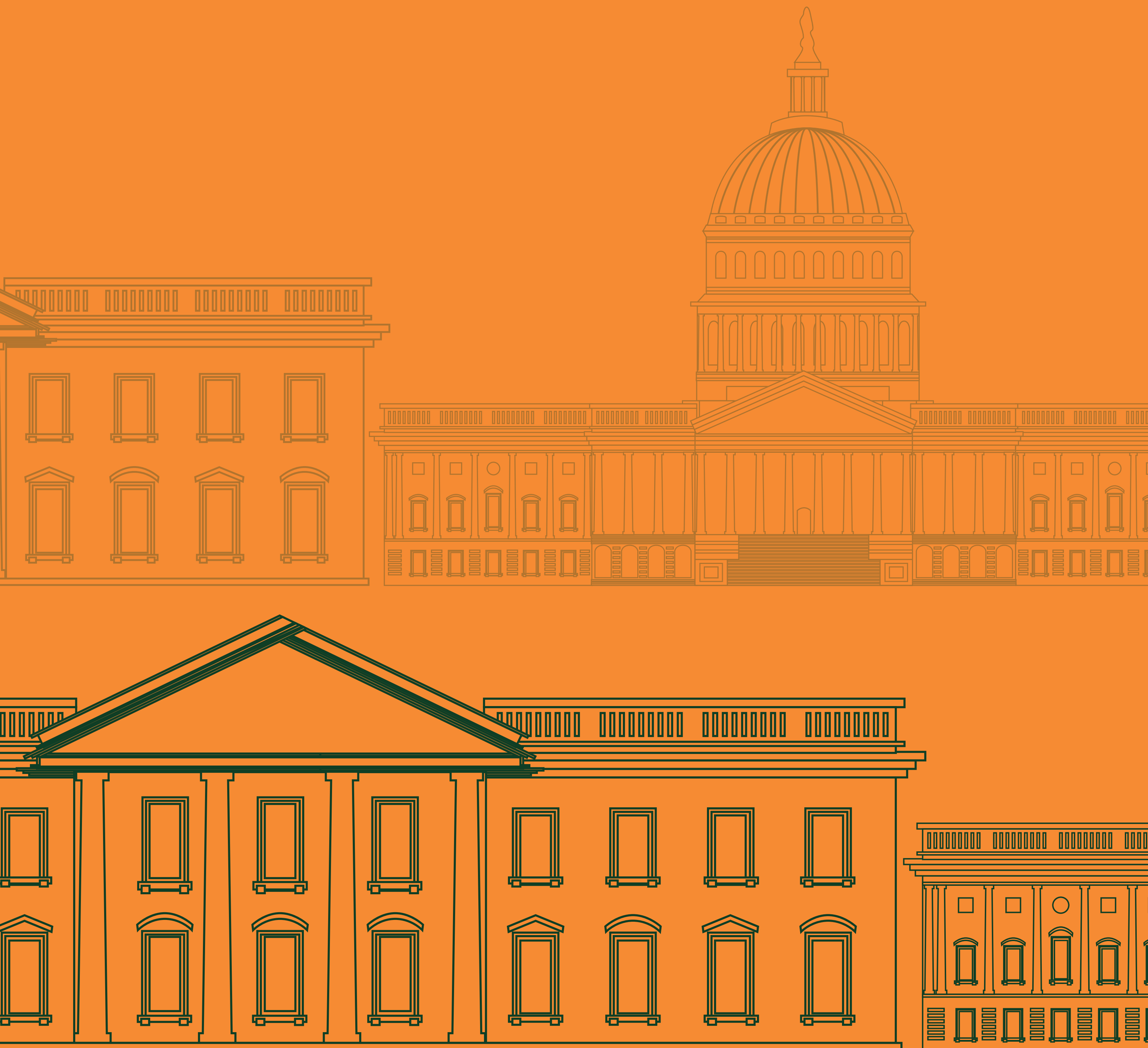
Public Policy Priorities for the Trump Administration and the 115th Congress



