

POSTSECONDARY EDUCATION PLANNING COMMISSION

FUNDING FOR INDEPENDENT HISTORICALLY BLACK COLLEGES AND UNIVERSITIES

In Proviso Language 30-32 of the 2000 Appropriations Act, the Florida Legislature directed the Commission to review the Historically Black Colleges and Universities' (HBCUs) 1999-2000 Access, Retention, and Graduation accountability reports, analyze the institutions' plans for expending those funds for the year 2000-2001, and recommend to the Executive Office of the Governor, the President of the Senate, and the Speaker of the House of Representatives any changes to measures, standards, and budget for that statewide program. The third and fourth quarter releases of funds from the Access Grant Program were contingent upon Commission approval. Based on the accountability reports and plans submitted by the colleges, the Commission, at its 19 October 2000 meeting, approved the further release of funds to allow the colleges to continue their access initiatives and programs for the remainder of the school year. Following is an overview and history of the state's funding to the independent HBCUs with recommendations for changes to the program's measures, standards, and budget beginning in the year 2002-2003.

Background

Florida's three independent HBCUs: Bethune-Cookman College in Daytona Beach, Edward Waters College in Jacksonville, and Florida Memorial College in Miami, have provided higher education opportunities for thousands of minority students since the late nineteenth and early twentieth centuries. Over 5,000 undergraduate students, 88 percent of whom were African-American, attended the three private HBCUs in 1999-2000. In Fall 1999, 28,348 African-

American undergraduate students were enrolled in the State University System (SUS), 9,638 (34 percent) were enrolled at Florida Agricultural and Mechanical University (FAMU), the state's only public HBCU. Of the 11,158 African-American undergraduate students enrolled in one of the state's private degree-granting colleges or universities in Fall 1999, 4,495, (40 percent) were enrolled in an HBCU. While the majority of African-American undergraduate students in Florida attended a predominately white institution in Fall 1999, 14,133 (36 percent) attended one of the state's four HBCUs.

FIGURE 1

African-American Undergraduates Attending State Universities, Fall 1999

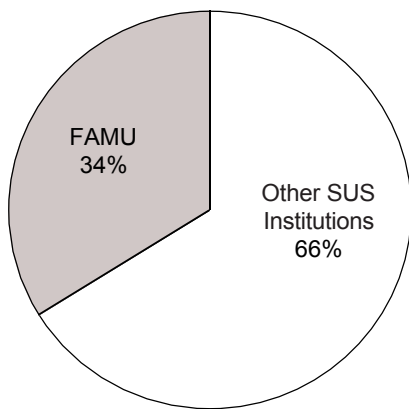
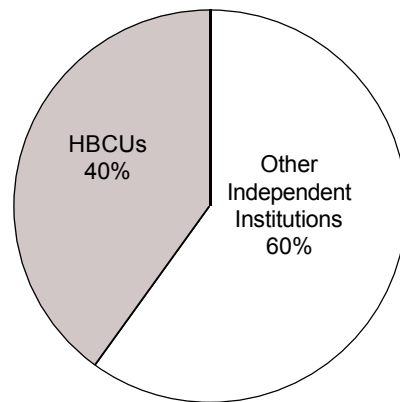


FIGURE 2

African-American Undergraduates Attending Independent Institutions, Fall 1999



African-Americans were 11 percent of all BA recipients in the SUS in 1998-99. That year 3,845 received their baccalaureate from one of the state's ten public universities. Of that number (1,122) 29 percent graduated from FAMU. Within the independent sector, 1,944 African-Americans received their bachelor's degree in 1998-99. Of that number, 458 (24 percent) graduated from one of the three HBCUs. (Figures 3 and 4)

FIGURE 3

**African-American Baccalaureate Recipients
of State Universities, 1998-99**

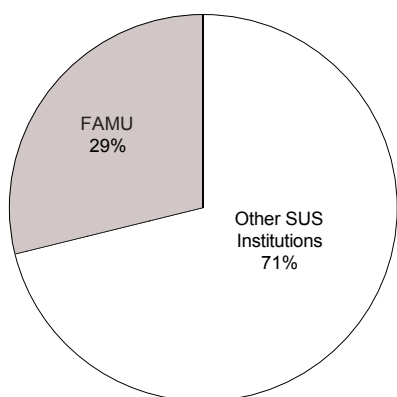
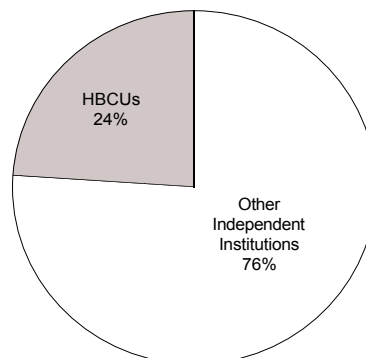


