

Federal investment in minority-serving institutions spans more than a century and has been essential to their development and growth.

The Federal Investment in Minority-Serving Institutions

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The federal government provides broad, though indirect, support for most of the institutions of higher education in the United States. The benefits these institutions receive from federal policies include their tax-exempt status, the eligibility of their students for the federal student financial aid programs, and their opportunity to compete for federal research funds. In addition, the federal government currently gives direct institutional support to three types of minority-serving institutions. Since 1867, federal support has been provided to what have come to be known as historically black colleges and universities (HBCUs). More recently, tribally controlled colleges began receiving support in 1969 and Hispanic-serving institutions (HSIs) in 1992.

These three groups of institutions receive direct federal assistance to maintain the institutions, including their facilities, staff, and academic programs. These funds are in addition to the resources these institutions receive from the broad federal programs available to all institutions, such as student aid and research grants. The purpose of this chapter is to outline the historical origin and evolution of these special federal programs of direct institutional support to minority-serving institutions, to understand the policy purposes behind these programs, and to survey the current level of support received by minority-serving institutions from these programs.

Historically Black Colleges and Universities

At the end of the Civil War in 1865 there were approximately four million newly freed slaves and a half-million free blacks in the United States (President's Board of Advisors on HBCUs, 1996). The postwar federal policy of

reconstruction included efforts to provide for the welfare of these blacks. The Freedmen's Bureau led this federal effort until it was abolished in 1873 as the federal government retreated from intervention on behalf and in support of the newly freed slaves.

Howard University. With the support of the Freedmen's Bureau, Howard University was established in Washington, D.C., in 1867. A group of local members of the First Congregational Church, meeting in late 1866, first sought to create a theological seminary for the training of black ministers. They broadened its purpose to include "education of youth in the liberal arts and science" and received a charter from Congress in March 1867. They named the new institution after Major General Oliver Howard, a Union general and commissioner of the Freedmen's Bureau. The Freedmen's Bureau provided most of Howard University's support until the Bureau was abolished in 1873. In the absence of support from the Freedmen's Bureau, the university was soon struggling financially. In 1879, Congress began providing it with annual support in the form of gifts, until Congress amended the Howard University charter in 1928 to authorize an annual appropriation to the university. In 1961, Congress transferred Freedmen's Hospital, established in 1865 to meet the health needs of blacks, to Howard University.¹ Howard University and its hospital have continued to receive federal support, most recently with a FY 1997 appropriation of \$196 million. Support from the Freedmen's Bureau was also instrumental in the establishment of Hampton Institute in Virginia, Fisk University in Tennessee, Talladega College in Alabama, and Bowie State University in Maryland, although none of these HBCUs has received continuing direct federal support as has Howard University (President's Board of Advisors on HBCUs, 1996, and National Association of State Universities and Land-Grant Colleges, n.d.).

The federal government's relationship to Howard University is an unusual hybrid. Howard University is a private institution, yet it was founded with federal support and has received such support continuously for more than a century. The federal support to the university still amounts to more than half of its education and general expenditures. The original policy rationale for providing such support to Howard University was to help educate the blacks who had been slaves but were now free as a result of federal prosecution of the Civil War and passage of the Thirteenth, Fourteenth, and Fifteenth Amendments to the Constitution. In short, because it was the federal government that had freed the slaves, the federal government had an obligation to see to it that these former slaves could make their way as free citizens. Blacks were, in C. Vann Woodward's phrase, "a ward of the nation" (Woodward, 1957, 6). Federal support of Howard University is the only example of this post-Civil War policy of a special responsibility for the education and welfare of black Americans following their centuries of enslavement that has continuously been pursued to today. Federal support for Howard University continues the mission of the Freedmen's Bureau into the late twentieth century. The president's recommendation for FY 1998 funds for Howard University was justified as "maintaining and improving the quality and financial strength of an institution that provides

a major avenue of postsecondary access and opportunity for African Americans" (U.S. Department of Education, 1997, p. 64).

In recent years it seems that federal policy has tended toward an eventual phaseout of support for Howard University. The federal share of Howard's education and general expenditures declined from 65 percent in FY 1989 to 52 percent in FY 1995 (U.S. Department of Education, 1995, 1996a). The Department of Education's FY 1997 *Justification of Appropriation Estimates to the Congress* noted that "the Administration's long-term goal is to increase Howard University's financial strength and *independence* (U.S. Department of Education, 1996a, p. P-9, emphasis added). Presumably that means independence from federal support.

