

**United States House of Representatives
Education and Labor Committee
Higher Education and Workforce Investment Subcommittee**

The Role of Hispanic-Serving Institutions (HSIs) as Drivers of Economic Mobility and Prosperity in the United States of America

**Investing in Economic Mobility: The Important Role of
Hispanic-Serving Institutions and Other Minority Serving Institutions
March 2, 2022**

**Written Testimony of President José Luis Cruz Rivera
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Chairwoman Wilson, Ranking Member Miller-Meeks, and members of the Committee, thank you for the opportunity to testify before you this morning on the role of Hispanic-Serving Institutions (HSIs) as drivers of economic mobility and prosperity in the United States of America.

My name is José Luis Cruz Rivera, and I am the President of Northern Arizona University (NAU). Located in the majestic City of Flagstaff and with educational offerings statewide and online, NAU advances the educational aspirations of approximately 30,000 undergraduate and graduate students from the state of Arizona and beyond. The university was designated an HSI in 2021, but NAU's branch campus in Yuma has been recognized as an HSI since 2007.

The perspectives I bring today have been shaped by my experiences as a student who benefited from federal and state aid programs while attending high-quality public institutions of higher education (including an HSI) and as a parent of five children — one who is attending a high school operated by an HSI, another who is pursuing his undergraduate degree at an HSI, and three who have completed undergraduate and graduate degrees from public and private institutions, including two HSIs.

But perhaps most relevant for today's discussion, the testimony I present is informed by my experience serving in senior academic leadership positions in the following HSIs and university systems largely comprised of HSIs.

- The University of Puerto Rico (UPR) System, where I served as Chief Student Affairs Officer, is a leading producer of graduates and knowledge in STEM fields—in 2020, UPR obtained 80% of all NSF research funding in Puerto Rico (NSF, 2020);
- California State University-Fullerton, where I served as Provost and Vice President of Academic Affairs, is the third top producer of bachelor's degrees to Hispanic students in the nation (Hispanic Outlook on Education, 2021);
- Lehman College of The City University of New York, where I served as President, is consistently ranked in the top 10 institutions in the country for social mobility—most recently, it was ranked #4 in the country among regional colleges and universities (USNWR, 2021);

- The City University of New York (home to 16 HSIs), where I served as Executive Vice Chancellor and University Provost, has propelled almost *six times* as many low-income students into the middle-class and beyond as all eight Ivy League campuses, plus Duke, M.I.T., Stanford, and Chicago, combined (Chetty, 2017); and,
- Northern Arizona University, where I serve as President, has a 122-year legacy of providing a world-class education to students from all walks of life, including first-generation to college, low-income, Native American and Hispanic students from Arizona and beyond.

I have structured my written testimony as follows. First, I discuss the connection between the delivery of equitable postsecondary value¹ and economic mobility and prosperity in the United States. Then, I reflect on the unique role HSIs have as drivers of economic mobility and make the case for increased investments in these colleges and universities. Lastly, I present the Committee five policy recommendations to equip HSIs to better serve their students and the communities they represent:

1. Align financial aid with the needs of the increasingly diverse students attending HSIs.
2. Maximize impact by increasing investments in HBCUs, HSIs and other MSIs.
3. Incentivize the use of evidence-based practices to improve student outcomes at HSIs.
4. Bolster the physical, virtual, and research infrastructure at HSIs.
5. Improve data transparency and invest in P-12 teachers.

In developing the arguments and recommendations I will speak to in the hearing, I will rely on an extensive and growing body of knowledge on HSIs generated by leading research and advocacy organizations and independent scholars, as well as the perspectives of faculty and staff in countless HSIs across the country. I especially want to acknowledge the work of the Hispanic Association of Colleges and Universities (HACU), *Excelencia* in Education, The Education Trust, Institute of Higher Education Policy (IHEP), American Council on Education (ACE), American Association of State Colleges and Universities (AASCU), National Academies of Sciences, Engineering, and Medicine, and the contributions of scholars like Drs. Deborah Santiago, Lorelle L. Espinosa, and Gina Ann García.

Equitable Postsecondary Value as a Driver of Economic Mobility

A college education is essential for upward social and economic mobility (Carnevale, et. al., 2021).

