



*If You Can Dream It, you can achieve It at an HBCU or PBI!*

September 12, 2012

The Honorable Arne Duncan  
Secretary  
U.S. Department of Education  
400 Maryland Ave., S.W.  
Washington, D.C. 20202

Dear Secretary Duncan:

I am writing in my capacity as President & CEO of NAFEO, which you know is the membership association of the nation's public, private, and land-grant, 2- and 4-year HBCUs and PBIs. I am writing to thank you kindly for your affirmative response and that of your team members to the request from the HBCU community for your assistance with our efforts to mitigate the tremendous adverse impact of the Department's new interpretation and implementation of the credit history regulation, 34 CFR § 682.201 (c) (2), and its new practice and method of evaluating eligibility for Parent PLUS loans on enrollment at our campuses. I am informed that you heard, firsthand, from presidents Swinton of Benedict College, Francis of Xavier University, and Ribeau of Howard University. NAFEO's poll of its members has shown that the impact of the shift on these institutions is consistent with the impact on others of our colleges and universities, public and private, large and small. The Benedict, Xavier, and Howard experiences are reflective of the experience at Kentucky State University, South Carolina State University, Southern University Baton Rouge, Texas Southern University, Southwest Christian College, Clark Atlanta University, Tuskegee University, Voorhees College and many others of our institutions. New reports are coming in daily.

Tens of thousands of our students arrived on campus only to learn that their Parent PLUS loan application had been denied or that they are no longer eligible. Students were either sent home or admitted with a short window in which to identify funds to fill the gap created by the denial of the Parent Plus Loan application. This is having a devastating impact on enrollment at our institutions and on their ability to serve their students. It is having an even more devastating impact on the students who have worked hard to get to college and have had to cut short their college careers, as well as on their families who have dreamed of and sacrificed for their sons and daughters going to college. It is having an especially deleterious impact on third and fourth year students in good standing, for whom graduation was well within their grasp. The impact is especially ruinous on low income students attending HBCUs that enroll disproportionate numbers of students of fewer financial means and which have disproportionately fewer dollars to offer to students as gap funds or substitute dollars for those they were denied in Parent Plus funding. And, it is inimical to the goal of President Obama to have roughly 60% of Americans with a 2- or 4-year degree by 2020.

I have discussed with members of your team the appeals process contained in 34 CFR § 682.201. I have been informed that your team is considering ways of receiving and expeditiously processing a large volume of appeals. Mr. Secretary, this case-by-case appeals process cannot satisfactorily meet our need for immediate action. Even an expedited case-by-case review, the process will be costly and time consuming. To satisfy laws and regulations governing campus registration, enrollment, student class hours, processing deadlines and the like, the Department should employ a class-based remedy. DOE should consider sending a letter to every Parent Plus loan applicant who was denied a Parent Plus loan on the sole basis of the consideration of factors not considered prior to 2012, or on the sole basis of a new interpretation of the existing regulations, noting the

intent of the Department to reverse its denial of the loan after careful consideration of the impact of the new interpretation and/or application of controlling regulations, as well as consideration of the equities of the situation. Such a letter could be used as a letter of credit backed by the full faith and credit of the Department of Education.

Our institutions, our students and our families need immediate relief from DoED's new interpretation and implementation of the credit history regulation, and its new practice and method of evaluating eligibility for Parent PLUS loans. Please consider one of the following as a fair, equitable, cost efficient manner of redress that will not result in students stopping out for this semester or longer: (1) provide parents who received letters of denial from the Department based solely on the new interpretation or application of the credit history requirement, a letter of reversal noting the intent of the Department to award the parents the loan. Such a letter could be used as a letter of credit to the registrars who may otherwise drop the students from their classes; (2) for future years, more clearly define the "extenuating circumstances" provision of the regulations to account for major and sustained economic recessions that cause persons with otherwise good credit histories and standing to experience an anomaly and fall behind as the direct result of the national or regional recession; (3) in an effort to judiciously guard the public dollars, consider withholding some percentage of the loan payment to the institutions to establish a payment reserve for parents/borrowers, while the institutions disburse the entire loan amount to the parent and take the percent withheld as a discount; (3) grandfather-in students who applied for and were awarded Parent PLUS or FFELP loans prior to September 2012, under the previous interpretation of the regulations, who were awarded the loans and did not default, so that eligibility for the loan is determined based on criteria in use at time of application; (4) provide a grant or a long-term low interest loan to the impacted institutions to offset the loss of Parent PLUS loan funds while a new, more reasonable and fair process for evaluating Parent PLUS loan applications is developed; and (5) join NAFEO in seeking the immediate intervention of a foundation whose portfolio appears to be broad enough to permit them to set up an immediate grant program through which our members might secure funds to fill in the gap between the funds the parents/families were able to amass and what is needed to cover the tuition and fees for this semester. These actions would assist greatly with this human disaster.

With respect to "extenuating circumstances," in materials discussing Parent PLUS loans, DoED states, "you may also be able to obtain a PLUS Loan if you document to our satisfaction that there are extenuating circumstances related to your adverse credit history." See, [www.direct.ed.gov/parent.html](http://www.direct.ed.gov/parent.html). There are no more extenuating circumstances than the disproportionately high unemployment rate in the communities from which our students come, the protracted, sustained recession that resulted in the average African American family seeing its wealth fall by 53% as compared with 13% for whites, such that the typical African American household now has just \$5,700 in wealth, as compared with \$113,000 for White Americans. Other extenuating circumstances must include the bursting of the housing bubble, the subprime mortgage scam, and the disproportionate numbers of African Americans who lost their homes during the credit history review period as a direct result of these human disasters, not their patterns and practices. Finally, extenuating circumstances must also include the failure of the Department to phase in or give notice of the new interpretation and implementation of the regulation regarding evaluating credit history. Parents and families who have demonstrated their ability to overcome these national disasters and to rebound; those who are now on more solid financial ground and appear to pose no immediate credit risk should be granted a Parent PLUS loan.

Mr. Secretary, given what we believe to be the disproportionately adverse impact of the shift in interpretation of the Parent Plus loans on African American, low-income parents of students attending HBCUs, a summary review and where, appropriate, reversal of its denial might also be warranted by the Department under Title VI of the Civil Rights Act of 1964 in which Congress directed in § 2000d that:

"No person in the United States shall, on the ground of race, color, or national origin, be excluded from

participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance." (Emphasis supplied).

Support for such action is also found in the legislative history of Title III B and in Adams v. Califano.

On behalf of the HBCU community, I urge you to take one of the above actions or any other action that you deem legal, ethical, prudent and equitable this week, to prevent large numbers of students who are prepared for and eager to enroll and persist in college this semester from being denied access, to prevent students who have provisionally been permitted to attend classes pending receipt of the remainder of their tuition and fees from being sent home from college this semester, and to prevent our institutions from suffering the tremendous loss of students and resources with which to educate the students.

I thank you again for your direct involvement in this matter, and I stand ready to work with you and senior members of your staff in an effort to resolve this crisis immediately by reversing the Parent Plus loan denials predicated on the new interpretation and implementation of the credit history regulation and new practice and method of evaluating eligibility for Parent PLUS loans. I may be reached by telephone at (202) 439-4704.

With every good wish, I am sincerely,

Lezli Baskerville  
President and CEO  
National Association for Equal Opportunity in Higher Education



"If You Can Dream It, You Can Achieve It at an HBCU."

October 11, 2012

The Honorable Arne Duncan  
Secretary of Education  
U.S. Department of Education  
400 Maryland Avenue, SW  
Washington, DC 20202

Dear Secretary Duncan:

Thank you for your consideration of our documented evidence about the direct and adverse impact on students attending or desirous of attending our institutions, as well as on the institutions themselves, as the direct result of modifications to the Parent PLUS loan approval criteria.

Since our meeting with you and our last communication with Under Secretary Kanter, we have gathered information on 98 of our member institutions, including the 38 UNCF member institutions, 47 TMCF institutions and more than a dozen other institutions represented among NAFEO's 197 member institutions. Our data reflect a loss of 14,616 students by these institutions, owing in large measure to the shift in the Parent PLUS loan application criteria, and the loss of millions of dollars to our institutions, funds critical to educating or training disproportionate numbers of low-income students.