The implicit assumption of federal policy in support of Howard University was that the federal responsibility for the education of the newly freed slaves would not be discharged by opening existing white institutions to them but by creating a separate educational institution for them. Although Howard University has never been racially exclusionary—indeed, some of its first students were white—it was created to be and it remains primarily an institution for the education of black Americans. Herein lies the origin of federal policy toward higher education institutions for black Americans as it evolved in the late nineteenth century.

Land-Grant Colleges. In 1862, the enactment of the First Morrill Act provided grants of land to each state. The proceeds from the sale of these lands were to be used to establish colleges specializing in agriculture and the mechanical arts. As states implemented the Morrill Act in the years following the end of the Civil War, some of the border and southern states established separate land-grant colleges for white students and for black students. Established in 1871, Alcorn College in Mississippi was the first black land-grant college (President's Board of Advisors on HBCUs, 1996). Before long, however, many states began having difficulty supporting the new land-grant colleges. Representative and later Senator Justin Morrill, the sponsor of the First Morrill Act, began introducing measures in 1872 to provide additional federal support for the land-grant colleges. These initial efforts flourished because they were coupled with proposals for federal aid to public elementary schools, which aroused strong opposition from defenders of states' rights and state control of education. Morrill's efforts finally bore fruit in 1890 in legislation dealing only with support for the land-grant colleges. The Second Morrill Act authorized the use of the proceeds from the sale of federal lands to make annual grants to the states for the operation of the land-grant colleges (President's Board of Advisors on HBCUs, 1996; U.S. Department of Education, National Center for Education Statistics, 1996b; National Association of State Universities and Land-Grant Colleges, n.d.; Congressional Quarterly, 1965; Rainsford, 1972).

The Second Morrill Act also explicitly sanctioned the practice in the border and southern states of establishing separate land-grant colleges for white and black students. The act provided "that no money shall be paid out under

this act to any State or Territory for the support and maintenance of a college where a distinction of race or color is made in the admission of students, but the establishment and maintenance of such colleges separately for white and colored students shall be held to be a compliance with the provisions of this act if the funds received in such State or Territory be equitably divided" (7U.S.C.321).

During the Senate debate on the Second Morrill Act, senators from southern states assured their colleagues that "the states can be trusted" to provide an equitable share of the land-grant college funds to the black land-grant colleges.² Despite these assurances, the black land-grant colleges never received a fair share of the federal funds allocated to the states. For example, "whereas blacks made up 23 percent of the total population of the 17 southern and border states in 1930, as late as 1935-36, the historically black land-grant campuses received only 6 percent of land-grant funds earmarked to those states" (National Association of State Universities and Land-Grant Colleges, n.d., p. 9). The federal government never took any action to require the states to provide the black land-grant colleges with "a just and equitable" share of the funds as mandated by the 1890 act. Nevertheless, with a combination of the proceeds of the public land sales under the First Morrill Act, the annual support under the Second Morrill Act, and additional state funds, seventeen black land-grant colleges were established in the southern and border states. The overall level of support received by these seventeen institutions was, however, "very small, inadequate and inequitable when compared with the amount spent for higher education of the white people in the same area" (Holmes, 1934, p. 154).

Two additional programs also supported the land-grant colleges. In 1887, a few years prior to the adoption of the Second Morrill Act, the Hatch Act was passed, authorizing funds to be provided for agricultural research at experiment stations at the land-grant colleges. In 1914, the Smith-Lever Act authorized funds to be provided to the states for cooperative extension through the land-grant colleges. Cooperative extension carried scientific information about agriculture, home economics, and technology to farmers and urban residents. As was the case with respect to the funds allocated under the Second Morrill Act, the states exercised their discretion to provide little, or in many cases none, of the Hatch Act and Smith-Lever Act funds to the black land-grant colleges. Indeed, it was not until the mid-1960s that the black land-grant colleges began to get a share of the research and cooperative extension funds through discretionary authority granted to the U.S. Department of Agriculture. The Food and Agriculture Act of 1977 finally provided for a statutory formula to allocate the research and cooperative extension funds annually from the U.S. Department of Agriculture to the black land-grant colleges (National Association of State Universities and Land-Grant Colleges, n.d.). In FY 1997, the seventeen historically black land-grant colleges received \$28 million from the Department of Agriculture under the special formula for the allocation of funds to these institutions (Office of Management and Budget, 1996).