Since the original Higher Education Act (HEA) was passed in 1965, the U.S. has made substantial progress in college access. College-going rates have climbed for students from all economic and racial and ethnic groups. Yet despite this progress, low-income students today are only just beginning to catch up to the rate their high-income peers enrolled in college over 40 years ago (Snyder et al., 2016).

¹ “Students experience postsecondary value when provided equitable access and support to complete quality, affordable credentials that offer economic mobility and prepare them to advance racial and economic justice in our society” (Postsecondary Value Commission, 2021).

One reason for this gap in college-going — a factor that also manifests itself in gaps in college completion — is that to this day, we as a country give students from historically underserved communities less of all the things they need: less access to effective, in-field, experienced teachers (Hahnel and Jackson, 2012); less access to a college or career-ready curriculum (Bromberg and Theokas, 2016); less access to advanced course work (College Board, 2012); and less funding to achieve these necessary investments for support and success (Ushomirsky and Williams, 2015).

These disparities are complicated further by the negative impact that increased institutional costs, state disinvestments, inequitable financial aid programs (Santos and Haycock, 2016), and insufficient maximum award levels in the Pell Grant program (down since its inception from roughly 75 percent of the cost of attending a public four-year college to 30 percent [College Board 2015]) have had on the total cost of attendance for our lowest income students.

The net effect? Low-income students must find a way to finance an amount equivalent to 76 percent of their family’s annual income to attend a public university for one year, even after accounting for all grant aid — a far higher burden than the 17 percent figure required for the highest income students.²

Is it any surprise then that in the U. S., students from high-income families are approximately five times as likely as students from low-income families to obtain a bachelor’s degree by age 24? (Cahalan et. al., 2021).

These economic inequities have a profound impact on individual lives and our country’s prosperity, and are further manifested across racial and ethnic groups.

Indeed, low-income students and students of color who enroll in college are *far less likely* than other students to enroll in institutions committed to retention and graduation, and *far more likely* to enroll in institutions, including those in the for-profit sector, that graduate few of their students and create disproportionate debt.³ Sadly, research shows that students of color are in fact more likely to enroll at institutions that spend less on them. Nationally, on an annual basis, public colleges and universities spend approximately \$5 billion less educating students of color than they do educating others, given where students of color attend (Garcia, 2018).

The result? For every 100 white kindergartners, only 40 get a bachelor’s degree. And the bachelor’s degree attainment rate among Black adults is just over half that of white adults, and among Latino adults, only just over one-third.

Now, while going to college is worth it, on average, we know not all colleges and universities deliver equitable value and that what institutions do matters in determining whether or not a student’s demography will determine their destiny. Evidence suggests that students can have drastically different outcomes at campuses serving similar students with similar resources. Examining institutions that are currently providing students with a return on investment —

² Ed Trust analysis of NPSAS:12, using PowerStats. Results based on full-time, full-year, one-institution dependent undergrads at public and private nonprofit four-year colleges.

³ Ed Trust analysis of IPEDS Fall enrollment, Fall 2014 (by race) and NCES National Postsecondary Student Aid Study (NPSAS:12), 2011-12 (by Pell recipient status).

measured as students earning more than a typical high school graduate plus enough to recoup the cost of their education — can help leaders better understand the value of the education they provide in ways that inform institutional improvement. And the data are eye opening.

Per the findings of the *Postsecondary Value Commission*, “National analyses with College Scorecard data reveal that most institutions, including more than three-quarters of public and private non-profit institutions, put students on a path to earn more than a high school graduate and to recoup their total investment within 10 years of entry—offering them at least a minimum economic return...however, 649 institutions, including about half of for-profit institutions with sufficient data, do not, with nearly one-third (31 percent) of four-year and two-thirds (64 percent) of two-year for-profit institutions failing to [deliver a minimum economic return to their graduates]” (Postsecondary Value Commission, 2021).

It is because of the profound effect postsecondary educational attainment has on the ability of working families to succeed, the competitiveness of our economy, and the future prosperity and security of our country, that the delivery of equitable postsecondary value is among the most important challenges that higher education institutions — and our nation — currently face.

