

THE STATE OF HIGHER EDUCATION FUNDING: HISTORICALLY BLACK COLLEGES AND UNIVERSITIES (HBCUS)

ISSUE BRIEF

HISTORY OF HBCUS

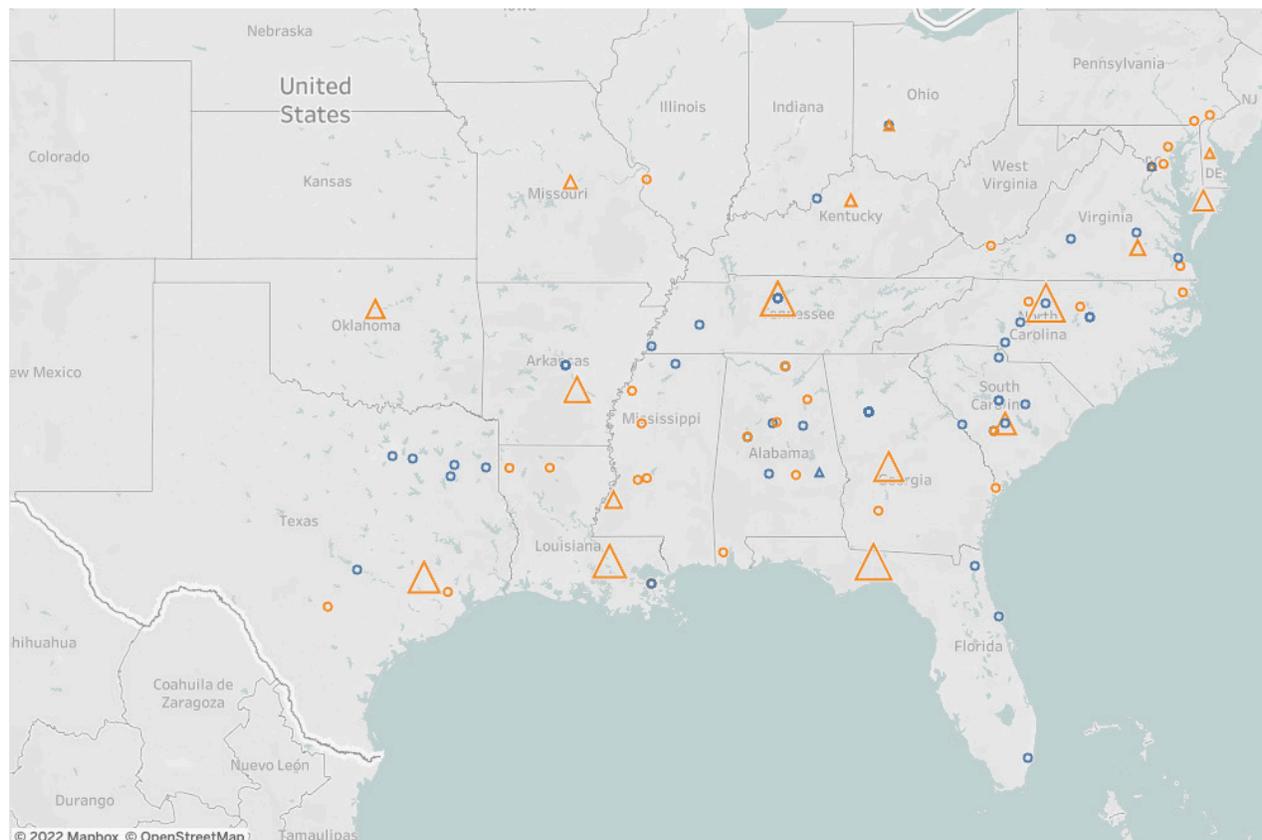
Historically Black Colleges and Universities (HBCUs) are institutions of higher education (IHEs) established prior to 1964, during the era of legal segregation, with the mission to provide Black Americans with a postsecondary education. HBCUs are concentrated in the South and Southeast regions of the United States and include both two- and four-year institutions. However, several HBCUs are also located throughout the Northeast and Midwest, as depicted in figure 1 below. At their peak in the 1930s, there were [121 four-year HBCUs](#); today, there are [101 accredited four-year HBCUs](#) serving more than 228,000 students.