FIGURE 4

**African-American Baccalaureate Recipients
of Independent Universities, 1998-99**



Nationwide, HBCUs represent just four percent of all the four-year public and private colleges and universities in the United States, but enroll 26 percent of all African-American undergraduates at four-year institutions, and produce 28 percent of the African-American bachelor's degree recipients. In light of recent decisions to eliminate the use of affirmative actions for admissions at public colleges in California, Washington, Texas, Florida, and other states, HBCUs may play an even more important role in providing educational access and success for African-Americans in years to come.

Since 1985, the Florida Legislature has funded various educational initiatives at the state's three private HBCUs. These publicly funded projects include academic skills enhancements, library resources upgrades, building restoration programs, security measures, new program start-up costs, and most recently, access, recruitment and retention. Over \$41 million in state funds have

been allocated to the three independent HBCUs since 1985. Bethune-Cookman College, which has the largest enrollment of the three private HBCUs, has received the largest amount of state appropriations. Since 1986, the college has received \$17.7 million; Edward Waters has received \$14.4 million, and Florida Memorial College has received \$9.7 million in state funds. (Appendix Table 1A)

It was not until 1989 that the Legislature mandated that the HBCUs submit annual reports to the Department of Education and that the Department identify those programs that failed to meet minimum standards of quality and identify necessary corrective action. In 1996, in *The Review of State Funding for Historically Black Private Colleges and Universities*, the Commission recommended that funding to the HBCUs should be linked to specific performance outcomes and clearly identifiable goals and objectives. Over the next three years, Commission staff, in conjunction with the Office of K-16 Articulation, worked to develop an accountability system for evaluating the use of public funds at the HBCUs. In 1999, as a result of a Commission recommendation, the Legislature rolled all of the programmatic funds to the HBCUs (except funds to support the library resources) into one lump sum appropriation for the Access, Retention, and Graduation Program. In that same year, the Legislature directed the Commission to work with the HBCUs to develop plans for the expenditure of state funds. The 2000 Legislature directed the Commission to review the institutions' 1999 accountability reports and their plans for the expenditure of state funds in 2000-2001. The Commission was charged with making recommendations for any changes needed in the program.

Although funds have been appropriated to the HBCUs for a variety of initiatives since 1985, the legislative intent of those appropriations has been clear: increase the enrollment, retention, and

graduation of students at the three institutions. To measure the effectiveness of the colleges in meeting this directive and the impact of state funding on those specific outcomes, this report compares HBCU enrollment and graduation data over several years with concurrent state grant funds. In addition, comparable national data were analyzed to provide another perspective on the progress of Florida's HBCUs with like institutions.

A ten-year history of enrollment and graduation rates for the HBCUs is provided in Appendix Table 2A. As noted, outcomes vary by institution. For instance, Edward Waters College increased the number of its graduates from 79 to 86 over the ten-year period, while Bethune-Cookman and Florida Memorial both experienced a decrease in graduation rates during that time period.

Table 1 provides a snapshot comparison between enrollment, graduation, and funding in 1990-91 and 1999-2000. Data reveal that in 1990-91, the three independent HBCUs enrolled 4,341 students and graduated 565. State funding for a variety of programs that year amounted to \$1.6 million. In 1999-2000, the three colleges enrolled 5,183 students and graduated 505. State funding for the Access, Retention, and Graduation Program and the Library Resources Program totaled \$7.9 million. While the amount of funding to the institutions increased by 397 percent over that time period, the number of students enrolled increased by 19 percent while the number of graduates decreased by 11 percent.