Indeed, per the findings of the *Postsecondary Value Commission* and the *Georgetown Center for Education and the Workforce* (Postsecondary Value Commission, 2021), addressing educational inequities head-on can bring significant value to both individuals and society at large. The report notes that:

- “If postsecondary education can increase the number of students of color and students from low-income backgrounds who reap the economic benefits of a postsecondary credential, it will have a tangible payoff for society in terms of a stronger economy, a more diverse and prepared workforce, and a healthier, happier, and more civically engaged populace (Deming, 2016).”
- “If equity gaps in attainment were closed today, approximately 30 million more people would hold associate’s degrees or higher, which would lead to substantial increases in the tax base and drive growth in the GDP... combined with decreased public expenditures on health care, corrections, and public assistance programs for a more educated population, the nation could see nearly \$1 trillion added to the economy annually.”
- “If students from low-income backgrounds did not have to borrow to attend college, these individuals would collectively increase their personal savings or wealth by about \$600 billion and add another \$200 billion to the economy each year.”

Clearly, the sustained economic prosperity of the United States depends upon implementing federal, state, and institutional policies to ensure that *all* students are “provided equitable access and support to complete quality, affordable credentials that offer economic mobility” (Postsecondary Value Commission, 2021).

The Unique Role of Hispanic-Serving Institutions (HSIs)

Hispanic-Serving Institutions (HSIs) are an invaluable asset that the nation can leverage to expand opportunity and broaden participation as a means to drive economic prosperity (Cruz, 2019). HSIs are among a group of institutions called Minority-Serving Institutions (MSIs), a unique set of colleges and universities that serve a student body that has historically been left out of traditional higher education: students of color and low-income students. The concept of HSIs originated in the 1980s with a small group of institutions that enrolled a large percentage of Hispanic⁴ students (Santiago, 2006), and have quickly blossomed into a group of 569 institutions (a 94% increase in the last decade), making HSIs the largest of all MSIs in both the number of institutions and total students served (*Excelencia in Education*, 2021).

Defined as institutions with 25 percent or more full-time equivalent Hispanic undergraduate enrollment, it can be expected that the number of HSIs will only continue to grow as more Hispanic students enroll in postsecondary education. Currently, the Hispanic Association of Colleges and Universities (HACU) identifies 352 additional institutions as “Emerging HSIs⁵” or institutions that are on their way to achieving HSI status (*Excelencia in Education*, 2021). The impact of HSIs on America’s future labor force is substantial. According to HACU, HSIs successfully educate the most diverse and low-income student population in the nation, including 67% of the 3.8 million Hispanics in college today.

The majority of HSIs were not established with the specific purpose of educating Hispanic students. Rather, the federal HSI designation is predicated on an institution reaching a specified enrollment threshold, among other requirements. And although HSIs were not created with an institutional mission to serve Hispanic students, on the whole, HSIs have taken up their designation as a call to do just that for millions of students of color and low-income students.

Hispanic students were the second largest racial and ethnic group enrolled in postsecondary education in 2016, representing roughly 18 percent of all undergraduate students. Projections suggest their representation will grow to 21 percent by 2027 (NCES 2018).

Why are these figures important? Because, we cannot talk about Hispanic students in higher education without an intentional, targeted conversation about HSIs. In 2016, HSIs represented 15 percent of all degree-granting, Title IV-eligible, public and private nonprofit institutions, but enrolled 65 percent of all Hispanic students in higher education (*Excelencia in Education*, 2018).

In addition to enrolling a large percentage of Hispanic students, research shows that HSIs enroll large percentages of other students of color, low-income students, students requiring developmental education, adult students, and those with less access to financial resources (Garcia, 2017). In 2018-19, approximately 50% of students enrolled in HSIs were Hispanic and 75% were students of color (*Excelencia in Education*, 2021). Moreover, one in five students enrolled at a four-year HSI were from families in the lowest income quintile — more than three times those at non-MSIs (Espinosa, 2018). The top five states serving undocumented students in higher education

⁴ For the purposes of this testimony, I will use the term Hispanic per the federal definition of HSIs, noting the difference in perspectives regarding the use of the terms Hispanic, Latinx and Latino/Latina as identity descriptors.