We very much appreciate the Department's willingness to work with us to identify parents whose Parent PLUS applications were denied and to invite them to appeal in an expedited process put in place by the Department. We will accelerate our efforts in this regard, but given the initial response of the Department to our institutions, we are not optimistic that the individual appeals will yield favorable results in a timely manner. Accordingly, the united HBCU community of colleges and universities respectfully requests that you immediately take proactive steps to reverse the potentially disastrous impact on our families and institutions caused by the changes in criteria related to parent credit history and other factors. We specifically request the following actions to alleviate the hardship:

- Reconsider all rejected/denied applications for loans applicable to this full academic year by applying the criteria used in previous years, prior to the recently approved changes. We ask that you grandfather in freshmen, sophomores, juniors and seniors under the previous criteria for this academic year.

- Engage HBCU presidents and other stakeholders in the review of recent modifications and the development of alternative recommendations for the next academic cycle.
- Provide resources/grants to offset the unexpected impact the Parent PLUS loan changes are having on our institutions to ensure their viability and survival if the negative impacts cannot be reversed. These resources would replace funds lost by the implementation of the Parent PLUS loan application changes.

In keeping with your request and that of Under Secretary Kanter, we are encouraging rejected applicants to participate in the appeals process put in place by the Department. We are also making every effort to contact families of students who did not attempt registration following receipt of their denied Parent PLUS loan application. We request that your office provide us with frequent reports on how many appeals are received and how many are approved.

The impact that the changes to the Parent PLUS loan program have had on students and HBCUs is unprecedented in its severity and disproportionately egregious for low-income and historically underserved and underrepresented communities. These are the very communities that, until now, have been traditionally protected by federal policy – particularly from policies that result in a disparate impact.

A recent UNCF review underscores the breadth of the challenges associated with the new implementation of considering a parent's credit history (and related factors) as one of the criteria for approval. Our data indicate that there was a 50 percent reduction in approval rates on Parent PLUS loan applications from last year. The total amount awarded to students also decreased substantially, roughly 47 percent from last year, even with four more campuses reporting data for 2012-2013 than for the previous year. And the average amount awarded to each institution fell \$2.52 million, or 47 percent from the previous year. We are completing a comparable review of the impact on the public institutions.

Recent changes to the review of Parent PLUS loan applications are devastating, particularly when added to a growing list of federal policies that in the aggregate resemble death by a thousand cuts. Multiple reductions and formula reconfigurations to Title III, Part B, the Summer Pell award, reduction of the zero Expected Family Contribution (EFC) income level from \$30,000 to \$23,000 – and now, PPL changes – undermine intentions articulated in Executive Order 13532 and the recently signed Executive Order establishing the White House Initiative on Educational Excellence for African Americans. The changes in PPL criteria also place in jeopardy the Administration's goal of doubling college completion rates by 2020, affording all Americans, including students from ethnically and economically diverse backgrounds, access to educational opportunities, and the very viability of a category and community of diverse, mission-based institutions that have made unparalleled contributions to educating African Americans and others.

We look forward to working with you to find an equitable and efficient way to address the concerns that led to the proposed credit policy changes in a way that moves the national education agenda forward while continuing to ensure the robust participation of our institutions and those we serve. Denying college access to thousands of qualified students because of a seemingly overly subjective snapshot of their parents' credit history during the worst economic recession since the Great Depression simply is not the way.

We will follow up with your office on Monday, October 15, to ascertain your willingness to proceed as requested and to ascertain the process for so doing.

On behalf of two- and four-year, private, public and land-grant HBCUs across the country, we thank you kindly for your direct involvement in this matter and for your willingness to consider a fair, equitable and expedited avenue for redress.

Sincerely,



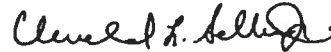
Michael Lomax, Ph.D  
President & CEO,  
UNCF



Lezli Baskerville, Esquire  
President & CEO,  
NAFEO



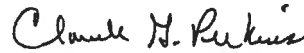
Dr. Norman C. Francis, Esquire  
Chairman  
UNCF Government Affairs  
President,  
Xavier University



Dr. Cleveland Sellers  
Member,  
UNCF PLUS Loan Committee  
President,  
Voorhees College



Dr. David Swinton  
Chairman,  
UNCF Members  
President,  
Benedict College



Dr. Claude Perkins  
Member,  
UNCF PLUS Loan Committee  
President,  
Virginia Union University

Dr. William R. Harvey  
Co-Chairman  
NAFEO Gov't Affairs  
President  
Hampton University

Dr. Ronald Mason, Esquire  
President,  
Southern University

Pamela Wilson  
President,  
Allen University

Esther Terry (Interim)  
President,  
Bennett College

Dr. Edison Jackson (Interim)  
President,  
Bethune-Cookman University

Dr. Henry N. Tisdale  
President,  
Claflin University

Dr. Carlton E. Brown  
President,  
Clark Atlanta University

Dr. Walter M. Kimbrough  
President,  
Dillard University

Mr. Nathaniel Glover, Jr.  
President,  
Edward Waters College

Dr. Hazel R. O'Leary  
President,  
Fisk University

Dr. Henry Lewis, III  
President,  
Florida Memorial University

Dr. Larry L. Earvin  
President,  
Huston-Tillotson University

Rev. Dr. Ronald Edward Peters  
President,  
Interdenominational Theological  
Center

Dr. Lester C. Newman  
President,  
Jarvis Christian College

Dr. Ronald L. Carter  
President,  
Johnson C. Smith University

Dr. Wesley C. McClure  
President,  
Lane College

Dr. Johnnie B. Watson  
President,  
LeMoyne-Owen College

Dr. Jimmy R. Jenkins, Sr.  
President,  
Livingstone College

Dr. George T. French, Jr.  
President,  
Miles College

Dr. Robert Franklin  
President,  
Morehouse College

Dr. Luns C. Richardson  
President,  
Morris College

Dr. Leslie N. Pollard  
President,  
Oakwood University

Dr. George C. Bradley  
President,  
Paine College

Dr. Johnny Moore  
President,  
Philander Smith College

Dr. David L. Beckley  
President,  
Rust College

cc: John Wilson  
Martha Kanter

Dr. Dianne Boardley Suber  
President,  
Saint Augustine's University

Dr. Claud Flythe (Interim)  
President,  
Saint Paul's College

Dr. Dorothy Cowser Yancy  
President,  
Shaw University

Dr. Beverly Daniel Tatum  
President,  
Spelman College

Dr. Ernest C. McNealey  
President,  
Stillman College

Dr. Billy C. Hawkins  
President,  
Talladega College

Dr. Dwight J. Fennell  
President,  
Texas College

Dr. Beverly Wade Hogan  
President,  
Tougaloo College

Dr. Gilbert Rochon  
President,  
Tuskegee University

Patricia Hardaway, M.P.W., J.D.  
President,  
Wilberforce University

Dr. Haywood L. Strickland  
President,  
Wiley College

List Public and Landgrant  
Presidents



*If You Can Dream It, you can achieve It at an HBCU or PBI!*

October, 2012

Dear Secretary Duncan:

I write to thank you for what I believe was a *very* productive meeting of Drs. Harvey, Lomax, Taylor and myself with you and your team on Friday. I am encouraged that we will be able to work closely and effectively with you on the matters that we discussed. I look forward to the follow-up meeting with Ms. Carmel Martin and Mr. Jim Runcie that you have planned for next week and to your written response to our October 10, 2012 letter.

When we met on Friday, you seemed unfamiliar with the data that indicate that the federal government's support for HBCUs declined by approximately \$148M from 2010 to 2011. That data is reflected in the attached documents ("Individual Assistance Chart," "HBCU STEM Expenditures" and "Agency HBCU Expenditures") which were sent on August 24, 2012 by the Associate Director of the White House Initiative on HBCUs to agency officials responsible for HBCU programs, one of whom shared it with me. While the documents are marked "preliminary," it is my understanding that the data are by and large correct.

I am also attaching the data I recorded in response to a request I made of FSA, which I shared on Friday relative to the slippage in the number of Pell awards to students attending HBCUs and in the size of the Pell grants to students attending HBCUs. I expect that Jim will provide a comprehensive list from which we can begin our collective work to identify and weed out practices, protocols and procedures that serve as barriers to the full and unfettered participation of HBCUs, HBCU students and families in federal programs intended to assist them; and which have resulted in or contributed to the downward trend relative to federal investments in HBCUs, HBCU students and families, at a time when this Administration has joined us in fighting for and securing more federal dollars for HBCUs, PBIs, and their constituents.

I thank you for your support of the HBCU community and those of us who represent the community in Washington.