TABLE 1

INDEPENDENT HBCU ENROLLMENT, GRADUATION, AND FUNDING TRENDS

SCHOOL	1990-91			1999-00		
	Enrolled	Graduated	Funding	Enrolled	Graduated	Funding
Bethune-Cookman	2,342	326	\$748,348	2,558	274	\$2,894,009
Edward Waters	597	79	\$798,345	814	86	\$2,644,009
Florida Memorial	1,402	160	\$48,345	1,811	145	\$2,394,009
TOTAL	4,341	565	\$1,595,038	5,183	505	\$7,932,027

In 1996 the Legislature specifically directed the HBCUs to use state grant funds to increase recruitment and retention rates at their institutions. Although the amount appropriated was the same for the colleges as it was in 1995-96, legislative intent became clearer. The institutions were to develop specific measurable initiatives to improve access on their campuses. At the same time, the Legislature directed the Commission and the Department of Education to develop a stricter accountability system for the expenditure of state funds. The following tables document some of those accountability measures, specifically the changes in funding and student outcomes since the advent of the Access, Retention, and Graduation Fund Program. Table 2 displays the amount of the state grant per enrolled student at the three institutions since 1996-97.

TABLE 2

**STATE GRANT FUNDING PER ENROLLED STUDENT AT INDEPENDENT HBCUS
1999-2000**

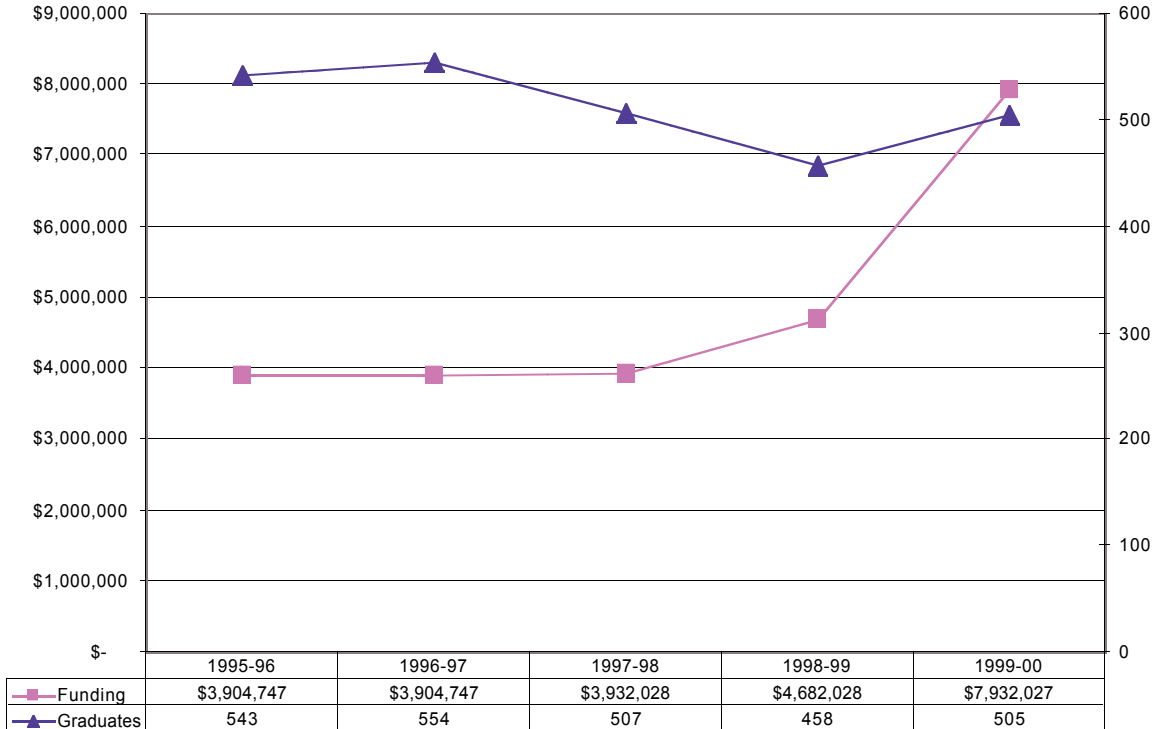
	\$per enrolled student 1996-97	\$per enrolled student 1997-98	\$per enrolled student 1998-99	\$per enrolled student 1999-2000
Bethune-Cookman	\$690.00	\$519.00	\$729.00	\$1,131.00
Edward Waters	\$2,919.00	\$2,719.00	\$2,357.00	\$3,248.00
Florida Memorial	\$666.00	\$797.00	\$740.00	\$1,322.00
Four-Year Average	\$902.00	\$846.00	\$952.00	\$1,530.00

As the above data reveal, funding on a per student basis has increased by 70 percent systemwide over a four-year period. During the same time period, enrollment increased by 20 percent and graduation decreased by nine percent (Appendix 2A).