⁵ Emerging HSIs include institutions with 15.0 percent to 24.9 percent Hispanic undergraduate enrollment.

(Presidents' Alliance for Higher Education and Immigration, 2021) closely mirrors those with the largest number of HSIs in the nation: California, Texas, Florida, New York, and Illinois (NCES, 2018). In short, investments in HSIs are investments that support a large proportion of our nation's college-going students of color.

Of course, providing access to a diverse student body is a necessary condition to ensuring an equitable education for all students, regardless of their background, but enrollment alone is not enough. Educational equity must also include a focus on retaining and graduating increasingly larger proportions of students. HSIs have risen to this challenge.

HSIs enroll large swaths of low-income students and students of color and support them through to completion. Research shows that students at HSIs complete at higher rates than what federal data suggest. For example, when examining data from the National Student Clearinghouse (which captures a more accurate picture of student success than federal data which is based on full-time college attendance), we find that half of all students who started at a public four-year HSI completed at that institution within six years (49.5 percent). This completion rate increases to roughly two-thirds for full-time students (63.8 percent), much higher than 42.7 percent, the federal graduation rate for public four-year HSIs (Espinosa et al., 2017). A similar pattern occurred across all sectors of HSIs, where the total completion rate of students starting at HSIs was higher than what federal data show.

The Case for Increased Federal Investments in HSIs

A recent exploration of upward mobility for students who start at MSIs, shows that HSIs contribute to the upward economic mobility of their students at higher rates than that of non-MSIs (Espinosa et al., 2018): Across all MSI types, four-year MSIs propel more students from the lowest income quintile to the top income quintile than other four-year non-MSIs and HSIs had a mobility rate three times that of non-MSIs.

Indeed, each and every one of the top ten schools that offer the most economic mobility in the United States is an HSI (Itzkowitz, 2022).

The importance of these findings cannot be overstated, as they provide further evidence of the role HSIs have in helping to combat intergenerational poverty by propelling large numbers of low-income students to the middle-class and beyond.

What are HSIs doing that sets them apart from other institutions? How do HSIs work to ensure the success of the students they enroll?

Community engagement plays a key role in the success of students enrolled at HSIs. Engaging with the surrounding community allows HSIs to understand where students are coming from, including their values, cultural identities, and the challenges they face — all of which are critical to helping build trust and a college-going culture (Garcia 2017). From an institutional perspective, engaging with the broader community allows practitioners to understand what additional supports students may need when they arrive on campus so that they too will be successful. Tailoring academic and student support services to meet the needs of students creates an environment in

which students can succeed. Proactive advising, faculty support, and provisions of additional financial aid have shown to be effective in promoting student success. Perhaps most importantly, doing all of this while maintaining a cultural lens of serving Hispanic students can greatly influence the academic success of students (*Excelencia in Education*, 2018; Garcia 2017; Garcia and Okhidoi, 2015).

Here are two examples — from NAU’s sister institutions, the University of Arizona (UA) and Arizona State University (ASU) — that illustrate what commitment to community engagement looks like in the context of HSIs:

- In 2020, UA launched an initiative called “Outreach Familia” funded by a 5-year, \$3 million grant from the U.S. Department of Education, Title V, Part A, Developing Hispanic-Serving Institutions Program. This initiative supports students in dual enrollment courses that allow them to earn college credit and develop a strong foundation for college success while in high school and supports bilingual parent outreach programs that recognize the role family members have in shaping their students’ college-going aspirations.
- In 1984, ASU launched the Hispanic Mother Daughter Program (HDMP) to increase the number of women and women of color attending college. The program has since expanded to include fathers and male students. HDMP starts in the eighth grade and provides mentoring and parent support for five years. Approximately 73% of HDMP graduates go on to college and 56% of them earn a degree in four years or less.

More examples of the impactful work HSIs are currently doing across the country can be examined through *Excelencia in Education*’s “Growing what Works Database” (*Excelencia in Education*, 2022). This online repository presents detailed information of more than 200 existing programs that were recognized by the organization through the “Examples of *Excelencia*” review process.