Lezli Baskerville, Esquire  
President & CEO  
NAFEO  
(202) 439-4704

COPE ID	School Name	State	FWS AWARD 2012-2013	FSEOG AWARD 2012-2013	Pell 2010-2011 NUMBER OF RECIPIENTS	Pell 2010-2011 DISBURSEMENTS	% CHANGE IN PELL DISBURSEMENTS FROM 2010-2011 TO 2011-2012	Pell 2011-2012 NUMBER OF RECIPIENTS	Pell 2011-2012 DISBURSEMENTS
100200	Alabama Agricultural & Mechanical University	AL	\$ 291,253.00	\$ 224,750.00	3,692	\$16,678,976.76	-14.21%	3,242	\$14,308,773.73
100500	Alabama State University	AL	\$ 1,505,028.00	\$ 305,123.00	4,254	\$19,691,974.00	-7.92%	4,362	\$18,132,206.00
154400	Albany State University	GA	\$ 361,028.00	\$ 147,456.00	3,620	\$18,049,564.30	-12.32%	3,750	\$15,825,903.39
239600	Alcorn State University	MS	\$ 639,128.00	\$ 764,747.00	3,000	\$14,255,165.67	-1.85%	3,245	\$13,991,529.80
341700	Allen University	SC	\$ 179,085.00	\$ 138,193.00	762	\$3,236,950.00	-6.93%	678	\$3,012,616.00
108700	Arkansas Baptist College	AR	\$ 56,305.00	\$ 63,423.00	1,169	\$4,866,886.08	-0.85%	1,361	\$4,825,636.00
342000	Benedict College	SC	\$ 858,713.00	\$ 337,187.00	3,263	\$13,489,294.10	-1.33%	3,258	\$13,309,950.55
291100	Bennett College	NC	\$ 140,908.00	\$ 112,295.00	574	\$2,540,165.00	-5.71%	562	\$2,395,246.00
146700	Bethune Cookman University	FL	\$ 605,949.00	\$ 723,188.00	2,973	\$13,828,919.00	-4.10%	2,990	\$13,261,266.00
103000	Bishop State Community College - Main Campus	AL	\$ 208,214.00	\$ 212,884.00	3,319	\$12,336,948.72	-3.21%	3,528	\$11,940,569.39
380900	Bluefield State College	WV	\$ 126,942.00	\$ 76,273.00	1,405	\$5,695,562.00	-4.12%	1,424	\$5,460,835.00
206200	Bowle State University	MD	\$ 128,652.00	\$ 160,234.00	2,312	\$9,497,094.00	4.50%	2,504	\$9,924,907.00
302600	Central State University	OH	\$ 682,560.00	\$ 563,048.00	2,084	\$9,933,100.90	-2.65%	2,221	\$9,669,939.96
331700	Cheyney University of Pennsylvania	PA	\$ 217,013.00	\$ 352,976.00	1,194	\$5,214,833.00	-11.94%	1,050	\$4,592,141.00
342400	Clarifin University	SC	\$ 349,224.00	\$ 237,138.00	1,444	\$6,503,773.00	0.01%	1,466	\$6,504,707.00
155900	Clark Atlanta University	GA	\$ 934,468.00	\$ 511,015.00	2,596	\$11,139,537.71	-5.56%	2,461	\$10,519,960.08
492300	Clinton Junior College	SC	\$ 7,632.00	\$ 9,366.00	153	\$603,439.00	15.26%	150	\$695,550.00
240100	Coahoma Community College	MS	\$ 331,413.00	\$ 186,654.00	3,063	\$13,925,067.00	-4.97%	3,304	\$13,234,479.00
1055400	Concordia College	AL	\$ 41,374.00	\$ 41,781.00	732	\$2,880,576.62	3.85%	782	\$2,991,362.56
206800	Coppin State University	MD	\$ 646,662.00	\$ 603,475.00	2,263	\$9,368,458.00	-1.80%	2,299	\$9,199,973.00
142800	Delaware State University	DE	\$ 194,699.00	\$ 181,364.00	2,022	\$8,296,517.00	7.79%	2,222	\$8,942,421.68
536300	Denmark Technical College	SC	\$ 262,233.00	\$ 113,596.00	1,078	\$4,362,581.12	94.39%	2,130	\$8,480,427.72
200400	Dillard University	LA	\$ 367,921.00	\$ 179,665.00	1,137	\$4,618,257.00	1.70%	1,094	\$4,696,787.00
147800	Edward Waters College	FL	\$ 357,112.00	\$ 215,650.00	982	\$3,596,242.00	-7.39%	800	\$3,330,407.00
292600	Elizabeth City State University	NC	\$ 362,889.00	\$ 359,621.00	2,466	\$12,291,705.00	-21.83%	2,204	\$9,608,262.00
292800	Fayetteville State University	NC	\$ 358,676.00	\$ 696,463.00	3,776	\$18,990,353.98	-13.88%	3,921	\$16,353,682.52
349000	Fisk University	TN	\$ 244,247.00	\$ 237,473.00	332	\$1,448,219.50	-13.25%	286	\$1,256,327.00
148000	Florida Agricultural & Mechanical Univ	FL	\$ 798,797.00	\$ 1,238,268.00	8,294	\$39,150,424.00	-10.48%	8,165	\$35,046,255.00
148600	Florida Memorial University	FL	\$ 327,061.00	\$ 190,245.00	1,770	\$8,440,503.00	-17.06%	1,596	\$7,000,237.00
156600	Fort Valley State University	GA	\$ 282,668.00	\$ 209,621.00	3,018	\$13,697,858.00	-1.91%	3,097	\$13,436,823.00
101700	Gadsden State Community College	AL	\$ 189,955.00	\$ 173,757.00	5,716	\$21,785,573.23	-14.70%	5,565	\$18,583,412.75
200600	Grambling State University	LA	\$ 1,013,657.00	\$ 339,092.00	3,462	\$16,798,105.13	-4.92%	3,644	\$15,972,468.06
573400	H. Councill Trenholm State Technical College	VA	\$ 54,927.00	\$ 51,885.00	1,604	\$6,482,806.99	-20.67%	1,585	\$5,142,743.37
371400	Hampson University	MO	\$ 461,555.00	\$ 447,369.00	1,844	\$7,849,458.79	-4.71%	1,761	\$7,479,936.00
246600	Harris - Stowe State University	MS	\$ 123,973.00	\$ 45,460.00	1,429	\$5,450,812.50	-3.01%	1,393	\$5,286,703.64
240700	Hinds Community College	MS	\$ 498,778.00	\$ 477,402.00	12,305	\$47,990,732.72	-13.54%	11,754	\$41,494,730.72
144800	Howard University	DC	\$ 1,408,780.00	\$ 495,491.00	3,345	\$14,096,700.00	-0.70%	3,335	\$13,997,839.00
357700	Huston - Tillotson University	TX	\$ 122,512.00	\$ 76,236.00	713	\$3,063,917.00	-2.51%	737	\$2,986,989.00
156800	Interdenominational Theological Center *Grad School*	GA	\$ 89,064.00						
526000	J F Drake State Technical College	AL	\$ 40,100.00	\$ 51,038.00	1,403	\$4,920,492.48	-19.36%	1,286	\$3,967,661.60
241000	Jackson State University	MS	\$ 2,008,094.00	\$ 1,017,548.00	5,593	\$26,617,369.00	-5.36%	5,777	\$25,191,148.00