Table 3 charts state funding and graduation rates at the three independent HBCUs since 1995-96; the year before the Legislature specified that all state funded initiatives enhance access and retention at the three colleges. As the data reveal, graduation rates increased between 1998-99 and 1999-00 but have not yet reached the base year rate (1995-96) of 543. Concomitantly, while funding remained relatively static systemwide for three years, it has dramatically increased since 1997.

TABLE 3

Independent HBCU Funding and Graduates Since 1995-96



The following charts reveal changes in the funding, enrollment, and graduation rates at the three colleges since 1996-97. Please note that as these graduation numbers are so small, particularly at Edward Waters College, percentage increases should be viewed in that context.

TABLE 4*

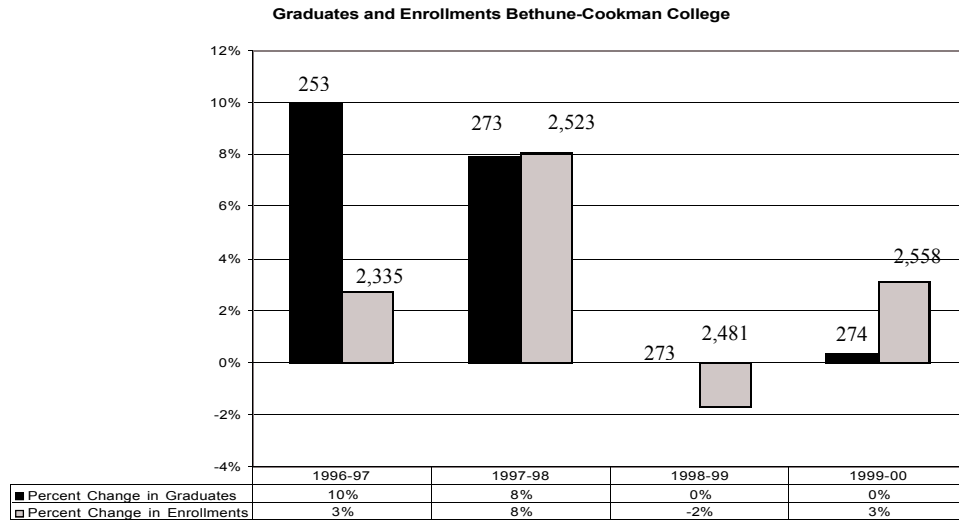
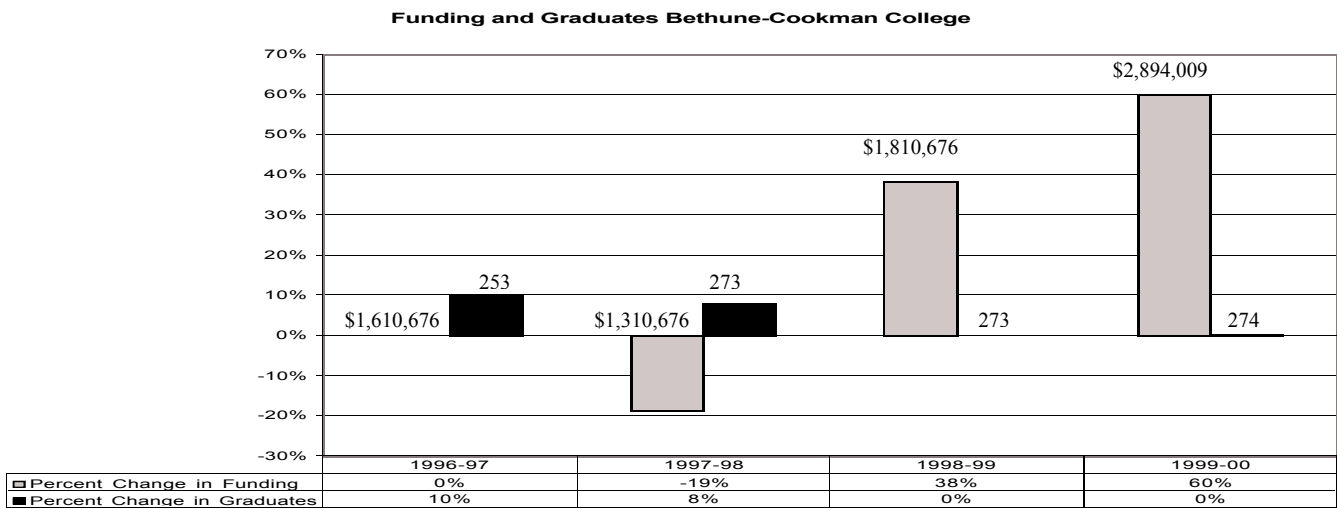


TABLE 4A



*1996-97 percent changes are over base year 1995-96.