In contrast to the support provided to Howard University, the establishment of the seventeen historically black land-grant colleges was not the result

of a policy of benevolent federal paternalism aimed at improving opportunities for blacks. Rather, it was a concession to the patterns of racial separation and segregation in the southern and border states. The federal government was affirming and buttressing the Jim Crow system designed to limit the new citizenship and freedom of black Americans. The intent of federal policy is particularly clear in the light of its toleration of grossly inequitable distributions of funds under the Second Morrill Act, the Hatch Act, and the Smith-Lever Act, to the disadvantage of the black land-grant colleges. Except for the funding of Howard University, the period from the 1870s to the 1960s was not an era of active federal support for higher education institutions serving black Americans. The policy of a special responsibility for the higher education of black Americans embodied in the Freedmen's Bureau and support for Howard University was succeeded by a policy of neglect, leaving the support for black higher education institutions to the discretion of the states.

The Civil Rights Revolution. At the time of the enactment of the Civil Rights Act of 1964, which abolished *de jure* segregation, there were more than one hundred HBCUs in the United States. The principal mission of these institutions was the education of black Americans. They included Howard University, the seventeen black land-grant colleges, other public black institutions in southern and border states that maintained dual educational systems, and private colleges. Many of the private colleges had been founded after the Civil War by northern philanthropic, religious, and missionary groups intent on serving the educational needs of the freed slaves in the southern and border states. These institutions, which were established prior to 1964 and for the most part represented the available higher education opportunities for blacks in states with segregated educational systems, are now known as the HBCUs.

As signaled by the Civil Rights Act of 1964 and in concert with the civil rights revolution, beginning in the mid-1960s federal policy no longer neglected the HBCUs. They were treated instead as a valuable resource for carrying out the rediscovered federal responsibility to assist in providing quality education to black Americans. In addition, the federal government recognized that nearly eight decades of neglect by the federal and state governments had left these institutions underdeveloped in their ability to carry out their mission of educating black Americans. There was therefore a federal obligation to help these institutions catch up and make up for the long period of underfunding and neglect. Title III of the Higher Education Act (HEA) of 1965 provided direct support for "Developing Institutions," including the HBCUs, but was not exclusively aimed at them.

Presidential Executive Orders. The first concrete manifestation of this new policy toward HBCUs was Executive Order 12232, issued by President Carter on August 8, 1980. The purpose of this executive order was "to overcome the effects of discriminatory treatment and to strengthen and expand the capacity of historically Black colleges and universities to provide quality education" (Carter, 1981, pp. 1518-1519). Put another way, one purpose of this initiative was to remedy the past discrimination by the federal government and

the states by supporting HBCUs. The second purpose of this initiative was to recognize and support the extraordinary job the HBCUs do in providing quality higher education to blacks. Because providing such a quality higher education to blacks is a special federal responsibility, the federal government should aid those who do it most effectively. In short, the new policy sought to make up for the decades of neglect of the higher education of blacks since the 1870s and to revive the special federal role in the education of black Americans that had been embodied in the Freedmen's Bureau.

To achieve these policy objectives, the secretary of education was to implement an initiative to increase the participation by HBCUs in federally sponsored programs by seeking to "identify, reduce and eliminate barriers which may have unfairly resulted in reduced participation in, and reduced benefits from, Federally sponsored programs." Each federal agency was directed to establish annual goals for increased participation by HBCUs in its programs, and the secretary of education was to submit an annual report to the president on the progress of the initiative (Carter, 1981, pp. 1518-1519).

In September 1981, President Reagan promulgated Executive Order 12320, which revoked President Carter's executive order and then restated it with a few new wrinkles. The program to increase the participation of HBCUs in federal programs was to be formalized in an Annual Federal Plan for Assistance to HBCUs for consideration by the president, and it was to be supplemented by an effort to involve private sector institutions in strengthening HBCUs (Reagan, 1982).

Following the established pattern, on April 28, 1989, President Bush issued Executive Order 12677, which revoked President Reagan's executive order and again restated it with modifications. The President's Board of Advisors on Historically Black Colleges and Universities was created to advise the secretary of education in carrying out the program. The staff in the Department of Education that administered the program and supported the President's Board of Advisors was formalized as the White House Initiative on Historically Black Colleges and Universities. The effort to link HBCUs with sources of support in the private sector, including through the White House Office of National Service, received even greater emphasis (Bush, 1990).

Most recently, on November 1, 1993, President Clinton issued Executive Order 12876, which revoked President Bush's order and again restated it. The most significant change in this iteration of the executive order was a requirement that each federal agency submit to the director of the Office of Management and Budget an Annual Performance Report "that shall measure each agency's performance [in providing support for HBCUs] against the objectives set forth in its annual plan" (Clinton, 1993, pp. 58735-58737). This was clearly an attempt to put some teeth into agency compliance with the announced plans.