HBCU School Data for September 13, 2012 Meeting

LOPE ID	School Name	State	FWS AWARD 2012-2013	FSEOG AWARD 2012-2013	Pell 2010-2011 NUMBER OF RECIPIENTS	Pell 2010-2011 DISBURSEMENTS	% CHANGE IN PELL DISBURSEMENTS FROM 2010-2011 TO 2011-2012	Pell 2011-2012 NUMBER OF RECIPIENTS	Pell 2011-2012 DISBURSEMENTS
363700	Jarvis Christian College	TX	\$ 328,485.00	\$ 205,739.00	475	\$1,971,786.00	-0.71%	486	\$1,957,787.00
293600	Johnson C. Smith University	NC	\$ 556,591.00	\$ 341,510.00	1,144	\$5,080,595.00	12.77%	1,345	\$5,729,322.00
196800	Kentucky State University	KY	\$ 523,816.00	\$ 126,302.00	1,708	\$7,393,563.00	-5.58%	1,710	\$6,981,161.50
349900	Lane College	TN	\$ 313,470.00	\$ 512,999.00	2,169	\$10,176,230.50	-10.75%	1,959	\$9,082,187.00
315700	Langston University	OK	\$ 318,542.00	\$ 143,960.00	1,936	\$8,644,500.50	-2.51%	1,959	\$8,427,498.49
105900	Lawson State Community College	AL	\$ 272,919.00	\$ 240,000.00	4,598	\$17,077,439.16	-21.59%	3,969	\$13,390,102.15
350100	LeMoine-Owen College	TN	\$ 369,439.00	\$ 312,650.00	1,034	\$4,316,973.00	-5.29%	1,076	\$4,088,398.00
329000	Lincoln University	PA	\$ 279,204.00	\$ 390,568.00	1,281	\$5,743,882.00	-8.96%	1,227	\$5,229,466.00
247900	Lincoln University	MO	\$ 196,432.00	\$ 101,693.00	1,904	\$7,531,528.67	3.95%	2,047	\$7,828,952.15
294200	Livingstone College	NC	\$ 267,197.00	\$ 116,667.00	1,107	\$5,198,464.00	-7.86%	1,084	\$4,790,086.00
350600	Meharry Medical College *Grad School*	TN	\$ 321,394.00						
102800	Miles College	AL	\$ 322,846.00	\$ 300,208.00	1,573	\$7,398,639.68	-7.28%	1,632	\$6,860,346.23
242400	Mississippi Valley State University	MS	\$ 649,328.00	\$ 441,423.00	2,241	\$10,178,788.21	-12.13%	2,055	\$8,944,013.00
158200	Morehouse College	GA	\$ 667,219.00	\$ 445,309.00	1,356	\$5,727,726.00	-5.74%	1,308	\$5,398,691.00
2482100	Morehouse School of Medicine *Grad School*	GA	\$ 7,771.00						
208300	Morgan State University	MD	\$ 927,817.00	\$ 592,004.00	4,136	\$17,072,233.19	3.16%	4,320	\$17,611,277.78
343900	Morris College	SC	\$ 407,079.00	\$ 313,967.00	1,079	\$5,366,223.00	-16.78%	1,001	\$4,466,006.00
376500	Norfolk State University	VA	\$ 669,349.00	\$ 268,617.00	4,383	\$19,108,795.00	-0.08%	4,605	\$19,094,396.00
295000	North Carolina Agricultural and Technical State University	NC	\$ 508,608.00	\$ 335,420.00	5,806	\$26,684,360.50	-0.01%	5,977	\$25,347,294.00
295900	North Carolina Central University	NC	\$ 768,831.00	\$ 720,067.00	4,480	\$21,800,005.75	-13.06%	4,462	\$18,952,137.27
103300	Oakwood University	AL	\$ 226,411.00	\$ 278,941.00	1,016	\$3,974,606.00	8.53%	1,068	\$4,313,592.00
158700	Paine College	GA	\$ 586,425.00	\$ 89,984.00	812	\$3,760,664.00	-11.18%	830	\$3,340,204.00
360200	Paul Quinn College	TX	\$ 211,233.00	\$ 232,763.00	233	\$983,388.85	-11.60%	206	\$869,305.39
110900	Phlander Smith College	AR	\$ 141,682.00	\$ 61,095.00	592	\$2,574,424.00	4.97%	638	\$2,702,486.00
363000	Prairie View Agricultural & Mechanical University	TX	\$ 1,446,422.00	\$ 1,621,641.00	5,123	\$22,320,816.00	-3.90%	5,138	\$21,450,021.00
243300	Rust College	MS	\$ 402,744.00	\$ 489,172.00	861	\$3,813,841.50	-1.29%	856	\$3,764,647.50
296800	Saint Augustine's College	NC	\$ 871,697.00	\$ 822,432.00	1,311	\$6,079,635.00	-7.40%	1,279	\$5,629,475.00
373900	Saint Paul's College	VA	\$ 351,638.00	\$ 136,590.00	495	\$2,219,473.00	-24.28%	385	\$1,680,605.00
360800	Saint Philip's College *1 of 5 reported by San Antonio College*	TX							
159000	Savannah State University	GA	\$ 466,340.00	\$ 156,989.00	3,316	\$15,295,721.50	2.53%	3,716	\$15,683,203.66
4067300	Selma University	AL	\$ 33,425.00	\$ 50,727.00	648	\$2,696,644.14	-25.56%	560	\$2,007,318.00
296200	Shaw University	NC	\$ 489,581.00	\$ 827,844.00	2,231	\$9,756,001.00	-11.93%	2,014	\$8,591,751.00
569100	Shepton State Community College	AL	\$ 162,622.00	\$ 164,582.00	3,905	\$13,202,036.06	-10.13%	4,019	\$11,864,165.23
344600	South Carolina State University	SC	\$ 387,396.00	\$ 702,139.00	3,115	\$13,832,584.00	-6.02%	3,067	\$12,999,993.00
202500	Southern University and Agricultural & Mechanical Colg at Baton LA	LA	\$ 1,243,085.00	\$ 556,598.00	4,690	\$22,040,050.02	-12.55%	4,736	\$19,273,621.85
202600	Southern University at New Orleans	LA	\$ 242,661.00	\$ 77,932.00	2,441	\$10,836,649.38	-10.22%	2,360	\$9,729,629.02
768600	Southern University at Shreveport - Bossier City	LA	\$ 256,168.00	\$ 59,983.00	2,353	\$9,104,057.61	5.18%	2,563	\$9,575,733.34
361800	Southwestern Christian College	TX	\$ 150,806.00	\$ 66,976.00	186	\$734,080.06	1.12%	186	\$742,290.80
159400	Spelman College	GA	\$ 361,212.00	\$ 236,526.00	1,116	\$4,915,750.56	-2.33%	1,101	\$4,801,434.33
104400	Stillman College	AL	\$ 213,000.00	\$ 323,189.00	895	\$4,301,036.96	-11.73%	851	\$3,796,709.00
104600	Talladega College	AL	\$ 162,608.00	\$ 321,995.00	704	\$3,042,672.00	-21.53%	567	\$2,387,616.00

HBCU School Data for September 13, 2012 Meeting

OP# ID	School Name	State	FWS AWARD 2012-2013	FSEOG AWARD 2012-2013	Pell 2010-2011 NUMBER OF RECIPIENTS	Pell 2010-2011 DISBURSEMENTS	% CHANGE IN PELL DISBURSEMENTS FROM 2010-2011 TO 2011-2012	Pell 2011-2012 NUMBER OF RECIPIENTS	Pell 2011-2012 DISBURSEMENTS
352200	Tennessee State University	TN	\$ 1,093,455.00	\$ 1,112,908.00	5,148	\$22,272,149.00	-0.45%	5,594	\$22,172,188.50
363800	Texas College	TX	\$ 231,324.00	\$ 302,109.00	823	\$3,798,611.00	-7.58%	832	\$3,510,590.00
364200	Texas Southern University	TX	\$ 920,729.00	\$ 582,079.00	5,919	\$25,794,436.04	-6.87%	5,849	\$24,023,645.26
243900	Tougaloo College	MS	\$ 264,623.00	\$ 198,873.00	845	\$4,468,677.00	-16.54%	2,135	\$3,729,704.00
105000	Tuskegee University	AL	\$ 1,009,296.00	\$ 1,157,061.00	1,623	\$7,494,652.85	2.61%	1,722	\$7,690,411.72
108600	University of Arkansas at Pine Bluff	AR	\$ 345,418.00	\$ 327,207.00	2,642	\$11,889,596.04	-11.78%	2,473	\$10,488,432.54
210600	University of Maryland - Eastern Shore	MD	\$ 196,176.00	\$ 173,085.00	2,300	\$9,842,390.00	-1.86%	2,307	\$9,659,090.00
144100	University of the District of Columbia	DC	\$ 262,898.00	\$ 619,608.00	3,054	\$10,127,580.00	-10.33%	2,895	\$9,081,109.00
394600	University of the Virgin Islands	VI	\$ 85,594.00	\$ 67,683.00	1,410	\$5,752,885.00	0.27%	1,508	\$5,768,610.00
376400	Virginia State University	VA	\$ 538,080.00	\$ 564,913.00	3,675	\$15,805,777.48	3.60%	3,902	\$16,375,256.35
376600	Virginia Union University	VA	\$ 668,971.00	\$ 281,942.00	980	\$4,264,096.00	-6.99%	988	\$3,966,105.00
376200	Virginia University of Lynchburg	VA	\$ 23,521.00	\$ 22,620.00	439	\$1,592,054.00	58.94%	684	\$2,530,447.00
345500	Voorhees College	SC	\$ 366,307.00	\$ 418,060.00	731	\$3,399,110.00	-17.64%	609	\$2,799,614.00
382600	West Virginia State University	WV	\$ 218,233.00	\$ 161,890.00	1,656	\$6,410,511.00	-7.70%	1,555	\$5,917,006.00
314100	Wilberforce University	OH	\$ 1,425,055.00	\$ 1,045,089.00	558	\$2,422,259.42	-6.41%	516	\$2,266,911.10
366900	Wiley College	TX	\$ 264,321.00	\$ 236,382.00	1,245	\$5,481,590.00	-6.95%	1,218	\$5,100,426.00
298600	Winston-Salem State University	NC	\$ 500,000.00	\$ 467,638.00	3,725	\$17,007,252.00	-8.92%	3,667	\$15,490,976.00
203200	Xavier University of Louisiana	LA	\$ 1,040,724.00	\$ 578,427.00	1,758	\$8,205,979.00	-6.17%	1,766	\$7,699,728.00
			\$ 44,417,467.00	\$ 34,073,205.00	223,145	\$971,671,383.93	-6.38%	225,571	\$909,705,986.68

