

DAILY COVER

How America Cheated Its Black Colleges



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Compared to their predominantly white counterparts, the nation's Black land-grant universities have been underfunded by at least \$12.8

billion over the last three decades. Many are in dire financial straits—and living under a cloud of violence.

Inside the men's dormitory at Tennessee State University (TSU), the heating and cooling unit is a rusted relic from the 1960s. Nearby, in the studio art building, yellowed paint is peeling off the cracked plaster walls. "Two thirds of our buildings are in substantial need of repair," says Glenda Glover, president of this historically Black institution in Nashville.

A contracting firm recently pegged the bill for TSU's deferred maintenance at \$427 million, a nearly unreachable sum for a school with an operating loss of more than \$80 million a year on just \$116 million in revenue and a puny \$63 million endowment. "For years there has been a lack of funding," Glover says. "There has been neglect."

Most of America's 100 historically Black colleges and universities (HBCUs) are struggling financially. Now comes the shadow of violence. Bomb threats were made against several HBCUs three times in the last four weeks, including six on Monday and at least a dozen on Tuesday, the first day of Black History Month. Investigators have yet to find any explosives or identify suspects, but campus disruptions are one more burden for the schools. Nationwide, roughly half of them are

private institutions, with negligible regular funding from the government. But TSU is one of 18 public “land-grant” HBCUs founded in the 19th century by state legislatures in the South as counterparts to then exclusively white schools like the University of Tennessee in Knoxville and North Carolina State in Raleigh.

All land-grant schools, whether Black or white, were created with the same purpose: to foster agricultural research and instruction. Most receive their annual appropriations from state legislatures in a single lump sum. The record of those appropriations and the side-by-side existence of these historically white and historically Black public schools allowed *Forbes* to make apples-to-apples comparisons of per-student funding levels by the various states.

Between 1987 (the earliest year for which comprehensive data are available) and 2020, the 18 Black schools were underfunded by an aggregate of \$12.8 billion, adjusted for inflation (*see table*). Over those 33 years, TSU received \$1.9 billion less than it should have, had it been funded at the same per-student level as the University of Tennessee. The worst off? North Carolina Agricultural & Technical State University (NC A&T) in Greensboro, founded in 1891. Since 1987, it has been underfunded by an inflation-adjusted total of \$2.8 billion. It’s not uniformly bad news. Schools in two states—Delaware and Ohio—were not underfunded at all.

To some extent, the greater state funding of the predominantly white land-grant schools can be explained by those institutions' strength as research universities. A handful of states, like North Carolina, reward that strength with extra dollars earmarked for research. In 2020, for example, the North Carolina legislature gave NC State, just 7% of whose 32,000 students are Black, an extra \$79 million for research (15% of its total state appropriation, less than 5% of its \$1.6 billion operating budget). By contrast, it gave NC A&T, the Black land-grant school—the nation's largest HBCU, with 11,700 students—just \$9.5 million for research, amounting to 10% of its state appropriation. But explaining away funding disparities because of research money is a bit of a self-fulfilling prophecy: The white institutions' ability to host research in their gleaming, state-of-the-art laboratories is the result of decades of generous funding by the states, while researchers at counterpart HBCUs have been starved for cash.

SHOESTRING BUDGET

To calculate how much Black land-grant institutions have been underfunded by state governments since 1987, we compared per-pupil state funding of the predominantly white land-grant schools with their counterpart HBCUs. Had they been funded equivalently, here's how much more each HBCU would have received in total, adjusted for inflation.

School	Location	Full-time enrollment	Amount underfunded
North Carolina A&T State University	Greensboro, NC	11,681	\$2,758,683,044
Florida A&M University	Tallahassee, FL	9,434	\$1,936,182,954
Tennessee State University	Nashville, TN	6,582	\$1,917,395,299
Southern University and A&M College	Baton Rouge, LA	6,031	\$1,370,392,619
Prairie View A&M University	Prairie View, TX	8,621	\$1,081,126,113
Fort Valley State University	Fort Valley, GA	2,474	\$577,153,763
West Virginia State University	Institute, WV	2,408	\$504,017,689
University of Arkansas at Pine Bluff	Pine Bluff, AR	2,289	\$457,535,855
Alabama A&M University	Huntsville, AL	2,943	\$437,319,814
South Carolina State University	Orangeburg, SC	6,221	\$424,096,615
University of Maryland Eastern Shore	Princess Anne, MD	2,294	\$416,599,100
Langston University	Langston, OK	2,129	\$367,734,293
Alcorn State University	Lorman, MS	3,454	\$306,282,890
Virginia State University	Petersburg, VA	4,231	\$147,735,930
Lincoln University	Jefferson City, MO	1,866	\$109,499,602
Kentucky State University	Frankfort, KY	1,669	\$1,664,746
Delaware State University	Dover, DE	4,547	\$0
Central State University	Wilberforce, OH	2,049	\$0
TOTAL			\$12,813,420,326

Source: Integrated Postsecondary Education Data System

Forbes

The single worst instance of annual underfunding for any school was in 2020, when the North Carolina legislature appropriated A&T \$95 million, \$8,200 less per student than the \$16,400 per student it gave to NC State. (The state legislature is allocating an additional \$11 million to A&T in 2022, mostly to support doctoral programs and agricultural research.) Instructional expenses per student at NC State: \$15,681, versus \$7,631 for the HBCU. Even Student Services, which includes admissions and the registrar's office, are better funded at the predominantly white school. At NC State it amounts to \$1,342 per Wolfpacker versus \$726 per Aggie.