Since President Carter's 1980 executive order, there are clearly many examples of increased participation by HBCUs in federal programs and of special efforts by individual agencies to involve HBCUs more fully in their pro-

grams. The total dollar amount of federal funds received by HBCUs also has increased substantially. For example, between FY 1992 and FY 1995 the total awards from federal programs to HBCUs increased by 21 percent, or \$215 million. It is impossible to measure with precision the impact of these presidential executive orders and the annual plans and reports that have accompanied them. It can be observed, however, that in FY 1969, before the executive orders, the HBCUs received 3 percent of federal outlays to institutions of higher education; and in FY 1995, after the executive orders had been in effect for more than a decade, the HBCUs received 5 percent of federal outlays to institutions of higher education (President's Board of Advisors on HBCUs, 1996). This substantial increase in the HBCUs' share of federal funds received by institutions of higher education most likely reflects, at least in part, the effect of the programs implemented under the executive orders.

Strengthening HBCUs. The federal government made an important addition to support for HBCUs with the enactment in 1986 of Part B, "Strengthening Historically Black Colleges and Universities," of Title III of the HEA of 1965. As noted earlier, in 1965 the HEA included a program in Title III for federal assistance to developing institutions. Many advocates for HBCUs believed that the intent of Title III, as adopted in 1965, was primarily to aid HBCUs. Nevertheless, other types of struggling institutions that served large numbers of disadvantaged students, including community colleges and small private colleges, also competed for the funds. Many of the HBCUs received substantial amounts of assistance under Title III between 1965 and 1986, but the amount of this assistance was not stable from year to year and the share of Title III funds received by HBCUs was declining (U.S. House of Representatives, 1985). In response to recommendations from the HBCUs, the new Part B of Title III was authorized to provide grants exclusively to HBCUs, while other institutions would remain eligible for assistance under other parts of Title III. Under Part B, funds are distributed to all of the HBCUs through a formula based on their enrollment of low-income students, the number of their graduates, and the number of their graduates who attend graduate and professional schools in disciplines in which blacks are underrepresented. In addition, Part B authorizes grants to a list of specific graduate and professional schools at HBCUs.

The policy justification for Part B parallels the rationale for the program to aid HBCUs conducted through the executive orders, beginning with President Carter's in 1980. First, the aid to HBCUs was justified by the special federal responsibility to help educate blacks. The House committee report on the 1986 legislation notes, with respect to Part B of Title III, that the federal government "was vested with broad powers under the 13th, 14th, and 15th Amendments to the Constitution to protect the rights of newly freed slaves and to facilitate their equal treatment and full participation as citizens" (U.S. House of Representatives, 1985, p. 25). Because the HBCUs contribute "significantly to the effort to attain equal opportunity through postsecondary education for Black . . . Americans," the federal government can and should aid these institutions in accomplishing the federal purpose of improving the educational

Although the federal policy of providing direct support for HBCUs seems to be well established, some questions can be raised about this policy. Why should all HBCUs receive support from the federal government that is roughly proportional to their enrollments despite the fact that some of these institutions are relatively affluent while others are struggling for financial survival? Although HBCUs in 1994 enrolled 26 percent of black students in four-year colleges and awarded 28 percent of the bachelor's degrees received by blacks, why is special federal assistance targeted solely at them while the institutions that enroll the other 74 percent of black students at four-year colleges and award the other 72 percent of the bachelor's degrees receive no special federal help? When will it be appropriate to terminate the federal responsibility for the higher education of blacks and the direct federal support of HBCUs as a means to that end, and how will we know when that time has arrived? To raise these questions is not to question the right of HBCUs to exist or to denigrate their value to the black community or to American higher education. It is, rather, to suggest that there are important policy questions about the aims and the duration of direct federal assistance to HBCUs.

Tribally Controlled Colleges

Beginning in colonial times, a variety of treaties and other agreements have created a legal relationship between the United States as a sovereign nation and the American Indian tribes as sovereign entities. Under these agreements, the United States has agreed to protect American Indian lands and to provide public services, including education at least at the elementary and secondary level, to American Indians in "an ongoing relationship of assistance" (U.S. Congress, 1978, p. 31633). This is the "trust relationship" between the United States and American Indian tribes (Congressional Quarterly, 1965, pp. 1096-1097). In addition to the legal obligations of the United States to the American Indian tribes, there is a perception that the United States has a broader moral obligation to protect and guard the interests of American Indians, which constitutes a less well defined "special relationship" between the two (U.S. Congress, 1978, p. 31650; Clinton, 1996, p. 54929). Throughout American history and through the 1960s, this relationship between the United States and the American Indians has been variously characterized as one of "forced assimilation and paternalistic control"; "neglect, cursory attention given Indian legislation, and unilateral policies aimed at keeping the Indian out of the 'white man's domain'"; and "majority dominance, paternalism, religious evangelism and neglect" (Carnegie Foundation for the Advancement of Teaching, 1989, p. 39; Congressional Quarterly, 1965, p. 1096; and Olivas, 1981, p. 219).