**1. Average Pell/student and related trend\*:**

	2010-11	2011-12	Trends
<u>Average awards</u>			
All Schools	\$3,652.74	\$3,380.13	-7.46%
HBCU	\$4,354.44	\$4,032.90	- 7.38%
PBI	\$3,459.84	\$3,330.55	-3.74%

Total Pell Program

All Schools	\$35,667,715,829	\$33,435,891,099	-6.94%
HBCU	\$971,671,384	\$909,705,987	-6.38%
PBI	\$1,861,423,368	\$1,852,596,345	-0.47%

Recipients

All Schools	9,762,296	9,833,847	+ 71,551 (+0.73%)
HBCU	223,145	225,571	+ 2,426 (+1.09%)
PBI	538,009	556,244	+ 18,235 (+3.39%)

\*Source: Common Origination and Disbursement System 8/09/12

**2. Avg Pell as percent of total aid (with breakdown for unsub, sub, PLUS, etc.) -- to be supplied by Joel's team**

**3. - Estimated impact of 2 Pell's and an analysis that shows normalized trend without 2 Pell's\***

Impact of loss of 2 Pell's:

	Avg Award	Dollars
All Schools	-6.94%	-\$2,231,824,730

HBCU -7.38%; -\$61,965,397

PBI -3.74 -\$8,827,023

-7.46 for All Schools

**Normalized trend without 2 Pells: Average awards**

	2006-07	2007-08	2008-09	2009-10
All Schools	\$2,482	\$2,648	\$2,971	Two Pells began

**4. Analysis on current and potential impact of Pell duration/lifetime**

The latest information we have readily available is that as of July 1, 2012 we had identified 154,000 2012-2013 applicants that they are no longer eligible for Pell Grants because they had reached or exceeded the new statutory maximum of the equivalent of 12 semesters. In addition 240,000 2012-2013 applicants were identified as having only partial eligibility for the award year.

2012-2013 Pell Grant disbursements are only now beginning to be processed. We will be examining the impact overall and the impact to HBCUs and other MSIs in particular as the award year progresses.

**5. Impact of ATB**

We do not have enough information at this time for 2012-2013 to analyze.

**6. a) Tiering HBCU Schools for changes in Total Pell Grant Disbursements\***

Looking at the % CHANGE IN Total PELL DISBURSEMENTS for individual schools FROM 2010-2011 to 2011-2012:

- 17 schools had over 1% increase
- 7 schools had basically no change (less than 1% plus or minus)
- 18 schools had 1% to 5% decrease
- 23 schools had over 5% to 10% decrease
- 20 schools had over 10% up to 15% decrease
- 11 schools had 15% or greater decrease

**b) Tiering PBI schools for changes in Total Pell Grant Disbursements\***

- 37 schools had over 1% increase
- 10 schools had basically no change (less than 1% plus or minus)

- 11 schools had 1% to 5% decrease
- 6 schools had over 5% to 10% decrease
- 10 schools had over 10% up to 15% decrease
- 16 schools had 15% or greater decrease

\*Source: Common Origination and Disbursement System 8/09/12

HBCU PELL DISBURSEMENTS 4 YEAR REVIEW		
Program Year	Number of Recipients	Pell Disbursements
0809	177,963	\$ 607,585,584.23
0910	208,452	\$ 889,576,959.88
1011	226,131	\$ 992,091,181.84
1112	225,433	\$ 925,459,924.85

HBCU Title IV Funding  
3 Year Review

Academic Year	PELL	ACG	SMART	TEACH	SEOG	FWS	STAFFORD LOANS	PERKINS	Total Title IV Reported
0809	\$593,056,707.00	\$13,257,708.00	\$4,851,338.00	\$406,489.00	\$40,043,353.00	\$37,666,446.00	\$1,776,541,138.00	\$13,919,095.00	\$2,479,742,274.00
0910	\$870,409,356.00	\$14,398,690.00	\$6,037,955.00	\$1,594,844.00	\$39,803,315.00	\$38,547,013.00	\$1,997,299,941.00	\$12,572,292.00	\$2,980,663,406.00
1011	\$972,307,084.00	\$15,802,294.00	\$6,668,422.00	\$2,481,448.00	\$39,371,045.00	\$37,625,262.00	\$2,020,064,716.00	\$9,159,714.00	\$3,103,479,985.00
TOTALS:	\$2,435,773,147.00	\$43,458,692.00	\$17,557,715.00	\$4,482,781.00	\$119,217,713.00	\$113,838,721.00	\$5,793,905,795.00	\$35,651,101.00	\$8,563,885,665.00

Percentage of Increase:	PELL	ACG	SMART	TEACH	SEOG	FWS	STAFFORD LOANS	PERKINS	TOTAL TITLE IV REPORTED
0809	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
0910	46.77%	8.61%	24.46%	292.35%	-0.60%	2.34%	12.43%	-9.68%	20.20%
1011	11.71%	9.75%	10.44%	55.59%	-1.09%	-2.39%	1.14%	-27.14%	4.12%

OPEID	Name	Ethnicity Code	Declined Loans
295000	NORTH CAROLINA CENTRAL UNIVERSITY	2	609
144800	HOWARD UNIVERSITY	2	607
148000	FLORIDA AGRICULTURAL & MECHANICAL UNIVERSIT	2	569
363000	PRAIRIE VIEW AGRICULTURAL & MECHANICAL UNIV	2	528
200600	GRAMBLING STATE UNIVERSITY	2	523
155900	CLARK ATLANTA UNIVERSITY	2	475
344600	SOUTH CAROLINA STATE UNIVERSITY	2	448
241000	JACKSON STATE UNIVERSITY	2	444
146700	BETHUNE COOKMAN UNIVERSITY	2	443
100500	ALABAMA STATE UNIVERSITY	2	432
364200	TEXAS SOUTHERN UNIVERSITY	2	426
290500	NORTH CAROLINA AGRICULTURAL AND TECHNICAL	2	407
371400	HAMPTON UNIVERSITY	2	371
202500	SOUTHERN UNIVERSITY AND AGRICULTURAL & MEI	2	365
159000	SAVANNAH STATE UNIVERSITY	2	339
208300	MORGAN STATE UNIVERSITY	2	329
142800	DELAWARE STATE UNIVERSITY	2	325
376500	NORFOLK STATE UNIVERSITY	2	315
352200	TENNESSEE STATE UNIVERSITY	2	301
100200	ALABAMA AGRICULTURAL & MECHANICAL UNIVER:	2	296
156600	FORT VALLEY STATE UNIVERSITY	2	273
105000	TUSKEGEE UNIVERSITY	2	268
296200	SHAW UNIVERSITY	2	260
239600	ALCORN STATE UNIVERSITY	2	257
154400	ALBANY STATE UNIVERSITY	2	230
329000	LINCOLN UNIVERSITY	2	229
342000	BENEDICT COLLEGE	2	217
296800	SAINT AUGUSTINE'S COLLEGE	2	208
302600	CENTRAL STATE UNIVERSITY	2	207
159400	SPELMAN COLLEGE	2	197
342400	CLAFLIN UNIVERSITY	2	187
158200	MOREHOUSE COLLEGE	2	169
376600	VIRGINIA UNION UNIVERSITY	2	161
293600	JOHNSON C. SMITH UNIVERSITY	2	161
108600	UNIVERSITY OF ARKANSAS AT PINE BLUFF	2	153
200400	DILLARD UNIVERSITY	2	150
203200	XAVIER UNIVERSITY OF LOUISIANA	2	147
331700	CHEYNEY UNIVERSITY OF PENNSYLVANIA	2	146
298600	WINSTON-SALEM STATE UNIVERSITY	2	146
376400	VIRGINIA STATE UNIVERSITY	2	145
210600	UNIVERSITY OF MARYLAND - EASTERN SHORE	2	136
196800	KENTUCKY STATE UNIVERSITY	2	130
104400	STILLMAN COLLEGE	2	119
103300	OAKWOOD UNIVERSITY	2	113
292600	ELIZABETH CITY STATE UNIVERSITY	2	105
247900	LINCOLN UNIVERSITY	2	103