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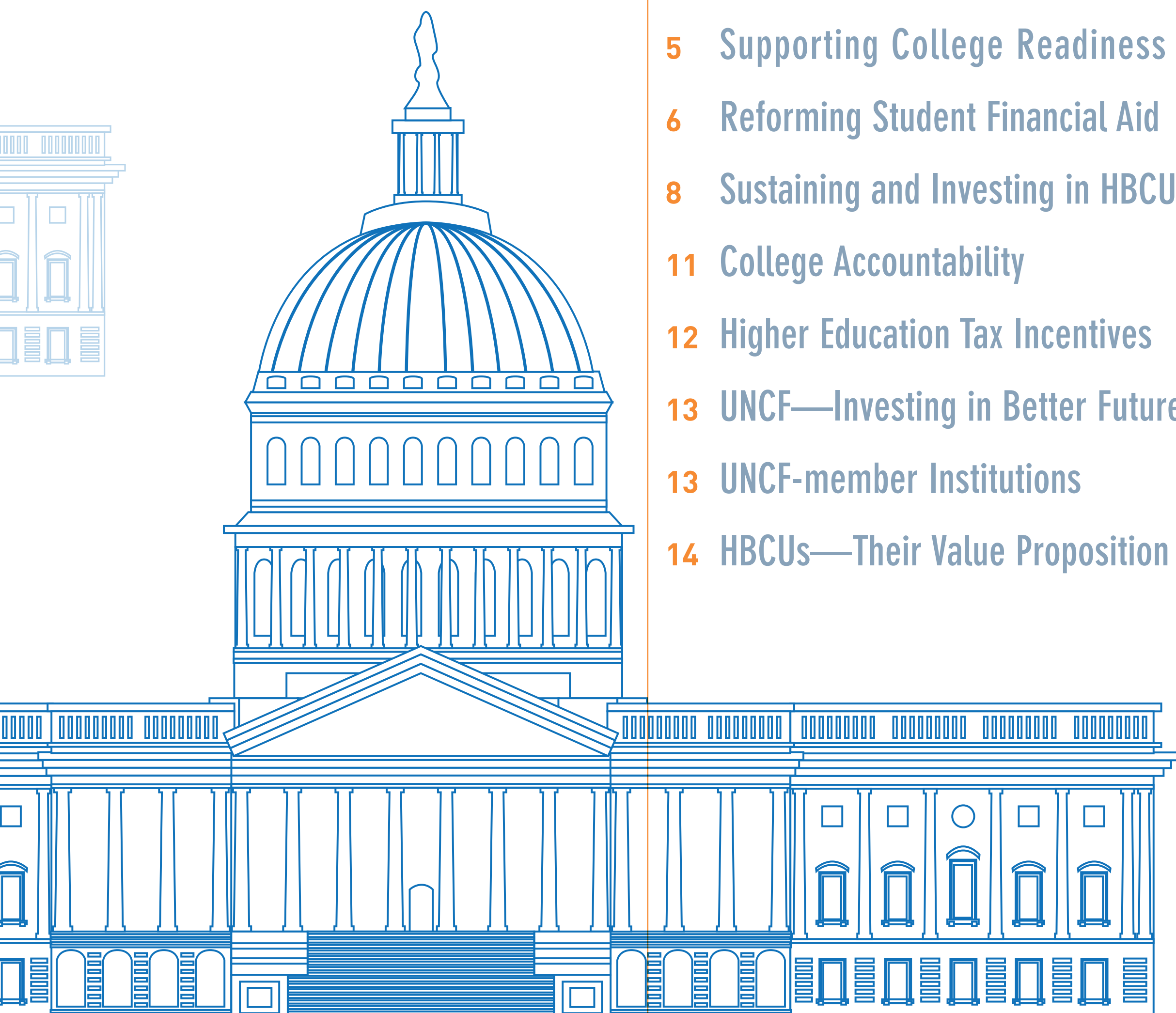

Over the next two years, UNCF will be a strong voice for federal investment in African American education, including our 37-member HBCUs and the students they serve.

Introduction

UNCF (United Negro College Fund) is America's largest private provider of scholarships and other educational support to African American students and an advocate for the value and values that our 37-member, private historically black colleges and universities (HBCUs) offer to the nation.

In 2017, President Donald J. Trump and new members of Congress assumed office in Washington, DC. Our federal policymakers face innumerable social and economic challenges. However, we can all agree that educational opportunity, which leads to a good job, better health, greater civic engagement and a higher quality of life, matters to people—white and black, Democrats and Republicans, in rural communities and inner cities, in the heartland and sunbelt. Providing a quality education for all Americans—and especially our most vulnerable children and students—is a bipartisan cause.

Moreover, business leaders understand that we must have a skilled and productive workforce in order to compete and win in the global economy and that our workforce, increasingly, will be comprised of students of color. Our nation can ill afford to leave them out of the talent pool needed for the millions of scientific, technical, engineering, mathematics (STEM) and other skilled jobs that go unfilled each year.

African Americans hold long-standing and deeply held commitments to educational achievement. African American parents, at every socioeconomic level, want their children to succeed academically in their K-12 education and to go on to earn college degrees. Yet, African Americans lag behind in nearly every indicator of educational progress.