Until the 1960s, the federal provision of educational services to American Indians was administered directly by the Bureau of Indian Affairs (BIA) in the Interior Department and focused almost exclusively on academic and vocational education at the elementary and secondary levels. In the 1960s it was recognized that American Indians needed dedicated postsecondary educational services beyond access to postsecondary educational opportunities in the surrounding majority society. Therefore, in the late 1960s and early 1970s

opportunities of blacks (PL 99-498, Section 321(1)). The second policy justification for Part B was the need for the federal government to remedy the effects of past discrimination against HBCUs. The statement of "Findings and Purposes" of Part B notes:

States and the Federal Government have discriminated in the allocation of land and financial resources to support Black public institutions under the Morrill Act of 1862 and its progeny, and against public and private Black colleges and universities in the award of Federal grants and contracts, and the distribution of Federal resources under this Act and other Federal programs which benefit institutions of higher education. . . . The current state of Black colleges and universities is partly attributable to the discriminatory action of the States and the Federal Government and this discriminatory action requires the remedy of enhancement of Black postsecondary institutions to ensure their continuation and participation in fulfilling the Federal mission of equality of educational opportunity.

In short, the federal government has an obligation to remedy its past discrimination against HBCUs, which are an effective tool for carrying out the federal purpose of providing educational opportunities to blacks. In FY 1997, \$129 million was appropriated for Part B of Title III, including \$109 million for the formula grants to HBCUs and \$20 million for the list of historically black graduate institutions named in the law.

With respect to the duration of Part B of Title III, recent budget recommendations from the Clinton administration note that assistance is provided to HBCUs at least in part "so that they may eventually become self-sufficient," that is, no longer receiving special annual federal grants to support some of their general expenditures (Office of Management and Budget, 1996, p. 409). The advocates for the creation of Part B in 1985-86 also argued that Part B would be a ten-year program of assistance to HBCUs.³ It does not appear, however, that federal assistance to HBCUs through Part B of Title III will terminate in the near future.

New Initiatives to Support HBCUs. Building on the two-part rationale for Part B of Title III articulated in 1986, the reauthorization of the HEA in 1992 expanded federal support for HBCUs. A new Historically Black College and University Capital Financing Program was authorized. This program provides a federal guarantee to back bonds sold to raise capital for repair, renovation, and construction projects at HBCUs. A total loan volume of \$375 million is authorized, which should require no direct federal expenditures beyond those for minimal administrative costs. In addition, a new program to support an Institute for International Public Policy was created. The program of the institute aims to increase the employment of blacks and other unrepresented minorities in the foreign service and in voluntary international organizations. The institute is to be conducted through a consortium of higher education institutions, at least one member of which must be an HBCU. The institute received an appropriation of \$1 million in FY 1997.⁴

the BIA established three postsecondary institutions with a primarily vocational orientation to serve American Indians: Haskell Indian Junior College in Kansas, and Southwestern Indian Polytechnic Institute and the Institute of American Indian Arts, both in New Mexico (Olivas, 1981). These institutions continue to provide postsecondary educational opportunities to American Indians and to receive direct federal operational support. In FY 1997 these three institutions received federal appropriations of \$17.8 million.

Self-Determination. The mainstream of direct federal support for institutions providing postsecondary education to American Indians has, however, coursed into a different channel. Reflecting the spirit of the civil rights movement, overall federal policy toward American Indians in the 1960s began to move away from paternalism and assimilation and toward American Indian self-determination. American Indians began to demand not that the trust relationship with the United States be terminated but that tribal organizations be permitted to administer the public services, including education, previously provided directly by the BIA. Included in the idea of self-determination is that American Indian administration of these public services would better tailor them to the needs of American Indians, as they saw them, and would respect and pass on to future generations American Indian cultures and languages. The legislative landmark in this shift in federal policy away from paternalism and toward self-determination for American Indians was the enactment of the Indian Self-Determination and Educational Assistance Act of 1975 (Carnegie Foundation for the Advancement of Teaching, 1989; Congressional Quarterly, 1977). "What this means to the Indian community," said Senator Henry Jackson, "is that the heavy hand of paternalism which has dominated the lives and affairs of Indian people for so many years can now be broken" (Congressional Quarterly, 1977, p. 810).