242400 MISSISSIPPI VALLEY STATE UNIVERSITY	2	103
315700 LANGSTON UNIVERSITY	2	101
291100 BENNETT COLLEGE	2	99
158700 PAINE COLLEGE	2	81
341700 ALLEN UNIVERSITY	2	68
343900 MORRIS COLLEGE	2	66
292800 FAYETTEVILLE STATE UNIVERSITY	2	66
110300 PHILANDER SMITH COLLEGE	2	63
345500 VOORHEES COLLEGE	2	60
363700 JARVIS CHRISTIAN COLLEGE	2	53
206800 COPPIN STATE UNIVERSITY	2	52
294200 LIVINGSTONE COLLEGE	2	46
246600 HARRIS - STOWE STATE UNIVERSITY	2	46
314100 WILBERFORCE UNIVERSITY	2	42
349000 FISK UNIVERSITY	2	39
357700 HUSTON - TILLOTSON UNIVERSITY	2	37
768600 SOUTHERN UNIVERSITY AT SHREVEPORT - BOSSIER	2	33
147800 EDWARD WATERS COLLEGE	2	32
108700 ARKANSAS BAPTIST COLLEGE	2	31
382600 WEST VIRGINIA STATE UNIVERSITY	2	30
350600 MEHARRY MEDICAL COLLEGE	2	28
363800 TEXAS COLLEGE	2	26
104600 TALLADEGA COLLEGE	2	26
1055400 CONCORDIA COLLEGE ALABAMA	2	16
366900 WILEY COLLEGE	2	16
144100 UNIVERSITY OF THE DISTRICT OF COLUMBIA	2	16
206200 BOWIE STATE UNIVERSITY	2	14
148600 FLORIDA MEMORIAL UNIVERSITY	2	14
376200 VIRGINIA UNIVERSITY OF LYNCHBURG	2	13
240700 HINDS COMMUNITY COLLEGE	2	13
350100 LEMOYNE-OWEN COLLEGE	2	11
102800 MILES COLLEGE	2	11
243300 RUST COLLEGE	2	10
202600 SOUTHERN UNIVERSITY AT NEW ORLEANS	2	10
243900 TOUGALOO COLLEGE	2	9
144102 UNIVERSITY OF THE DISTRICT OF COLUMBIA - DAVII	2	9
2482100 MOREHOUSE SCHOOL OF MEDICINE	2	6
105900 LAWSON STATE COMMUNITY COLLEGE	2	6
536300 DENMARK TECHNICAL COLLEGE	2	5
569100 SHELTON STATE COMMUNITY COLLEGE	2	4
380900 BLUEFIELD STATE COLLEGE	2	4
373900 SAINT PAUL'S COLLEGE	2	4
360800 SAINT PHILIP'S COLLEGE	2	4
349900 LANE COLLEGE	2	4
101700 GADSDEN STATE COMMUNITY COLLEGE	2	4
360200 PAUL QUINN COLLEGE	2	3
156800 INTERDENOMINATIONAL THEOLOGICAL CENTER	2	3

4067300 SELMA UNIVERSITY  
526000 J F DRAKE STATE TECHNICAL COLLEGE  
492300 CLINTON JUNIOR COLLEGE  
394600 UNIVERSITY OF THE VIRGIN ISLANDS  
361800 SOUTHWESTERN CHRISTIAN COLLEGE

2	2
2	2
2	2
2	2
2	2

14,616

# PLUS Loan Volume

## 3 Year Review

Academic Year	0809	0910	1011	Total Title IV Reported
MSI/PBI	PLUS	PLUS	PLUS	
TCU	\$23,658.00	\$29,165.00	\$54,545.00	\$107,368.00
HBCU	\$231,956,454.00	\$275,324,744.00	\$383,104,679.00	\$890,385,877.00
HSI	\$913,964,100.00	\$1,052,647,431.00	\$1,255,431,526.00	\$3,222,043,057.00
AANAPISI	\$308,341,569.00	\$358,335,716.00	\$436,269,680.00	\$1,102,946,965.00
PBI	\$110,786,542.00	\$132,083,273.00	\$144,814,121.00	\$387,683,936.00
<b>TOTALS:</b>	<b>\$1,565,072,323.00</b>	<b>\$1,818,420,329.00</b>	<b>\$2,219,674,551.00</b>	<b>\$5,603,167,203.00</b>

Percentage of Increase:	0809	0910	1011
TCU	N/A	23.28%	87.02%
HBCU	N/A	18.70%	39.15%
HSI	N/A	15.17%	19.26%
AANAPISI	N/A	16.21%	21.75%
PBI	N/A	19.22%	9.64%
<b>Overall:</b>	<b>N/A</b>	<b>16.19%</b>	<b>22.07%</b>

## HBCU COALITION QUARTERLY MEETING WITH SECRETARY DUNCAN October 19, 2012

### HBCU Coalition Principals in Attendance:

Ms. Edith Bartley (UNCF Government Affairs)  
Ms. Lezli Baskerville, Esq. (NAFEO President/CEO)  
Dr. William Harvey (President's HBCU Advisory Board Chair)\*  
Dr. Michael Lomax (UNCF President/CEO)  
Mr. Johnny C. Taylor, Jr. (TMCF President/CEO)

### Department of Education Staff in Attendance:

Arne Duncan (Secretary of Education)  
Martha Kanter (Under Secretary of Education)  
Carmel Martin (Assistant Secretary of Education)\*  
Jim Runcie (Chief Operation Officer, Office of Federal Student Aid)\*  
Eric Waldo (Deputy Chief of Staff to Secretary of Education)  
John Wilson (Executive Director White House Initiative on HBCUs)

### \*Attended Via Phone

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The Principals listed above for the National Association for Equal Opportunity in Higher Education (NAFEO), the Thurgood Marshall College Fund (TMCF), and the United Negro College Fund (UNCF) met with Secretary Duncan and the above-listed Department of Education representatives to discuss the following three issues: (1) Parent Plus Loan Issue; (2) federal financial support of HBCUs; and (3) recent Department of Education press release/statement regarding the \$228 million award to HBCUs.

### I. Parent Plus Loan Issue (PPL)

The HBCU Coalition, with President Lomax leading the discussion on this issue, shared with the Secretary the continuing negative impact the PPL has had on HBCUs. In response, the Secretary agreed that:

- ✓ He would provide a draft written response to the October 10, 2012 HBCU Coalition letter regarding the PPL by early this week, and that his letter would provide, among other things, clear guidance on the appeals process for loans that were denied this semester
- ✓ Senior Department of Education leaders would meet with the HBCU Coalition Principals to develop a plan of action for the Spring Semester 2013, said meetings to be scheduled next week
- ✓ With regard to the future handling of the PPL, the Department of Education is actively considering a "fresh start" that would presumably return to the prior criteria and introduce a more transparent process. The Secretary made clear there exists statutory regulations requiring the Department to deny loans to individuals who are delinquent on their debts, but that they are working to find the most appropriate way to interpret those regulations. Ultimately, the Secretary said, the Department would have to balance the interests of taxpayers, parents, students, and colleges/universities in future handling of the PPL

## II. Federal Financial Support of HBCUs

The HBCU Coalition, with President Baskerville leading the discussion on this issue, shared the HBCU community's concern with the significant decrease in federal funding over the last couple of years. The Secretary countered that the Department of Education's data reveals an actual *increase* in federal funding for HBCUs in all areas except "transformative" funding (defined as funding from specific agencies like the NIH, for example, to help build HBCU research capacity and grant competitiveness). There was considerable disagreement over whether HBCU have received more or less federal funding due to conflicting information distributed during the meeting by Dr. Wilson (indicating significant increased funding to HBCUs) and President Baskerville (indicating significant decreased funding to HBCUs). Ultimately, the Secretary said he believed the Obama Administration had *increased* funding to HBCUs, but he agreed we needed to reconcile the data to confirm the facts; he directed Dr. Wilson to work with others within the Department to address this concern.

## III. Department of Education \$228 Million Award

The HBCU Coalition, with President Taylor leading the discussion on this issue, shared with the Secretary the HBCU community's concern with the Department's September 18, 2012 press release/announcement. President Taylor explained that the HBCU community's development/fundraising efforts to raise special funds to deal with the loss of federal funding resulting from changes to Summer Pell, Title IIIB calculations, and the PPL was undermined and negatively impacted by the issuance of the statement by the Department. The Secretary's responded that:

- ✓ The Department of Education had issued this type of announcement in the past, but he understood the predicament and impact it had on HBCUs this particular year
- ✓ In the future, the Department would give the HBCU Coalition Principals advance notice of their plans to make any such announcements so that we could notify our member-schools

The Department is looking forward to discussing the PPL and the Federal Financial Support issues with NAFEO, TMCF, and UNCF next week.