UNCF believes that "a mind is a terrible thing to waste, but a wonderful thing to invest in."® Over the next two years, UNCF will be a strong voice for federal investment in African American education, including our 37-member HBCUs and the students they serve. We will work with new policymakers in the Trump Administration and Congress to accomplish our education public policy goals, so that every African American student enjoys a successful journey from elementary school to high school to college and career.

Michael L. Lomax, Ph.D.
President and CEO
UNCF

Cheryl L. Smith
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UNCF

UNCF Public Policy Priorities

Supporting College Readiness

UNCF research finds that the college aspirations of African American families are high; a substantial proportion (77 percent) of low-income, African American parents believe it is important for their children to attend and graduate from college.[1] Nonetheless, while African American students have made progress in completing secondary school with a high school diploma, too many students still enter college without the academic, social and financial preparation needed to earn a college credential within two or four years. According to ACT, Inc., just 6 percent of African American students who graduate from high school are college-ready across the core subjects of English, reading, mathematics and science.[2]

Too many complex federal student aid requirements and too few resources present additional hurdles for low-income students. These are critical reasons why, in 2015, only 23 percent of African Americans had earned a four-year college degree—nearly 40 percent less than for white Americans.[3]

The 2015 enactment of the *Every Student Succeeds Act*, which updated the *Elementary and Secondary Education Act* (ESEA), has changed the focus of federal investment in K-12 education. This change will provide states, local school districts and schools with more flexibility to close the achievement gap through state-specific responses, but will require federal vigilance and state commitment to increase preparation and readiness for college, especially for African American students.

While African American students have made progress in completing secondary school with a high school diploma, too many students still enter college without the academic, social and financial preparation needed to earn a college credential within two or four years.

To respond to these challenges, UNCF will support policies that:

Improve the college readiness of African American students. Support federal and state efforts to adopt and use rigorous college- and career-ready academic standards and promote strong public schools, including charter schools, magnet schools and themed schools, in African American communities. ■ Support implementation of ESEA's systems of state, district and school accountability for student achievement and closing the achievement gaps between vulnerable children and their more advantaged peers. ■ Promote meaningful parental engagement in school reform to facilitate closing achievement gaps. ■ Target increased federal dollars for K-12 through programs that are focused on historically underserved students and schools. ■ Encourage dual high school and college enrollment to create more seamless college pathways for low-income students.

Provide early and personalized college advising that includes financial aid information. Advance earlier, better and more personalized college advice for low-income students and students of color in middle and high school so that students can make college choices that put them on the track to employment and financial success. ■ Such advice should include counseling and information about federal financial aid eligibility and repayment options so that students can make informed decisions about how to pay for college.

Students and families are denied access to the resources they need due to the complexity of the federal financial aid system.

Moreover, federal financial assistance targeted to low-income students has not kept pace with the need.

Reforming Student Financial Aid

To make post-secondary education a reality for low-income and minority students, the federal government must commit to providing easier access to student financial aid and covering a meaningful portion of the cost of post-secondary attendance with grants and work-study rather than loans.

Students and families are denied access to the resources they need due to the complexity of the federal financial aid system. The Free Application for Federal Student Assistance (FAFSA) is the gateway to federal financial aid for college students and often for state and institutional aid. However, 2 million low-income students leave Pell Grants on the table each year because the 108-question FAFSA is too complicated.[4]

Moreover, federal financial assistance targeted to low-income students has not kept pace with the need. The Pell Grant program is the single largest source of federal scholarships for students who lack the financial means to pay for college; over 7.5 million students receive Pell Grants, including 70 percent of the students enrolled at HBCUs.[5] Nonetheless, in the 2016-2017 school year, the maximum Pell award of $5,815 paid, on average, only 29 percent of the cost of attending a four-year public college and only 13 percent of the cost of attending a four-year private nonprofit college—*the lowest share in the history of the program.*[6]

In addition, federal college assistance to students through federal campus-based student aid programs has declined in real terms. Between 2005 and 2015, federal support for Supplemental Educational Opportunity Grants declined by 22 percent, the Federal Work-Study Program by 18 percent and Perkins Loans by 40 percent after accounting for inflation.[7] These valuable programs support school choice, fill in financial gaps after students reach federal student loan limits, leverage additional funds for financially needy students through institutional matching requirements, provide career-enhancing employment skills to low-income students, and reduce the amount of debt that low-income students must incur.

Even as the real value of financial aid declines, federal education loans will remain a critical component of college financing for many low-income students. However, much more could be done to redesign and improve federal student and parent loans to reduce borrowing costs and to streamline the time-consuming and complicated menu of at least eight federal student loan repayment plans—all with different eligibility guidelines and terms—to make loan repayment more manageable.

