

State cuts to college aid exacerbates affordability issue

Written by Freddie Allen NNPA Washington Correspondent
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WASHINGTON (NNPA) – As President Obama continues to underscore the need to increase the college-educated workforce significantly by 2020, all except two states have slashed their funding for higher education.

"Cuts to state funding for higher education, since the start of the recession, have been severe and very widespread," said Phill Oliff, a policy analyst for the Center on Budget and Policy Priorities, a nonpartisan think tank that analyzes government policy and programs.

According to a report by the center, from fiscal year 2008 to fiscal year 2013, every state slashed spending on higher education except for North Dakota and Wyoming.

"States and to a much lesser extent local governments provide just over half of the revenue that can be used to support instruction at these schools. When the funding gets cut public colleges and universities, generally must raise either tuition cut spending or a combination of both to fill the gap," said Oliff. "That is exactly what's happened since the start of the recession."

The CBPP report found that states are spending \$2,353 or 28 percent less per student on higher education, nationwide, in the current 2013 fiscal year than they did in 2008, when the recession hit.

Louisiana, Alabama Florida South Carolina and Mississippi – where 41 historically Black colleges and universities are located – have cut higher education spending by 30 percent or more in the last five years.

Louisiana schools experienced the steepest cuts of the southern states, shaving 41.2 percent from higher education budgets and North Carolina was least impacted with 14.6 percent.

Georgia, home to 10 HBCUs, has cut spending by nearly 30 percent in the last five years. The lack of resources at the state and local level and a fall in enrollment recently forced Morehouse College in Atlanta, Ga. to furlough its entire faculty and staff over spring break.

"Our states have a history of not investing in our historically Black colleges so that they will be comparable to the White schools," said Lezli Baskerville, president the National Association for

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Equal Opportunity in Higher Education (NAFEO), an organization of the nation's historically Black colleges and universities.

Even though federal financial aid and tax credits have also increased significantly, Oliff said that the federal government erred by cutting off emergency aid to states at a time when state revenues were far from fully recovered.

Some state schools were forced to raise tuition to try and make up difference, but the increases in tuition haven't been able to keep pace with the changes in lost revenue.

As schools try to balance their books, Oliff said that the price of attending a four-year public college has grown significantly faster than the growth in median income over the last two decades.

"Tuition increases as steep, as they have been, have made up for only part of the revenue loss resulting from state funding cuts. Public colleges and universities have often cut spending often in ways that threaten educational equality," said Oliff.

According to the report, tuition at four-year colleges has increased by more than 50 percent in seven states; 25 percent in 18 states; and 15 percent in 40 states.

Because federal aid hasn't kept paced with tuition increases, the cost of going to college has fallen heavier on families who can barely afford day-to-day expenses, let alone thousands of dollars in college tuition.

Black families held less than \$ \$9,976 in assets compared to \$117,486 for Whites, according to the 2013 "State of the Dream" report by United for a Fair Economy.

"The Georgetown Center on Education and the Workforce projects that by 2018, 62 percent of all jobs will require at least some college education. That is up from 59 percent in 2007, 56 percent in 1992, and 28 percent in 1973," said the CBPP report. The report added: "By 2018 the county's system of higher education will produce 3 million fewer college graduates than the labor market will demand, Georgetown projects."

Mary Frances Berry, a history professor at the University of Pennsylvania and former Assistant Secretary of Education, said some actions by the Obama administration are counterproductive.

"On one hand the Obama Administration says that they are trying to increase the number of people that are graduating from college in the United States," Berry explained. "On the other, recent policy changes governing federal student aid and the continued erosion of state funding for higher education just don't make sense."

Even though some Black colleges and universities are experiencing challenges, Baskerville said others are thriving and would be doing better if they had access to the hefty endowments that aid White schools in times of falling enrollment and budget shortfalls.

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Baskerville said that HBCUs, as a collective, only have endowments of \$15.8 million dollars, compared to the average endowment of \$122 million dollars for White schools.

"Those are dollars that are used to cushion the blows," said Baskerville.

In the absence of vast resources afforded to some predominantly White institutions, Baskerville said that HBCUs must seek out entrepreneurial opportunities to sustain and grow enrollment during tough economic times.

Baskerville said that NAFEO is leading an initiative to not only provide greater access to entrepreneurial programs at HBCUs but to also turn cost centers into revenue-generating entrepreneurial opportunities as well

For example, Baskerville said that Johnson C. Smith, a four-year research university in Charlotte, N.C., started a bed and breakfast and is using an on-campus arts center as a resource for the surrounding community to generate additional revenue.

She said, "We have to make our campuses and our goods and services work for us so that we can generate independent resources and have more flexibility to help students that are unable to meet the cost of college."