STEM-based Agency Funds provided to HBCUs: 2007-2011

Department/Agency	2007	2008	2009	2010	2011	5-year Average	Change from 2010 to 2011
1 U.S. Department of Health & Human Services	177,571,585	169,420,801	213,416,395	228,994,640	177,487,169	193,378,118	(51,507,471)
2 U.S. Department of Agriculture	152,693,403	120,900,129	147,375,124	154,359,849	155,117,975	146,089,296	758,126
3 National Science Foundation	70,286,875	94,058,584	95,033,885	93,824,183	91,949,222	89,030,550	(1,874,961)
4 U.S. Department of Defense	71,712,770	50,008,725	46,486,209	37,014,442	56,230,406	52,290,510	19,215,964
5 U.S. Department of Homeland Security	4,282,315	82,774,047	42,543,303	36,906,882	22,568,776	37,815,065	(14,338,106)
6 U.S. Department of Energy	14,044,921	31,505,467	31,382,525	27,872,534	18,128,194	24,586,728	(9,744,340)
7 National Aeronautics and Space Administration	27,885,510	22,860,820	23,296,224	27,259,860	24,128,781	25,086,239	(3,131,079)
8 U.S. Department of Commerce	10,765,350	8,925,285	15,003,948	25,597,619	8,916,929	13,841,826	(16,680,690)
9 U.S. Agency for International Development	12,880,627	4,680,426	19,783,053	15,046,067	9,081,976	12,294,430	(5,964,091)
10 U.S. Department of Transportation	5,141,704	6,062,837	7,484,771	8,454,279	5,545,406	6,537,799	(2,908,873)
11 Environmental Protection Agency	1,728,159	2,811,886	1,907,995	3,439,981	3,191,697	2,615,944	(248,284)
12 U.S. Nuclear Regulatory Commission	1,777,880	1,515,339	1,669,933	2,654,245	1,451,109	1,813,701	(1,203,136)
<b>TOTAL</b>	<b>550,773,106</b>	<b>595,524,346</b>	<b>645,385,374</b>	<b>661,426,591</b>	<b>573,799,651</b>	<b>605,381,814</b>	<b>(87,626,940)</b>

September, 2012

Data from FSA

Change in HBCU Total Pell Grant Disbursements- % Change in Pell Disbursements for Individual HBCUs from FY 2010-2011 to FY 2011-2012

17 HBCUs had increase of more than 1%

7 HBCUs had less than 1% decrease (virtually no change)

18 HBCUs had 1% to 5% decrease

23 HBCUs had more than 5% to 10% decrease

20 HBCUs had more than 10% decrease to 15% decrease

11 HBCUs had 15% or greater decrease

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Report on 96 HBCU

## Pell Facts and Statistics\*

- The program is estimated to have provided over \$36.5 billion to approximately 8.9 million undergraduate students in fiscal year (FY) 2010
- The maximum Pell Grant award for the 2011-12 award year (July 1, 2011 to June 30, 2012) is \$5,550, the minimum is \$555
- Nearly 19.5 million students applied for Pell grants in 2009-10, up from 13.8 million in 2005-06
- The number of eligible Pell Grant applicants has increased from approximately 6.8 million in 2005-06 to nearly 11 million in 2009-10
- Nearly 50 percent of Pell Grant recipients are over the age of 23 and, among older students, 84 percent have an annual income under \$30,000.
- 52 percent of the student increase is concentrated in the lowest income categories of students.
- In fiscal year 1976, the maximum Pell Grant was \$1,400 and covered 72 percent of the cost of attendance at a typical four-year public college. In 2009-10, the maximum Pell Grant covered 36 percent of the cost of attendance at a typical four-year public college.
- Reasons for the growth in the Pell Grant program costs
  1. Increase in the number of eligible students, which accounts for 40 percent of the program's growth (\$7.7 billion). This is largely attributable to the economic downturn.
  2. An increase in the maximum Pell award of \$619, provide in the American Recovery and Reinvestment Act and the regular 2009 appropriation. This began in the 2009-10 academic year, adding 25 percent of the program growth (\$4.8 billion).
  3. The creation of the "two Pell's" program in 2008, adding 22 percent in costs (\$4.2 billion).
  4. Changes in the need analysis formula, which increased program costs by 14 percent (\$2.7 billion).

\*Source: American Association of Colleges and Universities

## Kentucky State University (KY) Institutional Enrollment\*

	2005-06	2006-07	2007-08	2008-09	2009-10
<i>Total</i>	2,386	2,498	2,696	2,659	2,834
<i>Full-Time</i>	1,670	1,823	1,964	1,984	2,204
<i>Part-Time</i>	716	675	732	675	630
<i>Undergraduate</i>	2,228	2,339	2,510	2,497	2,638

## Pell Grant Data\*

	2005-06	2006-07	2007-08	2008-09	2009-10
<i>Recipient Total</i>	1,153	1,219	1,327	1,255	1,560
<i>Total \$</i>	\$3,190,012.00	\$3,442,377.00	\$3,916,745.00	\$4,274,884.00	\$6,600,800.00
<i>Avg Award</i>	\$2,767	\$2,824	\$2,952	\$3,406	\$4,231

\*Source: American Association of Colleges and Universities

### The Education Premium

- The share of jobs requiring postsecondary education increased from 28 to 59 percent from 1973 to 2008. Over the next decade, this number is expected to increase to 63 percent.
- The U.S. needs to produce 22 million new college degrees by 2018, but is projected to fall 3 million short of that number.
- On average, someone with a high school diploma can expect to earn \$1.3 million over their lifetime. In contrast, a person with a Bachelor's degree will earn, on average, \$2.3 million over a lifetime.
- The income gap between college degree holders and those with only high school degrees is widening.
- In 2002, a bachelor's degree holder could expect to earn 75 percent more over a lifetime. Today, that number is 84 percent.
- Unemployment Rates in 2010:
  - Less than a High School Diploma: 14.9 percent
  - High School Graduates: 10.3 percent
  - Some college, no degree: 9.2 percent
  - Associate's degree: 7 percent
  - Bachelor's degree: 4.7 percent

Sources: All data other than average debt of graduates data from Federal Student Aid (FSA) Data Center; National Center for Educational Statistics (NCES) IPEDS. Average debt of graduates data from The Institute for College Access & Success, College InSight, <http://www.college-insight.org>. Student debt data are licensed from Peterson's Undergraduate Financial Aid and Undergraduate Databases, (c) 2011 Peterson's, a Nelnet company, all rights reserved. All data may be reproduced, with attribution, subject to restrictions under the Creative Commons license.

Sias, Mary

**From:** baskesq@aol.com  
**Sent:** Sunday, October 21, 2012 5:49 PM  
**To:** Emcnealey@stillman.edu; wwatson@csu.edu; ronald.mason@jsums.edu; bhogan@tougalo.edu; Sias, Mary; Tbtcaspa@aol.com; twd@twdinc.net; mcalpineh@drakestate.edu; mlburnim@bowiestate.edu; cbrown@cau.edu; wpollard@mec.cuny.edu  
**Subject:** Fwd: Secretary Duncan Thank You for HBCU Quarterly Meeting, Parent Plus & Other Discussions Friday, October 19, 2012 & Next Steps  
**Attachments:** Agency\_HBCU\_Expenditures-2007-2011.xlsx; HBCU\_STEM\_Expenditures\_2007-2011.xlsx; September\_2012\_Pell\_Data.docx; Duncan\_Thank\_You\_&\_Next\_Steps\_Doc\_RE\_Parent\_Plus\_Etc.,\_Meeting10-21-12.pdf; Parent\_Plus\_and\_other\_SFA\_Fall\_2012\_Data.pdf; HBCUData10-03-12\_Pell.pdf; Parent\_Plus\_letter\_-NAFEO\_9-14-12Duncan.pdf; Letter\_to\_Secretary\_Duncan\_from\_UNCF\_and\_NAFEO\_10\_11\_12.pdf

Dear Colleague:

I am writing to provide you an update regarding our ongoing efforts to get the Department of Education and the Administration to take specific, immediate steps to reverse actions they took or failed to take, which resulted in a substantial loss of federal dollars to HBCUs, PBIs and their constituents. The loss was of dollars that we fight and did secure for HBCUs, PBIs and their constituents, but which were not awarded because of administrative fiats.