The student loan burden is particularly heavy for students at HBCUs. A recent UNCF report, *Fewer Resources, More Debt* examines the rates, amounts and distribution of student loan debt among HBCU students relative to their non-HBCU peers, focusing on undergraduates attending four-year public, private and non-profit institutions. Despite attending lower-cost institutions, HBCU students borrow loans at greater rates, borrow greater amounts, seek loans from more costly sources and encounter more obstacles to repaying their loans. For instance, in 2012, a quarter of HBCU bachelor's degree recipients borrowed $40,000 or more, which is four times the rate of their non-HBCU peers who borrowed the same amount.

To respond to these challenges, UNCF will support policies that:

Simplify and streamline the federal student aid process. Simplify the FAFSA, the complexity of which is a barrier to boosting college attendance for low-income students and students of color. ■ Make permanent the use of "prior-prior" year income tax data so that families can determine their federal financial aid eligibility earlier and more easily. ■ Enable low-income students to establish federal student aid eligibility for more than one year, as their financial circumstances don't change significantly from year to year. ■ Eliminate excessive income verification procedures that require low-income students to prove again and again that they are poor.

Invest in and modernize Pell Grants. Make the Pell Grant Program a true entitlement program, with guaranteed funding, that provides aid to all students who qualify, covers a greater share of college costs and provides flexible assistance to young and older adult learners. ▪ The Trump Administration and Congress should protect Pell Grant reserve funds that have accumulated in recent years and re-invest these resources into enhanced assistance for low-income students. ▪ Many of the needed Pell Grant Program improvements listed here are included in H.R. 2451, the *Pell Grant Preservation and Expansion Act,* introduced in the 115th Congress:

— **Double the maximum award.** Over time, double the maximum Pell Grant award to approximately $12,000 to support roughly 60 percent of the cost of attendance at a four-year public university and continue a cost-of-living adjustment for the award.

— **Streamline access for very low-income students.** Raise the family income level (to $34,000) at which students automatically qualify for the maximum Pell Grant award so that more low-income students can get the support they need, and allow students receiving means-tested federal benefits to qualify automatically for maximum Pell Grants.

— **Reduce the "work penalty."** Enact a 35 percent increase to the income protection allowance for working students, which would enable students who work to pay for college costs to receive more financial aid.

— **Incentivize completion.** Include incentives for on-time completion, such as providing support for dual enrollment programs, offering extra Pell funds for students who take 15 credits instead of 12 credits per semester and incorporating flexibility for students to use Pell funds across award years.

— **Extend or repeal the 12-semester limit on eligibility.** Recognize the longer period that low-income students often require to earn their degrees.

— **Restore eligibility for incarcerated individuals.** Enact "second-chance" Pell Grants to provide educational opportunities for qualified individuals who are incarcerated and eligible for release within five years of enrolling in coursework to facilitate their re-entry into their communities.

— **Reinstate eligibility for students with drug-related offenses.** Repeal a 1998 prohibition on federal financial aid for college students convicted of a drug offense and eliminate drug-related questions on the FAFSA, which disproportionately impact students of color and low-income students.

Preserve campus-based student aid programs. Preserve Supplemental Educational Opportunity Grants, the Federal Work-Study Program and Perkins Loans. ▪ Improve how these campus-based programs allocate funds to colleges in order to better target assistance to low-income students.

Make student and parent education loans less costly. Reduce federal student and parent loan interest rates and eliminate origination fees, both of which make borrowing for a college education more costly than necessary for students and parents. ▪ Retain in-school interest subsidies (subsidized loans) for low-income students. ▪ Strengthen current loan counseling requirements for students and enact mandatory loan counseling in order for parents to access Parent PLUS Loans. ▪ Grant institutions greater flexibility and discretion to limit student borrowing for students and parents based on objective criteria such as program of study.

Make student and parent education loans easier to repay. Streamline the complex array of federal student loan repayment options that few students understand and are able to navigate. ▪ Make income-based loan repayment automatic and universal for all borrowers with a flexible option for borrowers who wish to pay off their loan debt faster. ▪ Allow borrowers of federal education loans to more easily refinance loans at lower rates.