HBCUs were born out of the fact that Black Americans were shut out of many traditional pathways into higher education. Prior to the Civil War, no structured higher education system existed for Black students, and as a result, they were barred from participating in education. In fact, certain

statutory provisions [prohibited the education of Black Americans](#) in various states across the U.S. After the civil war, access to elementary and secondary education began to grow for Black students, but it was not until the [Second Morrill Act of 1890](#) that federal law required the development of higher education institutions for Black students. The [Second Morrill Act](#) required states that established land-grant institutions for white students to also develop land-grant institutions for Black students. This led to the development of most of the HBCUs in southern states.

The 1896 Supreme Court decision on [Plessy v. Ferguson](#) established the “separate but equal” doctrine and further embedded the need for HBCUs in America. The court ruling established separate elementary and secondary school systems, which in turn created a need to train Black teachers. HBCUs stepped up by [providing educator preparation programs](#) in order to fill the need for Black teachers.

FIGURE 1 | HISTORICALLY BLACK COLLEGES AND UNIVERSITIES



● Public ● Private △ Land Grant Institution ○ Non-Land Grant Institution [Click to View Interactive Map](#) ➔



[HBCU enrollment grew rapidly](#), and by the early 1950s, over 43,000 students were enrolled in public Black colleges, with another 32,000 enrolled in private Black institutions. By the time the U.S. Supreme Court overturned “separate but equal” in [Brown v. Board of Education](#) in 1954, HBCUs were embedded in the fabric of postsecondary education. Nevertheless, HBCUs had smaller budgets and inadequate infrastructure compared to their predominantly white institution (PWI) counterparts. Over the next 10 years, several HBCUs either closed or merged with PWIs, leaving those that remained as an essential part of postsecondary education for Black students.

The [Civil Rights Act of 1964](#) sought to create more equity in funding and enacted protections for individuals from discrimination based on race, color, or national origin in any programs that received federal funding through the passage of Title IV. A year after the Civil Rights Act of 1964, [Title III of the Higher Education Act of 1965](#) officially defined HBCUs as schools of higher learning that were accredited and established before 1964, and whose principal mission was the education of Black Americans; it also authorized funds to support those institutions. The Civil Rights Act of 1964 established the Office of Civil Rights, which in 1969 began to sue states that were maintaining separate systems of higher education based on race and therefore in violation of Title VI.

In 1977, the courts ordered that the federal government establish new criteria for statewide desegregation. These criteria [recognized the role HBCUs play in meeting the educational needs of Black students](#), and as such called for the enhancement of HBCUs through investments in facilities, faculty, and financial support that are equal to their PWI counterparts. These criteria also called for expanding non-Black student enrollment at HBCUs by offering programs that were in high demand or not available at other public IHEs.

Today, HBCUs continue to serve a critical role in postsecondary education. While HBCUs represent [less than three percent](#) of institutions of higher education nationally, they educate one in ten Black students. HBCUs were created to provide opportunities for Black students to access higher education, and while these institutions currently enroll students from diverse racial and ethnic backgrounds, HBCUs continue to enroll significantly higher percentages of Black students compared to



their peers. HBCUs disproportionately serve low-income, first-generation, and students from under-resourced communities. While 33 percent of all higher education students are first-generation, 52 percent of first-time, full-time undergraduates at HBCUs are first-generation students.