“We’re talking about the highest level of sanctioned discrimination,” says N. Joyce Payne, founder of the Thurgood Marshall College Fund, which gives grants to students who attend HBCUs.

As a vice president at the Association of Public and Land Grant Universities, she spent more than two decades probing HBCU land-grant underfunding. “The inequities are embedded and sanctioned by state governments, the federal government and by private industry,” she says. “They say to the white schools, you can drive a Bentley, but the Black schools are told they can’t get a car at all.”

According to various laws enacted as far back as 1887, federal land-grant university funding must be matched from a non-federal source, typically the state. In 2020, the Tennessee General Assembly provided \$69.4 million in land-grant dollars, \$2,460 per student, to the University of Tennessee, where 77% of the students are white—more than four times its required match. TSU and its 6,600 students got just \$8.7 million (\$1,318 per student) from the state in 2020, 12% above its match. In fact, it wasn’t until 2017 that Tennessee’s state legislature began meeting its matching requirement at all for Tennessee State.

While TSU was starved for resources, the University of Tennessee developed a vibrant campus with hundreds of agricultural research

projects, from studies on the chemistry behind Tennessee whiskey to improve its flavor to experiments on artificial insemination techniques for cattle breeding. It has ten research centers covering 39,000 acres across the state. TSU has just 600 acres devoted to agricultural field research. The University of Tennessee spent \$286 million on research in 2020, or more than \$10,000 per student, compared with Tennessee State's \$2,000 in research spending per student.

The gap in state support has narrowed in recent years—appropriations to Tennessee State rose 40%, from \$39 million in 2015 to \$55 million in 2020—but its \$8,339 in state funding per student still lags behind the \$12,865 per student given to the flagship.

The land-grant university system was established by the federal government in 1862. These new agricultural schools would be given land that had mostly been taken from native people in America's unincorporated territories. They could then sell, rent or farm the land as a source of revenue. The federal government prohibited discrimination based on race for these new institutions but allowed states that didn't want to admit Black students into their white institutions to create "colleges separately for white and colored students." Starting in the 1890s, formerly Confederate and border states all established separate Black land-grant universities.

Other than their initial land grants, the Black schools went without government land-grant funding until the late 1970s, when Congress finally passed legislation to give them annual appropriations.

Graduates of HBCUs, whether private or public, don't make the kind of money that grads from more elite institutions do. HBCU endowments, which colleges build largely through alumni donations, are a fraction of the size of those of predominantly white schools. In 2020, the average endowment at the 18 white land-grant schools was \$1.9 billion. At the Black schools it was \$34 million. Georgia's Black land-grant university, Fort Valley State, has an endowment of just \$6.6 million, while the University of Georgia's totals \$1.3 billion. (*Forbes* found \$577 million in underfunding at Fort Valley State.)



Glenda Glover on the Nashville campus of Tennessee State University. A 1974 graduate of TSU, she became its first female president in 2013. Says Glover: “It’s never too late to do what’s right.” JAMEL TOPPIN FOR FORBES

Small endowments mean little money for faculty salaries, scholarships, research, expansion and, perhaps most importantly, day-to-day operations. “Schools that don’t have large endowments are being asked to operate on a razor’s edge,” says Jens Frederiksen, the executive vice president of Fisk University, a well-regarded private HBCU in Nashville that has struggled financially despite being the alma mater of W.E.B. Du Bois and the late Congressman John Lewis.

Another knock-on effect of HBCU underfunding: Black institutions have to pay higher rates than white schools to borrow money. A 2018 paper by four business school professors found that on a typical \$30 million bond, a Black university would

have to pay underwriters \$35,000 more than a white university. The paper found another striking fact: “The effect is three times larger in the Deep South, where racial animus remains most severe.”

Endowments and debt financing help schools build lavish facilities that attract students. In 2020 the University of Florida’s facilities, valued at \$2.1 billion, carried \$158 million in debt. Florida’s white land-grant school has three swimming pools for young Gators and a 140,000-square-foot fitness center including Olympic-style weightlifting platforms. It also boasts a beachlike swimming area at nearby Lake Wauburg. The school received \$783 million in state appropriations in 2020 to support its 50,000 students and has an annual operating budget of \$3.4 billion.