Sustaining and Investing in HBCUs

HBCUs are engines of opportunity, producing a disproportionate share of the African American graduates our nation needs to win in the global economy. HBCUs represent 3 percent of all public and non-profit private colleges and universities, but enroll 10 percent of African American undergraduates, graduate 17 percent of all African Americans with bachelor's degrees and produce 24 percent of African Americans with bachelor's degrees in STEM fields.[8]

Despite the critical role HBCUs play, their legacy includes a history of federal and state under-investment, and these institutions continue to confront fiscal challenges. Because HBCUs largely serve low-income students, their operating budgets are always tight, endowments are limited and infrastructure needs are great. Constrained resources challenge the ability of HBCUs to innovate and evolve in response to changing higher education needs and demands—capacity that better-funded institutions take for granted.

UNCF is doing its part to generate greater private investment to HBCUs. However, the promise of strong federal investment in these under-resourced institutions has yet to be realized. The HBCU programs authorized by Title III of the *Higher Education Act of 1965* are intended to be the foundation of federal institutional support to HBCUs, but have not been fully funded. A ten-year $1.7 billion federal investment over current baseline funding is needed to fulfill the promise and enable HBCUs to provide academic and skills training, personalized counseling and other support that at-risk students require for college success. This investment also would help HBCUs grow woefully small endowments for long-term sustainability, upgrade technology and facilities, and innovate for the future.

Given adequate resources, HBCUs can help close the widening disparity in college completion for low-income, first-generation and minority students. The result would generate higher African American employment, greater earnings and increased revenues for our economy.

HBCUs represent 3% of all public and non-profit private colleges and universities, but enroll 10% of African American undergraduates, graduate 17% of all African Americans with bachelor's degrees and produce 24% of African Americans with bachelor's degrees in STEM fields.

To respond to these challenges, UNCF will support policies that:

Implement a strong White House Executive Order for HBCUs. On February 28, 2017, President Trump signed Executive Order 13779—White House Initiative to Promote Excellence and Innovation at Historically Black Colleges and Universities—which establishes the White House Initiative on HBCUs in the Office of the President (rather than in the U.S. Department of Education). ▪ Although critically important, the HBCU Executive Order is only the first step toward providing "equitable opportunities for HBCUs to participate in federal programs"—one of the HBCU Executive Order's key goals. Without strong federal investments, however, President Trump's commitment to HBCUs and the rebuilding of African American communities will be unfulfilled promises.

Fully fund the Title III HBCU discretionary programs. Provide an annual investment of federal discretionary funds for HBCU operating support ($375 million), graduate programs ($125 million), endowment challenge grants ($220 million), and capital financing loans ($400 million) as authorized under Title III of the *Higher Education Act*.

Extend the Title III HBCU mandatory program. Sustain the annual mandatory appropriations of $85 million for STEM initiatives at HBCUs beyond 2019, when they are due to expire. The *Student Aid and Fiscal Responsibility Act* enacted a ten-year stream of mandatory appropriations This essential funding should be extended through the period of the next reauthorization of the *Higher Education Act* and increased, if possible, to offset inflation.

Invest in HBCU infrastructure. Include HBCUs in a $1 trillion national infrastructure program by providing grants, no- or low-interest loans and tax incentives through a national infrastructure bank and/or the U.S. Departments of Agriculture, Commerce, Education, Housing and Urban Development, Interior, and Treasury. ▪ Increase federal support to repair, renovate, construct and acquire HBCU facilities and technology, including the rehabilitation of over 700 HBCU buildings on the National Register of Historic Places. ▪ UNCF's HBCU infrastructure priorities include:

- **Save historic structures on HBCU campuses.** Reauthorize the Historic Preservation Fund at the U.S. Department of Interior and provide annual appropriations of $50 million to allow HBCUs to rehabilitate historically significant campus structures on the National Register of Historic Places.

- **Restore the HBCU Grant Program.** Provide $75 million for the HBCU Grant Program at the U.S. Department of Housing and Urban Development to support HBCU efforts to partner with their communities on economic development and community revitalization.

- **Include HBCUs in a national infrastructure bank.** Ensure that the construction and renovation needs of HCBUs are included in any enactment of a national infrastructure bank.

- **Provide tax incentives for HBCU bonds.** Authorize triple tax-exempt status (local, state and federal tax exemption) for bonds issued by HBCUs, which would increase the pool of potential investors and lower prices for these bonds. H.R. 1080, the *HBCU Investment Expansion Act,* introduced in the 115th Congress, serves as one model.

- **Grow the HBCU Capital Financing Program.** Raise the cumulative, multi-year loan limit to $3.6 billion for the HBCU Capital Financing Program. ▪ Appropriate $25 million annually for loan interest subsidies for the purpose of leveraging approximately $400 million in facility loans each year to HBCUs.

- **Fund the Minority Serving Institution Digital and Wireless Technology Opportunity Program.** Support grants and contracts to HBCUs and minority-serving institutions to acquire and augment digital and wireless networking technologies to improve the quality and delivery of educational services.