Navajo Community College. The new federal policy of self-determination for American Indians was first reflected in postsecondary education with demonstration and research grants from the Office of Economic Opportunity (OEO) to Navajo Community College. Established and operated by the Navajo Nation on the Navajo reservation, the college began operation in January 1969 (U.S. Congress, 1971a, 1971b). OEO's evaluation of the college concluded that it was a success and recommended its continuation on a permanent basis. In 1971 the Navajo Community College Act was adopted, authorizing annual grants for both construction and general operations at the College (PL 92-189). One of the sponsors of the legislation noted that Navajo Community College "is an example of Indian self-determination at its very best. It is the first college established on an Indian reservation and operated by an Indian tribe" (U.S. Congress, 1971a, p. 41180). Another supporter of the legislation said, "Now, we have adopted the philosophy in recent years that we are not going to try to remake our Indian citizens in our image. . . . This Navajo college, I am convinced, offers the best opportunity we have ever had to give these people control of their own education and to get the things they need in that education" (U.S. Congress, 1971a, p. 41181-82). The FY 1997 appropriation for Navajo Community College (now called Diné College) was \$7 million.

Tribally Controlled Community Colleges Assistance Act. In 1978, the Tribally Controlled Community Colleges Assistance Act was adopted. This legislation authorized grants of \$4,000 to all tribally controlled community colleges for each full-time-equivalent American Indian student for general operating support. The act was seen as explicitly modeled on the Navajo Community College Act, the separate authorization for which became Title II of this new law. The sponsors of the legislation argued for its passage "based on the special relationship between the Indian nations and the United States," one result of which was that the reservations are nontaxable federal lands. Supporters of the legislation maintained that because their federal status rendered the reservation lands nontaxable and therefore unable to support the community colleges, the federal government was obligated to provide basic support for the colleges. The sponsors also noted that the policy of self-determination for American Indians made federal support for tribally controlled community colleges appropriate (U.S. Congress, 1978, pp. 31653-31654). Despite the authorization of \$4,000 per Indian student in 1978, which has since been increased to \$6,000, the FY 1997 appropriation amounted to only \$2,900 per Indian student and a total of \$19.4 million. Nevertheless, the special report in 1989 by the Carnegie Foundation for the Advancement of Teaching, *Tribal Colleges: Shaping the Future of Native America*, noted: "The impact of the tribally controlled college legislation cannot be overstated. Before the 1978 Act, there was only a handful of Indian colleges. After its passage, the number grew to twenty-four in little more than a decade. For most colleges, this aid is essential for their survival; some institutions depend on it to meet 80 percent or more of their annual operating and capital expenses" (Carnegie Foundation for the Advancement of Teaching, 1989, p. 36).

An additional \$1 million was appropriated in FY 1997 for endowment matching grants to tribally controlled community colleges authorized as Title III of the act in 1983. President Reagan had vetoed the first version of the 1983 reauthorization of the Tribally Controlled Community Colleges Assistance Act because it included a declaration that federal support for these colleges was part of the "trust responsibility" of the federal government. To the Reagan Administration, support for the colleges was acceptable as part of the broad special relationship between the federal government and the American Indian tribes, but it was not acceptable as part of the legal obligations that follow from the trust relationship. The president signed the bill later in the year when the offending language had been eliminated (Reagan, 1984, p. 7; Congressional Quarterly, 1985).

New Initiatives to Support Tribally Controlled Community Colleges. In the 1990 legislation reauthorizing the Carl D. Perkins Vocational and Applied Technology Act, a new program was created to provide grants for general operating support to tribally controlled postsecondary vocational institutions. This program is essentially an extension of the policy of support for the tribally controlled community colleges. It is administered, however, by the Department of Education rather than by the Department of Interior. Two institutions, Crownpoint Institute

of Technology in New Mexico and United Tribes Technical College in North Dakota, have received funding under this program, which in FY 1997 amounted to \$2.9 million (U.S. Department of Education, 1995, 1996a).

In 1994 the tribally controlled community colleges were given land-grant college status and made the beneficiaries of the Native American Institutions Endowment Fund. This fund is administered by the Department of Agriculture. Each year the secretary of agriculture uses a formula to distribute the income from the fund to the tribally controlled community colleges, which can use these funds for a broad range of purposes. In FY 1997, \$5 million was added to the principal of the fund (Office of Management and Budget, 1996).