Tables 4 and 4A reveal that while graduation rates at BCC have been flat for the last two years, state funding has increased by 120 percent.

TABLE 5*

Graduates and Enrollments Edward Waters College

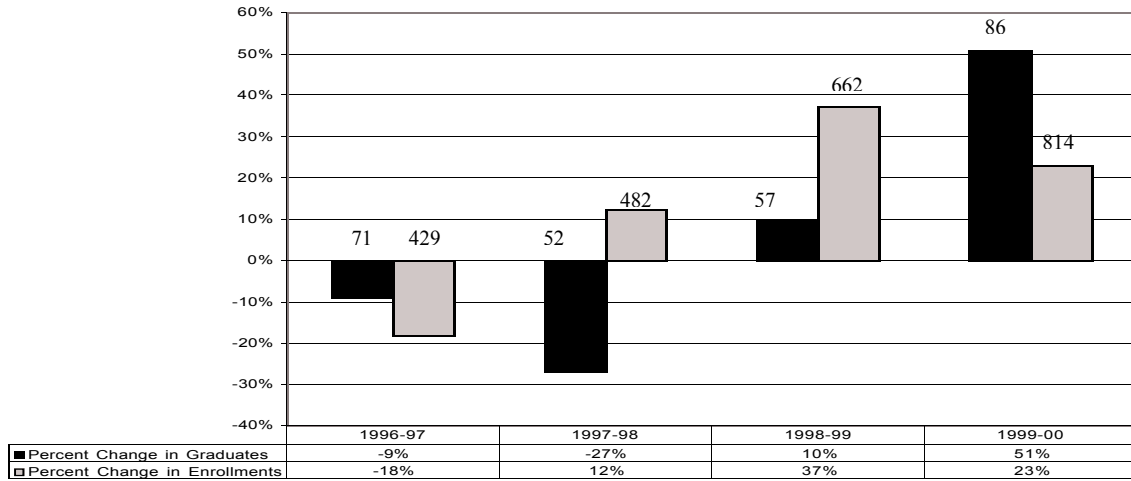
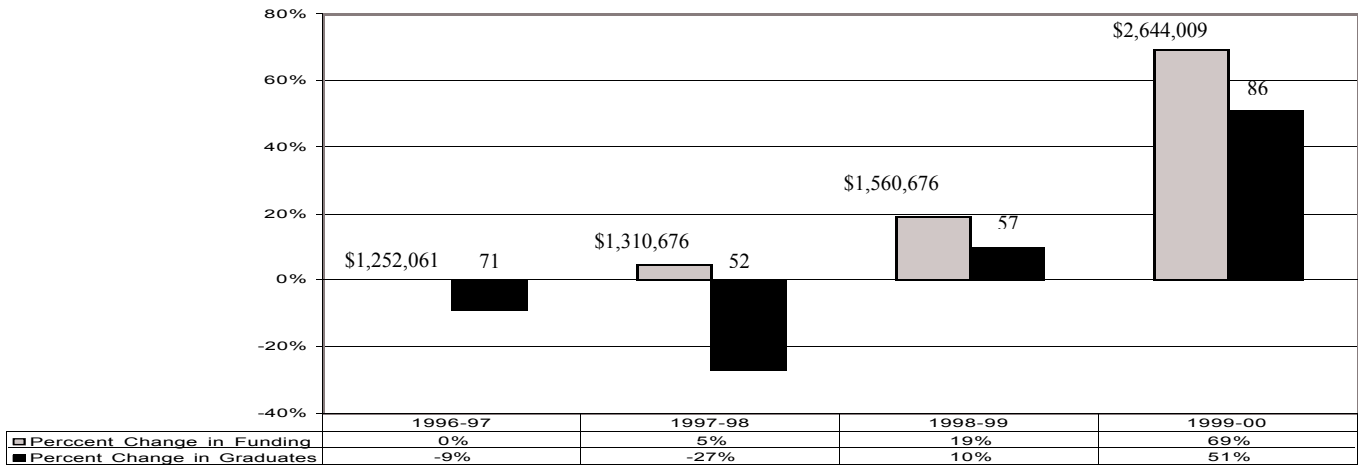


TABLE 5A

Funding and Graduates Edward Waters College



*1996-97 percent changes are over base year 1995-96.

