



UNCF
A mind is a terrible thing to waste®

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December 10, 2008

Mr. Robert Shireman and
Dr. John H. Jackson
Presidential Transition Team
Education Cluster
451 6th St. NW
Washington DC 20004

Dear Mr. Shireman and Dr. Jackson:

On behalf of UNCF – the United Negro College Fund – and the Presidents of our 39 member historically black colleges and universities (HBCUs), I write with great enthusiasm to join efforts to craft innovative and pragmatic policy proposals to be undertaken by the incoming Obama Administration. In particular, I write to offer the following recommendations as you work with the Obama Transition Team and leaders in Congress to draft economic stimulus legislation and outline broader priorities to be pursued throughout the Obama Administration.

Each of the initiatives proposed below will create meaningful employment opportunities within emerging economic sectors, while supporting the development of sustainable community, economic, and academic capacity-building efforts within struggling communities nationally. Moreover, our recommendations support two priorities identified by UNCF as the primary elements of expanded post-secondary participation nationally: *College Access and Affordability* and *Building Institutional Capacity* at historically black colleges and universities and other Minority Serving Institutions (MSIs). Additionally, and beyond our recommendations related to the proposed stimulus package, UNCF seeks your support for strengthening the role of the White House Initiative on HBCUs. A discussion of this issue follows as well.

It is our sincere belief and informed assessment that the comprehensive engagement of HBCUs and MSIs in national recovery efforts is critical to achieving measurable outcomes and ultimate success. Finally, please note that the following recommendations support increased



funding for programs that are currently authorized – some of which have been underfunded for nearly two decades.

ECONOMIC STIMULUS RECOMMENDATIONS

Access and Affordability

These initiatives are intended to ensure that an affordable college education is available to all Americans, in particular first-generation and economically disadvantaged students. Given the current economic recession and continued national credit crunch, the relevance of student financial aid as an element of college accessibility cannot be overstated. According to the Department of Education, there has been a 15percent increase in the number of students completing the FAFSA form through 2008. Helping to keep college affordable and the doors of access open for those most in need is the first step in ensuring that prospective students have the opportunity to compete in the global marketplace. The following recommendations will support these goals.

Pell Grant Funding

Recommendation. UNCF strongly endorses recommendations shared by the higher education community to support an infusion of funds to address the growing Pell Grant shortfall.

Extend Repayment Grace Period for College Graduates

Recent college graduates have a six-month grace period before beginning repayment on federal student loans. Given broader economic challenges nationally, it is increasingly difficult for recent college graduates to find employment. Thus, students need and will benefit from having more time to find adequate and satisfying employment that will enable them ultimately to repay loans and contribute to their communities.

Recommendation. UNCF, along with others in the higher education community, recommends an extension of this grace period to nine months.

Building Institutional Capacity

The priorities outlined below will assist the Obama Administration in simultaneously achieving several articulated objectives related to education, science and technology, and urban policy. By providing enhanced funding to the currently-authorized programs referenced below, the Administration will leverage the reach and impact of limited but well-targeted resources. The role that HBCUs and MSIs play in training teachers (particularly those entering the STEM fields), engaging in regional and community development, providing technical support to small businesses, and providing employment opportunities within underserved communities is well-documented.



Nonetheless, many of our institutions are currently a generation behind as the Administration seeks to deploy the next generation of broadband. In an economy that demands innovation and increased productivity, the next generation of leaders and workers now attending HBCUs and MSIs requires scientific and technological skills that are strengthened through access to laptops and other technology. Likewise, HBCU campuses have well-documented deferred-maintenance needs and are located in and serve communities challenged by systemic poverty. These communities rely on our institutions to provide the leadership and resources that drive community development and economic recovery. With this in mind, we submit the following recommendations.

Digital Divide Funding

Many of the nation's HBCUs and MSIs continue to struggle to close persistent and pernicious gaps associated with the "digital divide." Recognizing the challenges faced by these institutions of higher education, Congress recently authorized the Minority Serving Institution Digital and Wireless Opportunity Program. The program is intended to provide \$1 billion to HBCUs and MSIs over a five-year period to support digital and wireless infrastructure improvements.

In 2007, Congress passed the America COMPETES Act, H.R. 2272, a multibillion dollar piece of legislation that provided technology funds to college campuses nationwide. Unfortunately, HBCUs and other MSIs were not recipients of funding under the bill.

Recommendation. UNCF recommends immediate assistance through the Department of Commerce to support the aforementioned authorized activities. In particular, UNCF recommends the inclusion of \$500 million over a two-year period to jump-start investment in closing the technology deficit of MSI campuses nationwide.

Jobs Created. 10,000

HBCU/MSI Infrastructure and Community Development Efforts

In 1994, the U.S. Department of Housing and Urban Development established the Office of University Partnerships (OUP). The primary goal of the program is to engage and expand the participation of HBCUs and MSIs in their respective communities. Within the HBCU component of the program, permissible use of funding is broadly defined to include acquisition of property, construction, renovation, sewers and water systems and many other activities. Recently, the Department awarded \$9 million through the program. Despite this recent support, the overall program has historically been under-funded.