In addition to pre-college support, HSIs also provide a culturally responsive and welcoming environment in which students can thrive. Research shows that for many Hispanic students and other students of color, a positive campus climate and interactions with supportive staff increases their sense of belonging, persistence, and completion (Garcia, 2017; Crisp, et al., 2014). A recent survey of Hispanic graduates from HSIs shows that institutions that use evidence-based practices centered around Hispanic success result in students reporting higher levels of overall satisfaction with their education. They also report having had faculty who made them feel cared about, that their campus was an inclusive environment, and that they feel their education prepared them for life and work after graduation (*Excelencia in Education* and Gallup, 2018).

The practices highlighted above are but a small sample of what HSIs do to promote the success of the students they enroll. For all of higher education, HSIs serve as models of how to better serve students of color and low-income students. As the student body enrolled in postsecondary education continues to diversify (NCES, 2018), attention must be paid to the practices HSIs are employing on their campuses, as the data show that HSIs are, in fact, providing innovative and targeted support for students when it comes to completions and post-graduate outcomes.

HSIs have an impressive track-record of putting the limited federal dollars available to them through competitive Title V applications to work on behalf of their students and the communities they serve. How limited are the dollars? In 2019, the U. S. Department of Education received 223 grant applications for the Title V, Part A Developing Hispanic-Serving Institutions Program but only 43 were funded — the total amount of federal funding available to HSIs was \$87 per Hispanic student (Center for American Progress, 2020). Notwithstanding the scarcity of funds, these investments have been impactful. In the past 25 years, HSIs have competed for and obtained more than 835 institutional grants totaling over \$1.9 billion in support of a wide variety of initiatives designed to better serve their students (*Excelencia in Education*, 2021).

For all of the above reasons, investing in HSIs represents one of our country’s best bets to once again lead the world in educational attainment, meet the nation’s workforce needs, and help local communities rebound from the devastation caused by the COVID-19 pandemic. To meet this educational attainment goal within the next decade, 6.2 million more Hispanic students must earn a postsecondary degree (Center for American Progress, 2020).

As leaders and policymakers in higher education, the responsibility is ours. With bold policies to support HSIs, we can improve the economic and social well-being of our entire nation. Especially if we can find a way to build capacity within the sector so those institutions that are outperforming their peers can serve as models to those who are in turn also interested in taking more intentional action to better serve their historically underserved students.

Field Note: Northern Arizona University

To localize and contextualize the role of HSIs and the case for investing in them, I present the following field note on Northern Arizona University.

The economy of the State of Arizona is booming and projected employment opportunities in high-wage, high-demand fields are glowing. Just two weeks ago, Arizona’s Office of Economic Opportunity released updated job projections that estimate the addition of 140,000 jobs by the summer of 2023 compared to pre-pandemic levels (Arizona Office of Economic Opportunity, 2021). But without bold intervention from institutional leaders and state and federal policymakers, many Arizona residents will be left behind. Because even as Arizona is among the top in the nation in economic growth, it is at or near the bottom in educational attainment—at a time when nearly two-thirds of all jobs require some form of postsecondary education (College Success Arizona, 2021).

The statistics are sobering: today, only 39% percent of 25–64-year-olds in Arizona have earned an associate’s degree or higher. The educational attainment level of underrepresented groups is even lower: Latino/Latina (13.9%), Black (27.3%), American Indian/Alaska Native (11.2%), and Native Hawaiian/Other Pacific Islander (10.2%). And data suggests that only 17% of ninth-graders in Arizona will earn a postsecondary degree by 2029 (Arizona Board of Regents, 2021).

Indeed, in Arizona, for every 100 white kindergarteners, only 28 will obtain a bachelor's degree within 6 years of high school graduation. For every 100 Black kindergarteners, that number drops

to 15. And in a state where 45% of students in the P-12 system are Hispanic, only 12 of 100 Hispanic kindergarteners will do so (Ross Somani, 2018).

Yet, the social and economic gains from increasing postsecondary attainment to meet national norms has the potential to double Arizona's economic growth rate (College Success Arizona, 2021).