Presidential Executive Order. By Executive Order 13021, President Clinton in 1996 established a White House initiative on tribal colleges and universities and established an advisory board. The purpose of the executive order is explicitly expressed as a "reaffirmation of the special relationship of the Federal Government to American Indians" (Clinton, 1996, p. 54929). The executive order requires each agency of the executive branch identified by the secretary of education to develop a five-year plan to increase the federal funds awarded to tribally controlled colleges and universities. Agencies are required to submit annual reports measuring their performance against the objectives set out in the five-year plan, and private sector efforts to aid the colleges and universities are also encouraged. The President's Board of Advisors on Tribal Colleges and Universities advises the secretary of education in carrying out his responsibilities under the executive order, and the Office of the White House Initiative on Tribal Colleges and Universities in the Department of Education provides staff support to both the board of advisors and the secretary of education. The program and the administrative structure established by this executive order are obviously very similar to those provided under the executive order dealing with HBCUs (Clinton, 1996).

Support for HBCUs and Tribally Controlled Community Colleges

In general, there is a striking parallel between the development of federal support for HBCUs and for tribally controlled community colleges. In both cases federal support began with ad hoc grants from a new agency with an ameliorative social mission—the Freedmen's Bureau in the case of the HBCUs, and the Office of Economic Opportunity in the case of the tribally controlled community colleges. This ad hoc support was followed by continuing support for a single institution—Howard University in the case of the HBCUs, and Navajo Community College in the case of the tribally controlled community colleges. The support for one institution was subsequently expanded to support for all of the HBCUs and all of the tribally controlled community colleges, by the Strengthening Historically Black Colleges and Universities program in the HEA and by the Tribally Controlled Community College Assistance Act of 1978.

In fact, the most recent reauthorization of these two programs of general assistance was accomplished in the same omnibus bill, the Education Amend-

ments of 1992. As noted earlier, there are presidential executive orders to encourage broad and increasing support from all federal agencies for both the HBCUs and the tribally controlled community colleges. The parallel patterns of federal support for these two groups of higher education institutions also flows from a common source of federal policy—a special federal responsibility for the higher education of blacks and American Indians as part of a broader federal responsibility for the welfare of these two populations derived from a special federal relationship to blacks and American Indians (U.S. Congress, 1978).⁵ The most obvious dimension of these stories that is not parallel is time. It took 121 years, from 1865 to 1986, for the full story on HBCUs to play out, while it took less than 30 years, from 1969 to the present, for the story to play out on the tribally controlled community colleges.

Finally, in drawing the parallels between the special federal support of these two groups of institutions and in cataloguing their sources of support from the federal government, mention should also be made of their exemption from the legislation requiring institutions whose students have a high student loan default rate to be cut off from eligibility to participate in the student loan programs. Legislation requiring the default rate cutoff was enacted in 1990 as a cost-saving measure in the budget reconciliation. In 1990, both the HBCUs and the tribally controlled community colleges were provided with an exemption until July 1, 1994. Although the exemption for these institutions in 1990 was justified as a temporary measure to give them some extra time to come into compliance, the exemption for both groups of institutions was extended in 1994 to July 1, 1998. In 1994, it was estimated that about a third of both groups of institutions would lose their eligibility to participate in the student loan programs, with the consequence that "many of the students that these schools serve will be denied a primary source of financial aid" and that there will be "devastating repercussions for the schools: many will have to close" (U.S. Congress, 1994b).⁶

Hispanic-Serving Institutions

The most recent group of minority-serving institutions to receive direct federal support are the Hispanic-serving institutions. The 1992 reauthorization of the HEA created a new federal program to provide direct support to the HSIs. This new program is within Title III, Institutional Aid, the same title that includes the program of direct formula grants to HBCUs. The program for HSIs authorizes the secretary of education to make grants to institutions that have "an enrollment of undergraduate full-time equivalent students that is at least 25 percent Hispanic students" (Section 316(b)(1)(B) of the HEA, as amended). These funds may be used for a broad range of programs to improve the institutions, including the purchase of laboratory equipment, the renovation of classrooms, faculty exchanges, and curriculum development. In FY 1997 this program received \$11 million.

The policy of providing direct federal support to HSIs springs from a different root than the support provided to HBCUs and tribally controlled community

colleges. The direct federal aid to the HBCUs and the tribally controlled community colleges derives from a special relationship between the federal government and blacks and American Indians that leads to federal responsibility for the welfare, including the education, of these groups. Direct federal institutional support for HBCUs and tribally controlled community colleges has been identified as a particularly effective means by which the federal government can carry out this responsibility. Aid to the HSIs, however, is not based on such a special relationship between the government and Hispanics. Instead it derives from the broader "federal mission of equality of educational opportunity." To serve the national interest and promote the national welfare of the United States, the federal government has a role in providing equal educational opportunity for all Americans. Hispanic Americans are a large group that has a low level of participation and achievement in higher education. The federal government should therefore make a special effort to improve the opportunities for higher education of Hispanics. Because Hispanics are concentrated in relatively few higher educational institutions and because these institutions "are schools without substantial wealth or financial resources," an effective strategy for improving opportunities for higher education for Hispanics would be to provide direct federal support to HSIs (U.S. Senate, 1991, pp. 19-20).