Fund new HBCU centers of innovation for national needs. Provide new federal venture capital so that HBCUs can experiment, pilot, evaluate and scale up best practices and drive new innovations on their campuses–especially in areas of national need such as college success, teacher diversity and STEM. ▪ An HBCU Innovation Fund, as envisioned in H.R. 4857, the *HBCU Innovation Fund Act,* introduced in the 114th Congress, would empower HBCUs to expand their footprint as important engines of innovation with:

- **College success initiatives.** HBCU centers of innovation for college success could provide institutions with the financial means and flexibility to test new approaches to enhance student completion and workforce outcomes, such as pathway initiatives, co-requisite remediation, accelerated degree programs, technology-enhanced delivery models and competency based education. ▪ The UNCF Career Pathways Initiative offers a best-practice model for preparing HBCU graduates to immediately and seamlessly enter the workforce through stronger connections (e.g. mentoring, internships, experiential learning) with business and industry.

— **Teacher diversity.** HBCU centers of innovation for teacher diversity could accelerate the education and training of effective minority teachers through traditional and nontraditional training programs. ■ Improving teacher racial diversity could provide significant benefits to all students, especially African Americans. Although students of color are expected to comprise 56 percent of the student population by 2024, teachers of color comprise only 18 percent of the current teaching workforce (African American teachers are only 7 percent).[9]

— **STEM.** HBCUs are disproportionately successful at educating African Americans in STEM fields and can serve as best-practice models for other colleges and universities to further drive participation of African Americans in the STEM workforce. ■ HBCU centers of innovation in STEM could expand innovative models, networks, partnerships and research in order to develop a more diverse science and engineering workforce.

Include HBCUs in tuition-free college proposals. Support college proposals that significantly reduce or eliminate tuition for HBCU students by authorizing tuition assistance grants to HBCUs. ■ Support provisions that target aid to low-income students. ■ Provide "first dollar" support to enable low-income students to use Pell Grants for non-tuition expenses such as room and board, books, and transportation. ■ Offer additional academic, mentoring, internships and other non-financial supports that help low-income college students succeed. ■ S. 809, the *College for All Act*, introduced in the 115th Congress and H.R. 2962/S. 1716, *America's College Promise Act,* introduced in the 114th Congress, serve as models for lowering the cost of college for HBCU students and preserving their ability to choose the college that best meets their needs.

HBCUs are disproportionately successful at educating African Americans in STEM fields and can serve as best-practice models for other colleges and universities to further drive participation of African Americans in the STEM workforce.

College Accountability

UNCF-member institutions are accountable to:

- The federal government for the proper expenditure of federal appropriations.
- Their accrediting agencies, which ensure that instructional programs, resources and policies are fulfilling institutional missions.
- Their governing boards for oversight over mission, education programs and the efficient allocation of institutional resources.
- The students and families who select these institutions to meet their educational aspirations.

Support college accountability proposals that reward institutions, like HBCUs, that enroll primarily academically and financially disadvantaged students.

UNCF and its 37-member institutions recognize that federal policymakers and the American public want a bigger "bang for the buck" from the resources that taxpayers provide for post-secondary education. In an era of budget constraints, we agree that there must be a greater return on investment from the nearly $160 billion that the federal government annually invests in student financial assistance.

The federal government must work with HBCUs, other colleges and universities, states and accrediting organizations to respond to legitimate government obligations and the needs of students and families for more meaningful information about college costs and greater value, all without undermining college access and success for the nation's most vulnerable populations.

To respond to these challenges, UNCF will support policies that:

Improve federal higher education data to increase transparency and accuracy. Improve the Integrated Postsecondary Education Data System (IPEDS), maintained by the National Center for Education Statistics, to capture better information about today's college students—the vast majority (approximately 85 percent) of whom are excluded from IPEDS because they are not first-time, full-time students.[10] ■ There is growing consensus that current methods of calculating some important post-secondary indicators, such as graduation rates, are flawed because they do not sufficiently reflect the "nontraditional" characteristics of today's 21st-century students and their mobility across institutions. ■ These issues are important because, in gauging the effectiveness of colleges and universities at preparing and graduating students, policymakers need an accurate picture of each institution's outcomes.

Judge colleges on the value they produce for their students and account for the "degree of difficulty" that institutions face. Incorporate college metrics that are accurate, fair and appropriate measures of access, affordability and value for over 4,000 diverse, degree-granting institutions of higher education. ■ Metrics should be "risk-adjusted" to account for differences in institutional missions, resources and student populations to reliably measure the value added by colleges and universities—in essence, taking into consideration "the degree of difficulty" that HBCUs and other institutions face in educating significant numbers of academically and economically disadvantaged students.