This is why Northern Arizona University (NAU) is determined to be a national leader in the delivery of equitable postsecondary value by demonstrating how innovative educational programs can ensure that all Arizonans—regardless of background—have an opportunity to contribute to and benefit from the state's sustained economic growth.

Established in 1899, NAU is a high-research institution providing exceptional educational opportunities in Arizona and beyond. NAU delivers a student-centered experience to its nearly 30,000 students in Flagstaff, statewide and online through rigorous academic programs in a supportive, inclusive and diverse environment. Dedicated, world-renowned faculty help ensure students achieve academic excellence, experience personal growth, have meaningful research opportunities and are positioned for personal and professional success. NAU's Flagstaff Mountain Campus on the Colorado Plateau, in one of the highest ranked college towns in the country, among the mountains, forests, high desert, national parks, as well as its longstanding working relationship with Indigenous peoples and sovereign Native Nations make NAU a true jewel of the Southwest.

While NAU's Yuma branch campus was designated as an HSI in 2007, it was not until 2021 that the university as a whole achieved HSI status. As such, NAU — one of 14 HSIs in the state of Arizona — is in the process of establishing a strong foundation upon which to build the requisite academic, student support, and community engagement programs to better serve current and prospective students as they seek to meet their full potential.

Specifically, NAU recognizes the urgent need to broaden participation, increase completion rates, reduce completion gaps, and strengthen post-college outcomes by leveraging its large footprint in the state and its longstanding partnerships with P-12 schools, Community Colleges, Tribal Colleges, Non-Governmental Organizations, State Agencies, and its sister institutions—Arizona State University and the University of Arizona—to address and remedy the state's educational gap.

To this end, the university must design, develop, implement, and continuously assess a broad portfolio of innovative and evidence-based programs that will dramatically increase the university's contributions to the number of Arizona residents with high-quality postsecondary degrees and certificates with market value.

This is no easy feat given the university's financial position and the financial needs of its student body (48% for NAU's students have unmet financial need, including 62% of Hispanic students). But armed with an initial investment of \$30 million from state and private sources and the prospect of targeted federal funding for HSIs, NAU is well positioned to disproportionately contribute to the state's efforts to increase educational attainment by investing in programs to increase the number and diversity of Arizona resident students participating in higher education, especially

from underserved and rural communities; increase completion rates for all students and reduce completion gaps; strengthen post-college outcomes for its graduates; renovate virtual and physical learning environments; strengthen research infrastructure and programs; and better align the university's educational offerings to Arizona's workforce needs. NAU is already moving forward with university-wide policy changes to increase accessibility and affordability, including launching a new pilot program for admissions and revising our pricing position.

In advancing this work, NAU is leveraging the deep commitment to equity that characterizes the university's ethos. Here are but three programmatic exemplars of how this commitment is translated into impactful action.

First, NAU is not only interested in sustainability; it is invested in reversing the disparate impact climate change has on underserved and underprivileged communities in the United States and around the world. For example, NAU's Institute for Tribal Environmental Professionals was established in 1992 with the explicit goal of strengthening "tribal capacity and sovereignty in environmental and natural resource management through culturally relevant education, research, partnerships and policy-based services." Throughout its nearly 30-year history, ITEP has served over 95% of the 574 federally recognized Native nations in the U.S.

Second, NAU is not only interested in achieving excellence in its health programs; it is invested in eradicating the health disparities that undercut the quality of life of so many in our underrepresented communities. For example, NAU's Southwest Health Equity Collaborative (SHERC) is one of many initiatives of the Center for Health Equity Research at Northern Arizona University. SHERC's overarching goal is to "increase basic biomedical, clinical, and behavioral research at NAU to address health disparities among diverse populations of the Southwestern United States." And through NAU's New Economy Initiative, the university is dramatically expanding the number of students in physical and mental health-related programs. Through these efforts, in the next 20 years, NAU will contribute the following estimated return for Arizona's economy: 18, 937 jobs, \$60 billion in labor income, \$1.3 billion in tax revenues, and \$129.4 billion in economic output.