Conclusion

In 1972 the federal government faced a basic fork in the road with respect to its policy of support for higher education. One option was to provide direct assistance for the operational expenses of colleges and universities through a formula related to enrollments, degrees awarded, or some other measure. The second option was to provide assistance to students largely on the basis of their financial need. These federally aided students could choose which higher education institution to attend. After a long and bitter struggle, the decision was made that equal educational opportunity through need-based student aid would be the main thrust of federal policy for higher education. Institutions would be aided indirectly, by enrolling federally aided students, rather than directly, by federal formula grants for general institutional operating expenses.⁷

The direct federal grants for institutional support provided to the minority-serving institutions are clearly an exception to the main direction of federal policy for higher education. Where minority-serving institutions—the HBCUs, the tribally controlled community colleges, and the HSIs—do a uniquely effective job in serving populations for which the federal government has a special responsibility or in which it has a special interest, and where these institutions lack adequate resources to carry out their mission, the federal government has adopted programs to directly support these institutions. This is far, however, from a policy of across-the-board direct federal support to all higher education institutions. Furthermore, it is clear that the direct federal support to minority-serving institutions is not the exception that disproves the rule when one compares the relative scale of the student financial assistance programs and the

direct support for minority-serving institutions. The \$413 million in FY 1997 direct support provided to the minority-serving institutions—more than half of which supports Howard University—is clearly dwarfed by the \$42.8 billion in aid available to students through the federal financial aid programs in FY 1997 (U.S. Department of Education, 1997). The programs of direct federal support for minority-serving institutions are a supplement to the student financial aid programs for a unique group of institutions, which have special missions that justify federal support for operational expenses.

Notes

1. For the history of Howard University, see President's Board of Advisors on Historically Black Colleges and Universities, 1996, p. 22; Holmes, 1934, pp. 49-51; Lopati, 1975, pp. 57-58; and U.S. Department of Education, National Center for Education Statistics, 1996b, p. 2.
2. See, for example, the comments of Senator John T. Morgan (U.S. Congress, 1890).
3. See, for example, "Prepared Statement of the Honorable Augustus F. Hawkins," 1985.
4. The Higher Education Amendments of 1992 also authorized two other new programs for HBCUs, "Strengthening Library and Information Science Programs and Libraries in Historically Black Colleges and Universities and Other Minority Serving Institutions" and a 25 percent set-aside of the funds provided under the Title III Endowment Challenge Grant program. Neither of these programs, however, received funding in FY 1997.
5. In discussing the Tribally Controlled Community College Assistance Act of 1978, Congressman Albert Quie (R, Minnesota) noted the parallel between the federal policies supporting the two groups of institutions.
6. See also the statement by Congressman William D. Ford (U.S. Congress, 1994a, p. H2192).
7. For the story of the 1972 politics and policy debate, see Gladieux and Wolanin (1976).

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Historically black colleges and universities have made an impressive comeback in student enrollments since the mid-1980s, although future challenges remain for this revitalized group of institutions.

Historically Black Colleges and Universities: Making a Comeback

Kenneth E. Redd

Historically black colleges and universities (HBCUs) have made great strides in providing educational opportunities for African Americans. From their humble beginnings in the early 1800s, these institutions have grown to make significant contributions to American society and to provide educational opportunities for low-income and academically disadvantaged students who would have otherwise been denied a higher education. HBCUs have achieved this success despite discrimination from state and federal governments, severely inadequate funding, economic and enrollment downturns, and lack of support from most political leaders and the general public.

This chapter provides an overview of the history of HBCUs, looks at the current funding and enrollment trends, and examines the issues, challenges, and struggles that continue to threaten the existence of these colleges.

Early History

Federal law (20 USCS 1061) defines historically black colleges and universities as institutions of higher education "whose principal mission . . . is the education of Black Americans." Although providing higher education opportunities for African Americans has been the primary goal of these institutions, they have enrolled and graduated many students, regardless of their race, ethnicity, or income level.

Many of these institutions were established during the mid-and late-1800s. The first HBCUs, however, were founded in the pre-Civil War years. The Institute for Colored Youth (later renamed Cheyney State University) was founded in Pennsylvania in 1837; this was followed by Ashmun Institute