Prioritize an incentives-based approach, rather than punitive fines, to higher education accountability. Support college accountability proposals that reward institutions, like HBCUs, that enroll primarily academically and financially disadvantaged students. ■ Support multiple indicators of college success that measure progress based on institutional growth relative to current performance. ■ Oppose "institutional risk-sharing" proposals, which could require financially-strapped HBCUs to share in the cost of federal student loans not repaid and incentivize colleges and universities to turn away at-risk students with the greatest challenges to college completion.

Higher education tax expenditures can be dramatically improved to provide more assistance to low-income families working to fill college financial aid gaps.

Higher Education Tax Incentives

UNCF believes that the tax code should recognize higher education as an investment in human capital that has important societal benefits and encourage higher education participation through appropriate incentives. Current post-secondary tax benefits help students and families by providing incentives to save for college through college savings accounts, the American Opportunity Tax Credit (AOTC), student loan interest deductions and other provisions.

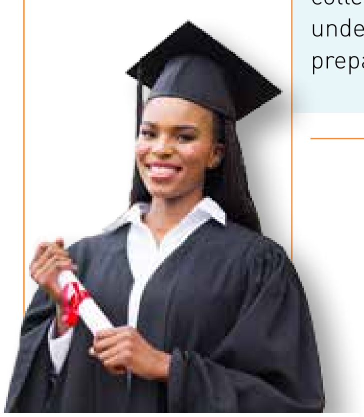
However, existing higher education tax benefits are complicated, mainly providing an "after-the-fact" benefit to high-income households. They have limited impact on increasing college attendance for the low-income students who most need a college education because relatively few benefit from tax subsidies. Federal tax benefits for higher education are estimated to total more than $34 billion in fiscal year 2017, exceeding the $31 billion available for Pell Grants.[11] Tax benefits for the AOTC and Lifetime Learning Credit (LLC) alone are estimated at $21 billion. Yet, although approximately 72 percent of all Pell Grant recipients have incomes of $30,000 or less, the proportion of tax-based student aid that flows to these families is less than 25 percent.[12]

Higher education tax expenditures can be dramatically improved to provide more assistance to low-income families working to fill college financial aid gaps. A simplified and improved set of tax benefits focused on low- and moderate-income families will maximize the impact of these resources so financially needy students can borrow less, work less and increase their chances of earning college credentials.

To respond to these challenges, UNCF will support policies that:

Target higher education tax benefits to low-income students and families. Reform the AOTC and LLC to expand aid to low- and middle-income families and remove obstacles to claiming education-related tax credits. ▪ Allow students to combine Pell Grants and AOTC to address unmet financial need. ▪ Ensure that low-income students fully benefit from Pell Grants by excluding all Pell Grant funds from taxable income, as provided for in H.R 5764, the *Pell Grant Flexibility Act,* introduced in the 114th Congress.

Create college savings accounts for low-income students. Reform the AOTC to support contributions to college savings accounts[13] as well as other innovations to help low-income families accumulate college savings. ▪ Experience with the UNCF College Account Program—the college savings account program piloted by UNCF and the Knowledge Is Power Program (KIPP) and underwritten by Citi Foundation—suggests that a student with a college savings account is better prepared for and more likely to attend college than a student without one.



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UNCF—Investing in Better Futures

In 1943, Dr. Frederick D. Patterson, president of Tuskegee Institute, now Tuskegee University, wrote an open letter in the *Pittsburgh Courier* to the presidents of other private black colleges urging them to "pool their small monies and make a united appeal to the national conscience." His idea took root, and on April 25, 1944, the United Negro College Fund was incorporated with 27 member colleges and a combined enrollment of 14,000 students.

UNCF has grown to become the nation's oldest and most successful African American higher education assistance organization, comprising 37 private, accredited, four-year HBCUs. Today, UNCF is investing in Better Futures® for students and for the country by increasing opportunities for higher education and by supplying technical assistance to and operating funds for UNCF-member colleges and universities.

During its 73-year existence, UNCF has raised over $4.7 billion to provide scholarships and support to students at its member HBCUs and other institutions. Each year, UNCF awards scholarships and internships to more than 10,000 students at 1,100 colleges and universities nationwide. More than 445,000 students have earned college degrees thanks to UNCF support.

UNCF makes the case, in Washington, DC and around the country, for the importance of a college education and a college degree, for every child's right to a strong K-12 education and for diversity and equality in education at every level.