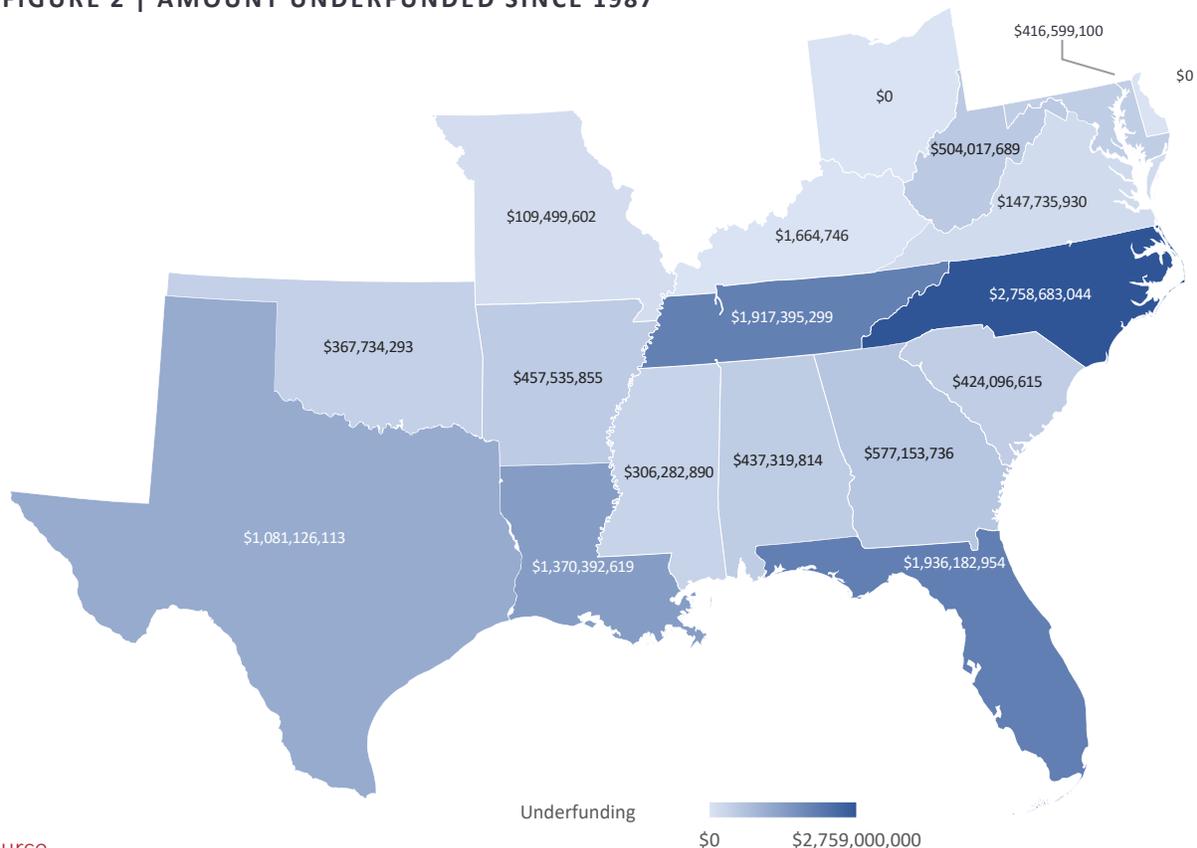
UNDERFUNDING OF LAND GRANT INSTITUTIONS

The Second Morrill Act, which passed in 1890, required states to show that race was not an admissions criterion or designate separate land-grant institutions for students of color. Part of this requirement included a provision that HCU land-grant institutions receive one-to-one matching dollars that states provided to other land-grant institutions that received federal funding. However, states have failed to meet this matching funding requirement since its inception. For example, between 2010 and 2012 alone, 61 percent of land-grant HBCUs established through the Morrill Act of 1890 did not receive sufficient funding to meet the one-to-one match of other state land-grant institutions.