Data from Tables 5 and 5A reveal that after two years of decline in graduation rates, Edward Waters College has experienced an increase in graduation rates, including a 51 percent increase between 1998-99 and 1999-2000. Funding increased 69 percent in that one-year period.

TABLE 6*

Graduates and Enrollment Florida Memorial College

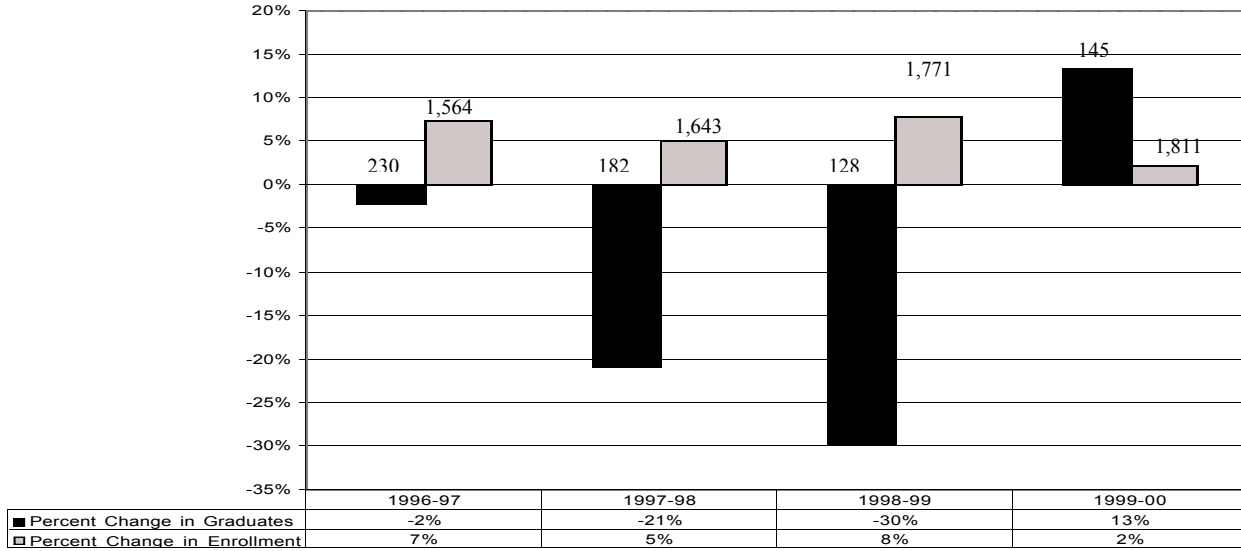
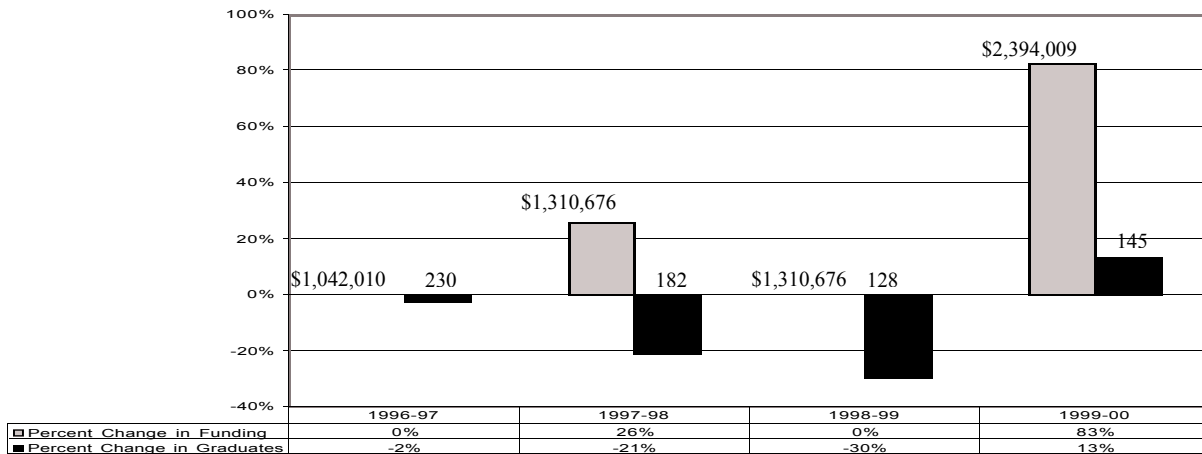


TABLE 6A

Funding and Graduates Florida Memorial College



*1996-97 percent changes are over base year 1995-96.