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UNCF-member Institutions

Allen University, Columbia, SC
Benedict College, Columbia, SC
Bennett College, Greensboro, NC
Bethune-Cookman University, Daytona Beach, FL
Claflin University, Orangeburg, SC
Clark Atlanta University, Atlanta, GA
Dillard University, New Orleans, LA
Edward Waters College, Jacksonville, FL
Fisk University, Nashville, TN
Florida Memorial University, Miami, FL
Huston-Tillotson University, Austin, TX
Interdenominational Theological Center, Atlanta, GA
Jarvis Christian College, Hawkins, TX
Johnson C. Smith University, Charlotte, NC
Lane College, Jackson, TN
Le Moyne-Owen College, Memphis, TN
Livingstone College, Salisbury, NC
Miles College, Fairfield, AL
Morehouse College, Atlanta, GA
Morris College, Sumter, SC
Oakwood University, Huntsville, AL
Paine College, Augusta, GA
Philander Smith College, Little Rock, AR
Rust College, Holly Springs, MS
Saint Augustine's University, Raleigh, NC
Shaw University, Raleigh, NC
Spelman College, Atlanta, GA
Stillman College, Tuscaloosa, AL
Talladega College, Talladega, AL
Texas College, Tyler, TX
Tougaloo College, Tougaloo, MS
Tuskegee University, Tuskegee, AL
Virginia Union University, Richmond, VA
Voorhees College, Denmark, SC
Wilberforce University, Wilberforce, OH
Wiley College, Marshall, TX
Xavier University of Louisiana, New Orleans, LA

In many ways, HBCUs are a "best buy" for students and the nation. Since 1984, HBCUs have produced over 1.2 million new associate, bachelor's, master's, doctoral and professional degrees.

55 percent of African American HBCU graduates say their college prepared them well for post-college life versus 29 percent for African American graduates of other institutions.

HBCUs—Their Value Proposition

Historically black colleges and universities were created as early as 1837 to provide African Americans access to higher education. Noted for their contributions in educating "black, low-income and educationally disadvantaged Americans," the 101 HBCUs today constitute the class of institutions that satisfy the statutory definition of the term "HBCU." Title III of the *Higher Education Act* defines HBCUs as:

- Institutions whose principal missions were, and are, the education of black Americans.
- Institutions that are accredited by a nationally recognized accrediting agency or association.
- Institutions that were established prior to 1964 (to coincide with the enactment of the Civil Rights Act of 1964).

The universe of HBCUs includes two- and four-year, public and private, and single-sex and coed institutions, located primarily in Southern states.

HBCUs disproportionately enroll low-income, first-generation and academically underprepared college students—precisely the students that the country most needs to obtain college degrees.
In 2014:

- Nearly 300,000 students attended HBCUs, including more than 50,000 students at UNCF-member institutions.
- More than 80 percent of HBCU students were African Americans.
- 70 percent of all students at HBCUs received federal Pell Grants, and 78 percent of these students received federal loans.

In many ways, HBCUs are a "best buy" for students and the nation. Since 1984, HBCUs have produced over 1.2 million new associate, bachelor's, master's, doctoral and professional degrees.[14]

In 2014, HBCUs comprised 3 percent of all two- and four-year nonprofit colleges and universities, yet they:

- Enrolled 10 percent of African American undergraduates.
- Produced 17 percent of all African American college graduates with bachelor's degrees.
- Graduated 24 percent of African Americans with bachelor's degrees in STEM fields.[15]

A 2015 Gallup survey confirms that HBCUs are providing African American students with a better college experience than African American students at other colleges and universities.

55 percent of African American HBCU graduates say their college prepared them well for post-college life versus 29 percent for African American graduates of other institutions.[16]

HBCUs attained these results at an affordable price for students—that is, the cost of attendance at HBCUs is about 30 percent lower, on average, than other colleges—despite limited operating budgets and endowments that are roughly half the typical size of other four-year public and private non-profit colleges and universities.[17]

At a time when college degrees are more essential and yet more expensive than ever, HBCUs are leading the way to help ensure that students obtain the postsecondary education and workforce skills that they need to be successful in today's economy.

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Endnotes

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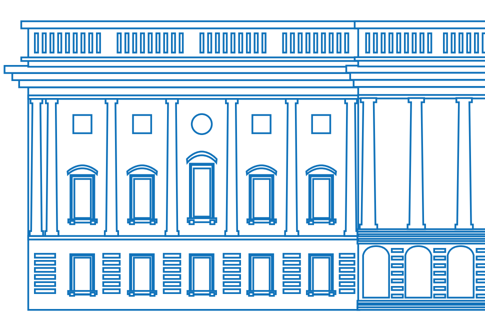

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