In Friday's quarterly HBCU meeting with Secretary Duncan, attended by William R. Harvey (In his capacity as Chair of the Presidents Board of Advisors on HBCUs) Michael Lomax, and Johnny Taylor, John S. Wilson, Carmel Wilson, the Department's Chief of Policy and Jim Rancie, head of SFA, we discussed the following:

**Departmental and White House Short-and Long-Term Solutions The Parent Plus Loan Challenge-** Need for more than case-by-case appeals process; impact of Department's failure to publicly note changes in "credit worthiness" criteria in advance of addition of two new criteria; impact of particularly adverse impact on HBCU parents, families and institutions; what Department will do to assist institutions who enrolled students whose parents' Plus Loans were (wrongfully) denied, on good faith and with the expectation that either that parents will ultimately get the money and pay or the Department will fill in the gap because of the dubious nature of shift in the policy without notice and with no indication as to why the need for the immediate shift; What can President Obama, Department, NAFEO, UNCF, TMCf do to ensure different results for second semester; What will be the long-term strategy;

Solutions for the \$148M Retrenchment in Federal Agency Investments in HBCUs and Slippage in PBI Investments As Well

Reductions in Pell Grant Awards and the Size of Pell Grants to HBCUs and PBIs, Despite an Increase in Pell Grant Funding and Awards, Generally

A More Fair and Accurate Reporting of DOE's Actions, Even Given Latitude for Routine Departmental Spin

Because of time constraints, we did not talk separately about the combined impact of the above Departmental and agency actions plus the midnight negotiations that resulted in the loss of Summer Pell, the limitation to 6 years the time an eligible student can receive Pell grants, the raising from \$23,000 to \$31,000 to base family income that results in student eligibility for a maximum Pell Grant. Secretary Duncan promised to schedule a meeting for this coming week to continue the dialogue and permit his team Michael, Johnny and me to devise specific action items and desired outcomes for each of the above matters.

Below is the thank you note I sent to Secretary Duncan. Attached are some of the referenced documents. The first 4 documents were sent as attachments to the Duncan letter. The last three documents I am sending for your review and for your files.

-----Original Message-----

From: baskesq <baskesq@aol.com>

To: arne.duncan <arne.duncan@ed.gov>

Cc: martha.kanter <martha.kanter@ed.gov>; john.wilson <john.wilson@ed.gov>; presidentsoffice <presidentsoffice@hamptonu.edu>; michael.lomax <michael.lomax@uncf.org>; johnny.taylor <johnny.taylor@tmcfund.org>; carmel.martin <carmel.martin@ed.gov>; james.runcie <james.runcie@ed.gov>

Sent: Sun, Oct 21, 2012 4:48 pm

Subject: Secretary Duncan Thank You for HBCU Quarterly Meeting, Parent Plus & Other Discussions Friday, October 19, 2012 & Next Steps

October, 2012

Dear Secretary Duncan:

I write to thank you for what I believe was a *very* productive meeting of Drs. Harvey, Lomax, Taylor and myself with you and your team on Friday. I am encouraged that we will be able to work closely and effectively with you on the matters that we discussed. I look forward to the follow-up meeting with Ms. Carmel Martin and Mr. Jim Runcie that you have planned for next week and to your written response to our October 10, 2012 letter.

When we met on Friday, you seemed unfamiliar with the data that indicate that the federal government's support for HBCUs declined by approximately \$148M from 2010 to 2011. That data is reflected in the attached documents ("Individual Assistance Chart," "HBCU STEM Expenditures" and "Agency HBCU Expenditures") which were sent on August 24, 2012 by the Associate Director of the White House Initiative on HBCUs to agency officials responsible for HBCU programs, one of whom shared it with me. While the documents are marked "preliminary," it is my understanding that the data are by and large correct.

I am also attaching the data I recorded in response to a request I made of FSA, which I shared on Friday relative to the slippage in the number of Pell awards to students attending HBCUs and in the size of the Pell grants to students attending HBCUs. I expect that Jim will provide a comprehensive list from which we can begin our collective work to identify and weed out practices, protocols and procedures that serve as barriers to the full and unfettered participation of HBCUs, HBCU students and families in federal programs intended to assist them; and which have resulted in or contributed to the downward trend relative to federal investments in HBCUs, HBCU students and families, at a time when this Administration has joined us in fighting for and securing more federal dollars for HBCUs, PBIs, and their constituents.

I thank you for your support of the HBCU community and those of us who represent the community in Washington.

Lezli Baskerville, Esquire

President & CEO

NAFEO

(202) 439-4704

Federal Agency Funds Provided to US: 2007-2011

Department/Agency	2007	2008	2009	2010	2011	5-year AVG.	Difference 2010-2011
1 U.S. Department of Education	637,730,800	702,972,405	711,907,585	748,424,876	704,985,617	701,204,457	(43,440,259)
2 U.S. Department of Health & Human Services	177,571,385	169,420,801	213,416,395	228,994,640	177,487,169	193,378,118	(51,507,471)
3 U.S. Department of Agriculture	152,693,403	120,900,129	147,375,124	154,359,849	155,117,975	146,089,296	758,126
4 National Science Foundation	70,286,875	94,058,584	95,033,885	93,824,183	91,949,222	89,030,550	(1,874,961)
5 U.S. Department of Defense	71,712,770	50,008,725	46,486,209	37,011,442	56,230,406	52,290,510	19,215,964
6 U.S. Department of Veterans Affairs	33,158,107	13,519,157	15,911,944	19,833,901	18,211,843	20,126,790	(1,621,058)
7 U.S. Department of Homeland Security	4,282,315	82,774,047	42,543,303	36,906,882	23,568,776	37,815,065	(14,338,106)
8 U.S. Department of Energy	14,044,921	31,505,467	31,382,525	27,872,534	18,128,194	24,586,728	(9,744,340)
9 National Aeronautics and Space Administration	27,885,510	22,860,820	23,296,224	27,259,860	24,128,781	25,086,239	(3,131,079)
10 U.S. Department of Commerce	10,765,350	8,925,285	15,003,948	25,597,619	8,988,174	13,856,075	(16,609,445)
11 U.S. Agency for International Development	12,880,627	4,680,426	19,783,053	15,046,067	9,081,976	12,294,430	(5,964,091)
12 U.S. Department of Housing & Urban Development	8,462,100	9,925,608	9,000,000	7,646,284	-	7,007,198	(7,648,284)
13 U.S. Department of State	6,987,108	7,367,763	6,942,541	7,350,335	8,038,171	7,337,184	687,836
14 U.S. Department of Transportation	5,141,704	6,062,837	7,484,771	8,454,279	5,545,406	6,537,799	(2,908,873)
15 U.S. Department of the Interior	1,913,781	2,716,160	16,595,991	694,738	1,999,533	4,784,041	1,304,795
16 U.S. Department of Justice	2,197,421	4,067,730	5,215,918	7,877,052	7,393,135	5,350,251	(483,917)
17 Corp. for National and Community Service	4,784,283	3,600,000	1,574,308	2,879,739	1,862,038	2,939,874	(1,017,701)
18 U.S. Department of Labor	2,650,429	246,600	3,504,702	4,856,760	786,236	2,408,945	(4,070,524)
19 U.S. Environmental Protection	1,728,159	2,811,886	1,907,995	3,439,981	3,191,697	2,615,944	(248,284)
20 U.S. Small Business Administration	2,379,560	2,622,787	2,495,784	1,965,733	1,965,733	2,285,919	-
21 U.S. Nuclear Regulatory Commission	1,777,880	1,515,339	1,669,933	2,654,245	1,451,109	1,813,701	(1,203,136)
22 Social Security Administration	1,264,278	1,337,544	1,292,537	1,928,972	1,005,087	1,365,684	(923,885)
23 National Endowment for the Humanities	730,372	-	615,281	517,963	752,043	523,132	234,080
24 Office of Personnel Management	166,727	301,205	497,929	133,870	67,568	233,460	(66,302)
25 U.S. Department of the Treasury	368,458	316,096	117,952	134,911	446,938	276,875	312,047
26 Central Intelligence Agency	-	365,709	172,253	-	-	107,592	-
27 National Endowment for the Arts	113,200	35,000	85,000	50,000	10,000	58,640	(40,000)
28 Appalachian Regional Commission	55,000	60,000	74,000	30,000	30,000	49,800	-
29 Broadcasting Board of Governors	23,950	23,950	-	-	-	9,580	-
30 National Credit Union Administration	3,000	6,000	-	-	-	1,800	-
32 Peace Corps	-	-	-	-	-	-	-
TOTAL	1,253,759,673	1,345,008,060	1,421,386,090	1,465,751,715	1,321,422,847	1,361,465,677	(144,328,868)