Third, NAU is not only interested in producing more excellent teachers; it is invested in preparing them to close the opportunity and achievement gaps that limit our society's ability to fully benefit from the rich talent and diverse life experiences of students living in our most marginalized communities. For example, through the Arizona Teachers Academy (ATA), NAU is addressing statewide teacher shortages, high emergency certification rates, and disproportionate teacher demographics. NAU's ATA graduates represent a diverse, highly qualified community of educators who are committed to serving their local communities and educating the next generation of Arizonans. In less than five years, the ATA program has grown from 59 to nearly 1,000 future teachers who reflect the demographics of the state's student population and stay in Arizona to serve their students' unique needs.

In sum, backed by a 122-year legacy of leadership, the strength of its convictions, and the clarity of the Arizona Board of Regents' commitment to increasing the state's educational attainment, NAU is ready, willing, and able to become Arizona's leading engine of opportunity. I am confident that with the appropriate levels of federal investments to complement investments from state and

private sources, NAU will deliver on the promise of equitable postsecondary value for its students and the communities they represent. And in the process of doing so, NAU will leverage the lessons learned by other HSIs and help contribute to the development of a blueprint that other institutions across the nation can use to drive economic mobility for all those who — regardless of their place of origin, the color of their skin, their cultural heritage, or the balance of their bank account — aspire to meet their full-potential.

Recommendations

Pursuant to the information presented herein, I am pleased to offer the following recommendations to inform the Committee’s policymaking regarding how best to invest in MSIs generally, and HSIs specifically. As discussed below, some of these recommendations are already contemplated — to various degrees — in recently proposed legislation.

First, align financial aid with the needs of the increasingly diverse students attending HSIs.

To make college more affordable for those students who have the least today, but can contribute the most tomorrow to resurrect a strong middle-class in our country, more of the dollars allocated through federal financial aid programs should flow through the Pell Grant (Cruz, 2017). Doubling the Pell maximum grant amount over time to cover a higher fraction of the recipient’s total cost of attendance, and indexing the auto-zero to inflation to assure the program’s standing well into the future (AASCU, 2021), will provide impactful changes in access and attainment for students with the highest financial need (Ma, 2015). It is also crucial that we ensure that DACA students are eligible for financial aid, especially Pell Grants. I was pleased to see the investments that Congress was prepared to make in the Pell Grant program through Build Back Better and those proposed in the appropriations bill, which would increase the Pell grant’s maximum award to \$7,445 if passed — a good first step toward doubling Pell.

Second, maximize impact by increasing investments in HBCUs, HSIs, and other MSIs.

The ability of the institutions that serve the majority of our minoritized students to deliver on the promise of equitable postsecondary value would be significantly enhanced through increased investments in HSIs, Historically Black Colleges and Universities (HBCUs), and in other MSIs with an eye toward achieving funding equity for students who attend these colleges and universities (Center for American Progress, 2020). This is particularly important given the disproportionate adverse effects the COVID-19 pandemic has had on communities of color — an impact that has manifested itself in many ways including unfinished learning in K-12 schools and enrollment losses in colleges and universities across the nation (especially in Community Colleges which represent approximately 45% of all HSIs). Strategically allocated, the proposed \$6 billion investment in mandatory appropriations and need-based financial aid awards for HBCUs, HSIs and other MSIs contemplated in the Build Back Better Act would go a long way to meeting this objective and would compensate for the fact that HSIs received less CARES Act funding than non-HSIs when headcounts, rather than FTEs, are used as the basis of allocation formulas. An important distinction given the reality that HSIs and MSIs enroll more part-time students than non MSIs.

Third, incentivize the use of evidence-based practices to improve student outcomes at HSIs.

HSIs are exceptionally innovative. Even with limited federal and state investments in evidence-based practices, they have been able to expand access to a more diverse student body through

alternate and well-coordinated pathways; improve graduation rates and reduce the time it takes their students to earn a degree or certificate; and establish public-private partnerships in leading-edge workforce development areas (*Excelencia in Education*, 2021). These practices are changing the lives of students, and with the right policy environment and sufficient investment, they could be replicated in institutions across the country (Cruz, 2017).