Considering the age of many HBCU structures, and setting aside the need for new state-of-the-art facilities, historic preservation costs alone are



particularly daunting. For example, a 1998 report issued by the General Accounting Office (GAO), entitled "Historic Preservation: Cost to Restore Historic Properties at HBCUs," identified at least 712 properties across the HBCU community in need of repairs or structural renovations. Of these 712 properties, 672 (94.4percent) are buildings, with the remainder being sites, structures or objects such as smokestacks and courtyards. At that time, the GAO estimated that it would take \$755 million to address these historic preservation needs. That same year, all HBCU campuses were recognized for their historic relevance by the National Park Service and were listed in the National Register of Historic Places.

Past efforts to secure funding through the Department of Interior have been hindered by underfunding and rigid historic preservation compliance standards. This has resulted in more deferred maintenance and the further deterioration of historically relevant structures, many of which date back to the 1800s. Thus, UNCF and others in the HBCU community have turned to HUD for more immediate and more flexible funding assistance.

Recommendation. Understanding the focus that is being placed on infrastructure, school construction, and other community development programs during consideration of the stimulus package, UNCF seeks funding through a currently-authorized HUD program that will support renovation, construction and other eligible community development efforts at HBCUs and other MSIs. In particular, we recommend the inclusion in the economic stimulus package of \$1 billion, to be administered through the U.S. Department of Housing and Urban Development, to support renovation, construction and other eligible community development activities at HBCUs. These activities may include projects that promote the use of green materials and green strategies. Finally, we recommend the inclusion of an additional \$250 million for similar efforts undertaken by other MSIs.

Jobs Created. 25,000

Green Initiatives

Despite higher (1 to 2.5 percent) initial costs associated with green construction as compared to traditional methods, studies indicate that long-term cost savings are substantial.

Likewise, given the increasing relevance of green jobs within the global economy, MSI students must be equipped with adequate training in relevant fields to compete in the emerging green economy. Funds supporting green curricula on MSI campuses will dramatically increase the number of students who are prepared to compete in the 21st-century global economy.



Recommendation. As Congress considers funding to improve the energy efficiency of federal buildings and public schools, UNCF urges the incoming Administration to provide similar funding to support construction of energy efficient dormitories and administration buildings on MSI campuses. Specifically, funds should support efforts to help MSIs overcome barriers to building green, thereby increasing the number of buildings and structures on MSI campuses with Leadership in Energy and Environmental Design (LEED) certification. In addition, this effort will increase the number of MSIs participating in the American College and University Presidents Climate Commitment (ACUPCC).

Jobs Created. See recommendations above related to infrastructure and community development.

OTHER MATTERS

White House Initiative on HBCUs

The mission of the White House Initiative on HBCUs is to coordinate activities, undertaken in conjunction with longstanding Executive Orders, aimed at enhancing the institutional capacity of the nation's HBCUs. Currently, the Initiative is administered through the Department of Education. As previously referenced, HBCUs confront mounting challenges associated with restricted access to capital, which threaten the promise of access and affordability among a predominantly low-income population. With these challenges in mind, UNCF advises the incoming Administration to administer the White House Initiative on HBCUs from the White House.

Placement of the Initiative in the White House will provide HBCUs with a stronger and more relevant voice in the Obama Administration. Each year, the President's Board of Advisors on HBCUs is required to produce a report outlining the results of HBCU participation in federal programs. Since 2005, the board has expressed concerns that existing Executive Orders are not being fully executed. Placement of the White House Initiative in the White House will ensure more effective engagement of HBCUs at the federal level, thereby supporting efforts to ensure access and affordability among minority student populations.

Selection of the Secretary of Education

As the Presidential Transition Team continues to identify prospective candidates for the Secretary of Education post, UNCF encourages selection and appointment of an individual who is committed to systemic reform and the expansion of opportunities to learn. Moreover, we welcome an opportunity to partner with the new Administration as we launch the UNCF Minority Education Advocacy Initiative, a multi-million dollar advocacy effort intended to take the nation many steps closer to ensuring that we leave no child behind, particularly those from minority



backgrounds, as we pursue excellence and achievement at every stage of the educational pipeline.

CONCLUSION

While each of the aforementioned recommendations addresses the primary goals associated with any economic stimulus legislation and related matters, UNCF anticipates the opportunity to work with the Obama Administration to pursue these initiatives through any relevant legislative means. Moreover, UNCF will continue to provide information to the Transition Team related to other programmatic priorities that will be addressed by the new Administration. Most notably, we look forward to continuing our dialogue related to the Title III, Part B, Strengthening Historically Black Colleges and Universities program, the Augustus F. Hawkins Centers of Education Excellence program authorized through Title II, and how best to engage HBCUs and MSIs in President-Elect Obama's efforts to have more college students engage in community service, and the promotion of social entrepreneurship generally.

For now, thank you for your consideration of these recommendations. Please feel free to contact me directly with any unanswered questions or outstanding concerns. Alternatively, Edith Bartley, UNCF Director of Government Affairs, can be contacted at (703) 205-3544 or via e-mail, Edith.Bartley@uncf.org, should you require further information or assistance.

Sincerely,

Michael L. Lomax, Ph.D.
President and CEO

cc: Michael Strautmanis, Esq.
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