Historically Black Florida Agricultural and Mechanical University (FAMU) in Tallahassee, which has 9,400 students and \$111 million in facilities debt, shuttered its 60,000-square-foot recreation center for almost a year during the pandemic and had to plead for \$33,000 in funding from the student government to reopen it in February 2021. FAMU is far more dependent on state funding than its white counterpart. State money accounted for 41% of its \$330 million in total revenue, compared with 24% at the University of Florida, which makes more in tuition revenue and private grants and contracts.

FAMU's \$123 million in state appropriations in 2020 amounted to \$13,000 per student, compared with the University of Florida's \$15,600 per student.

Some HBCUs are fighting back. In Tennessee, state Rep. Harold Love, 49, who earned an economics and finance bachelor's degree from TSU in 1998, is trying to recover more than half a billion dollars in state land-grant funding he says his alma mater should have received. Working with a legislative committee, he has combed through documents and found as much as \$544 million in state funds owed. He didn't expand the scope of the report beyond land-grant funding, and *Forbes'* investigation of total state underfunding found more than three times that amount just since 1987.

Why isn't Love trying to get more money?

“They say to the white schools, you can drive a Bentley, but the Black schools are told they can't get a car at all.”

“Imagine me, a Black man representing a Black school, telling white legislators you gave more money to the white school,” he says. “You get told that you don’t know what you’re talking about.” But he’s hopeful that TSU will finally receive at least some of what it’s due, though he predicts the payout will be spaced over a decade. “We only just got the bust of [Confederate general and Ku Klux Klan leader] Nathan Bedford Forrest removed from the State Capitol this summer.”

In Virginia, Eddie Moore served as president of Virginia State, the Black land-grant institution, from 1993 to 2010, immediately after working as the state treasurer. When he took the president’s job, he demanded that the state match the federal land-grant appropriations. “Everyone told me to hush up,” he says. “But they couldn’t tell me I didn’t know what I was talking about, because I was the chief numbers person for the commonwealth for more than five years.” Since Moore’s term, the state has fully matched the HBCU’s federal land-grant funding.

In March 2021, Maryland Governor Larry Hogan signed a bill that will provide a total of \$577 million to the state’s four public HBCUs, including the University of Maryland, Eastern Shore, its Black land-grant institution. As in Mississippi, the HBCUs were forced to wage a years-long legal battle. In 2013 a federal judge found the state had maintained a “dual,

segregated system” in violation of the Constitution.

Although there has been an uptick in private philanthropy in the months since the murder of George Floyd—MacKenzie Scott (the ex-wife of Amazon founder Jeff Bezos), for instance, has given at least \$560 million to Black colleges—most of the land-grant HBCUs haven’t gotten any extra funding from the states. “I think it’s because HBCUs have been overlooked for so long and they haven’t had champions,” says Heidi M. Anderson, president of University of Maryland, Eastern Shore.

“Public HBCUs are in a situation where they have to fight the very source of their funding for justice. Imagine that tightrope walk,” says Rutgers professor Marybeth Gasman, who has published 16 books on HBCUs. “For some of us,” she adds, “it seems unfathomable that these injustices have happened and continue to happen, but for those living through them, they have been the norm.”

One awkward question lingers over the whole debate: Since 1964 the Civil Rights Act has prohibited discrimination based on race by public colleges or any school that gets federal funding. Why if, for 57 years, Black students have not been barred from any school, do there need to be special Black colleges to educate them?

TSU President Glover’s response, which she shared at a recent roundtable of HBCU presidents

in Memphis: “What an asinine question.” Just look at what HBCU graduates have achieved, she says. Then she recites a mantra oft repeated by HBCU presidents: Although

HBCUs make up less than 4% of all four-year institutions, over time they have educated 80% of Black judges, 50% of Black lawyers and doctors and 25% of Black science, technology, engineering and math graduates. Obviously, those numbers are skewed because for many years, HBCUs were literally the only option for Black students. But the point still holds. “HBCUs have stood the test of time,” Glover says. “We’re the only institutions that have taken almost nothing and created a greater something.”

Many top Black students are still choosing HBCUs over the nation’s most elite colleges. Curtis Lawrence III, a 17-year-old prodigy from Washington, D.C., got into Yale, Harvard and the University of Chicago. He chose to enroll at FAMU beginning last fall. “The kind of energy on an HBCU campus is different,” he says. “You have professors who understand what it means to be a Black student.”

As America continues its racial reckoning and works to build a more equitable society, addressing the funding disparities of its public HBCUs is an obvious priority. The state legislatures should proactively address the problem and not force the schools to run a legal

gauntlet like what happened in Mississippi. There, the three public HBCUs, including Alcorn State, the Black land-grant, won a \$500 million settlement from the state in 2002—but only after the schools pursued a funding lawsuit that dragged on for 27 years before being decided by the U.S. Supreme Court. That was shameful in 2002—but would be even more shameful in 2022.



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23 March, 2024

It is time for all who have benefited directly from the HBCU experience and those who have indirectly benefited from an HBCU experience to standup, show up and speak up about this issue.

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cc **Chazriq Clarke** ...

16 March, 2023

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