Perhaps one of the best nationally known examples of how public investments in HSIs can translate into large gains is CUNY's Accelerated Study in Associate Programs (ASAP). Key program components include full-time enrollment, block-scheduled first-year courses, cohort course taking, financial support, proactive and mandatory advisement, a student success seminar, career services, and tutoring. ASAP has proven to be one of CUNY's most successful community college initiatives with students in the program graduating at a rate more than double that of similar students. The program has garnered national attention and been rigorously evaluated and replicated. The Administration and the House of Representatives proposed, and passed, respectively, billions of dollars in investments for evidence-based student success, workforce development, and industry partnership programs. These interventions have the potential to exponentially accelerate the ability of under-resourced colleges and universities to adopt and adapt evidence-based programs (like CUNY's ASAP) that will better serve their students, and I urge Congress to commit significant resources to scaling them.

Fourth, bolster the physical, virtual, and research infrastructure at HSIs. The United States should invest in the physical and virtual infrastructure at HSIs. Years of budget cuts and growing enrollments have stalled the build out of campus master plans, dangerously delayed critical maintenance efforts, and limited the ability of campuses to invest in established and emerging technologies for classrooms and laboratories. The effects have been felt most at the under-resourced campuses serving the largest numbers of underserved and nontraditional students (HACU, 2021). To contextualize the need, below is a preview of an analysis that will soon be published by The Education Trust based on IPEDS data for four-year institutions (2018-19):

- Public four-year universities spent over \$36.7 billion dollars on infrastructure, with over 78% of these funds being spent at non-MSI institutions. About 4 in 5 infrastructure dollars were spent at non-MSIs, with only \$2.6 billion being spent at HSIs, compared to \$28.0 billion at non-MSIs.
- In 2018-19, public four-year MSIs spent less per student on maintaining and replacing or renovating buildings and structures, than other public four-year colleges and universities. HSIs spent about \$3,700 on infrastructure per full-time equivalent (FTE) student, compared to about \$5,600 per FTE student at non-MSIs.
- Over \$1.2 billion in additional funds are needed to close every MSI's gap between their infrastructure spending and the national average. We would need to spend an additional \$847 per FTE annually to close the gap at HSI' or \$580,576,678.

The proposed \$3 billion investment to build infrastructure and research capacity and the \$975 million for National Science Foundation (NSF) awards, scholarships, fellowships, and upgrades to research facilities and HBCUs and MSIs contemplated in the Build Back Better Act would have the potential to dramatically alter the quality and safety of the learning environments, research

laboratories, and cultural spaces available to the talented and diverse students attending these institutions.

Fifth, improve data transparency and invest in P-12 teachers. The federal government has a role to play in improving publicly available data on student pathways, in addition to what research has shown. To this end, Congress should pass the College Transparency Act (CTA, H.R. 2030), which would provide more complete, comprehensive data on all students, pathways, and outcomes; illuminate performance and impact of HSIs; and demonstrate the ways in which institutions like HSIs contribute to workforce competitiveness. CTA passed the House as part of the America COMPETES Act and is under consideration by the Senate—policymakers should ensure this important policy is included in the final version of the competitiveness bill. Furthermore, we must acknowledge that for HSIs to be best positioned for success, additional investments in our P-12 system are needed. The Teacher Diversity and Retention Act (H.R. 1197) proposes important investments in grant programs that would invest in teacher training programs at HBCUs, HSIs, and other MSIs and in dual-certification programs (e.g., special education, social and emotional learning competencies, and behavior management) that better prepare teachers to meet the needs of their students. Similarly, the EDUCATORS for America Act (H.R. 6205) proposes important investments in grant programs that will help states address shortages in highly qualified teachers and school professionals, invest in HSIs, HBCUs, and other MSIs, and double the federal TEACH grants to \$8,000 per year.

Conclusions

In closing, as I have testified in past Congressional hearings, we can and must do a better job of translating our democratic ideals into policies and practices that sustain opportunity. Together, we can make equitable postsecondary value an accessible and achievable outcome and propel more low-income, first-generation students and students of color to the middle-class and beyond. Support for HSIs will pave the way for less inequality, more social mobility, and broader economic prosperity in America.

On behalf of Northern Arizona University, please know that we welcome the opportunity to work with you and other institutions and policymakers across the country, as we do the hard, but important work required to ensure that our higher education system works for all Americans.

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