After two years of record drops in graduation rates, Florida Memorial experienced a 13 percent increase in graduation between 1998-99 and 1999-2000. Funding increased 83 percent from 1998-99 to 1999-2000.

While data alone cannot fully capture the progress of the three independent HBCUs in meeting their access and academic enhancement goals, it does provide a guidepost for assessing what effect state funds have had on those efforts. Many factors, some internal and others external, have impacted the institution's record in increasing their retention and graduation rates. Enrollment increases are much easier to attain. Solid improvement in retention and graduation rates takes a long-term commitment by the institution. The record varies for Florida's HBCUs when comparing several measures of academic success with like institutions nationwide. Appendix 3A and 4A reveal that Edward Waters and Florida Memorial have considerably lower freshman retention and six-year graduation rates than ten other HBCUs nationwide. All three independent institutions have higher student default rates than their peer institutions.

Careful planning and responsible fiscal management are integral parts of any institutional plan to improve access and student performance. A review of the three HBCU budgets for the last four years reveals that a larger percentage of state funds have been used for a variety of institutional initiatives that at first glance might not appear to be directly related to student access. For instance, Edward Waters College has spent over forty percent of its recruitment, retention, and graduation funds on construction costs and technology upgrades since 1997-98. Budgets from previous years reveal an even higher percentage dedicated to those expenditures. Bethune-Cookman has spent approximately one-third of its allocation from the Access, Retention, and Graduation Program on capital outlay and technology related expenses, while Florida Memorial has dedicated approximately 20 percent of state funds to construction, renovation, and technology related expenditures.

While a case has been made for improving the physical and technological side of the campuses to encourage recruitment and retention activities, much of those purchases, improvements, and upgrades have been completed with over fifteen years of state funding.

Each of the independent HBCUs in Florida has a long history of serving minority students, the majority of whom are low-income and academically disadvantaged. Thousands of students have graduated from the three institutions, many of whom have remained in Florida's workforce. A recent (8/2000) national study based on U.S. Department of Education longitudinal data revealed that African-American male graduates of HBCUs are just as likely as their counterparts from predominately white institutions to be employed full-time and to have similar employment earnings. According to the study, African-American women who receive bachelor degrees from HBCUs have significantly lower employment earnings than peers from non-HBCUs because so many enter teaching and other low-paying fields. HBCU graduates of both sexes were significantly more likely to engage in voting and volunteer community service activities than African-American graduates of non-HBCU institutions.

Summary:

- Independent HBCUs in Florida serve a large percentage of minority students in Florida.
- The State has provided over \$41 million to those institutions to support a wide variety of education initiatives.
- Progress in improving educational access, retention, and graduation at the three institutions has been mixed and results vary at each college.

- Funding has increased at each institution at a higher percentage rate than have improvements in enrollment and graduation rates.
- It is not possible to draw a direct correlation between state funding and increased academic performances and outcomes at the three independent HBCUs.
- The institutions have spent a substantial percentage of state grant funds on improving the physical properties of their campuses.
- Technological purchases and upgrades have helped the three campuses expand and improve services to students.
- Enrollment and graduate rates at all three institutions increased between 1998-99 and 1999-2000.

RECOMMENDATIONS:

- 1. State funding for the Access, Recruitment, and Retention Program at the Independent Historically Black Colleges should continue for each institution at the same amount as is provided for in the 2000 General Appropriations Act for the 2001-2002 academic year. Beginning with the 2002-2003 academic year, funding for the Access, Retention, and Graduation Grant Program should be based on a per graduate basis. Specifically, funding for each institution beginning with the year 2002-2003 should be based on the number of graduates from each institution from the previous year times the current cost of tuition and fees at each institution.*
- 2. The Legislature should continue to fund the Library Resources Grant Program as a separate legislative appropriation.*

3. *Beginning with the end of the 2001-2002 academic year, each HBC should provide to the Department of Education a final report containing the number of students who graduated with a baccalaureate degree from the institution, a budget narrative outlining how state funds will be used to increase access, retention, and graduation funds for the 2002-2003 academic year, and other outcome measures as required by the Department of Education.*