Between 1987 and 2020, this inequity has resulted in HBCUs missing out on \$12.8 billion in funding for 18 states. For North Carolina A&T University, the largest HBCU in the nation, the funding discrepancy has been found in almost every facet of institutional funding, from research allocations to instructional expenses and student services. North Carolina State University received nearly twice the allocations as North Carolina A&T. As depicted in the figure below, only two states received equal funding: Delaware and Ohio.

Rising college costs, student debt, and federal budget cuts are all factors that position higher education finance as a critical issue in the United States. This is especially true for historically underfunded and under-resourced minority serving institutions like HBCUs. Compared to peer institutions, HBCUs operate with fewer resources and much smaller endowments. The result is that HBCUs spend only .57 percent of what other institutions spend on instruction, 63 percent on student services, and 49 percent on academic support functions.

FIGURE 2 | AMOUNT UNDERFUNDED SINCE 1987



Source



Further, the lack of one-to-one matching by states, as mentioned above, leads to many HBCUs being under-resourced. This leads to fewer available student support services, staff and faculty members who are stretched thin, and students who must navigate the financial burdens of attending college.

The effects of under-resourcing HBCUs manifest in various ways. HBCUs play a vital role in graduating Black STEM students, and while HBCUs provide an opportunity for Black students to engage in research before graduating, there is a lack of resourcing to support this effort. In 2018, [three-quarters](#) of all U.S. academic research and development funding (\$59.4 billion) was awarded to the [115 R1 institutions](#). The top 25 R1 institutions were responsible for nearly half of the total research and development performed. Currently, there are [11 R2 HBCUs](#) and no HBCUs with an R1 designation, [which can hinder an institution's ability](#) to attract external research grants and industry partners, inspire donors to invest in institutional projects and recruit high-quality faculty, postdoctoral fellows, and graduate students. [Morgan State University and North Carolina A&T are poised to become the first](#) HBCUs with R1 designations.

HBCUs also have inadequate endowments that lag behind non-HBCUs by [over 70 percent](#). Endowments are critical to attracting highly qualified students and providing those students with the academic services they need to succeed. However, the systemic underfunding of HBCUs and racial biases in philanthropic gifts have left HBCUs fighting an uphill battle to secure their endowments. While HBCU alumni donate to their alma mater at twice the rate of the national average, these gifts are typically smaller than gifts at PWI counterparts due to racial wealth gaps and systemic wage inequalities that still plague society in America.

FEDERAL ACCOUNTABILITY

While states are largely responsible for the systemic underfunding of HBCUs, it is worth noting that the federal government failed to hold states accountable to ensure they were matching federal funds one-

to-one for all public land-grant universities. In various other matching grant programs, the federal government has threatened to withhold matching federal funds if a state does not comply with new rules. For example, the Biden Administration has threatened to withhold Title IX and SNAP funding from states that discriminate on the basis of sex in Title IX and the Food and Nutrition Act, according to [new guidance](#).

Federal accountability is not a partisan issue. The Second Morrill Act of 1890 has been in place through numerous administrations and political parties, but never has the federal government evoked its authority to ensure parity in funding. While states have a major role to play in the funding gaps that persist, the federal government still has a role to play in holding states accountable and ensuring funding gaps are closed.

CONCLUSION

Historically Black Colleges and Universities (HBCUs) are vital to higher education. Yet, many land-grant HBCUs have received lower levels of funding since their inception. While many state legislatures have targeted funding toward HBCUs in recent years, many institutions feel that the historic inequity must be remedied. In future briefs, we will explore how specific states have responded to systemic underfunding.

GUIDING QUESTIONS

- What is the role of states in correcting the underfunding of HBCUs? What is the role of the federal government in correcting the underfunding of HBCUs?
- What effects does the underfunding of HBCUs have on the education of students who are enrolled? On the recruitment and retention of students and faculty? On the surrounding community and nation at large?

ACKNOWLEDGMENTS

The Hunt Institute is grateful for the insight and guidance that our education policy partners provided for this issue brief. Additionally, we extend our gratitude to Lumina Foundation for their support of this series.



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