



HBCU GRADUATION RATES

NATIONAL SIGNIFICANCE

Two-thirds of the jobs of the future will require college-educated individuals, yet African Americans lag behind in college attainment. More must be done to ensure our increasingly diverse workforce has the skills needed to compete in the global marketplace.

For over 150 years, Historically Black Colleges and Universities (HBCUs) have successfully educated students of color. Controlled comparisons prove that HBCUs outperform non-HBCU institutions in retaining and graduating black students, after accounting for the socioeconomic status and academic preparation of enrolled students.

BACKGROUND

In 2013, the six-year graduation rate for HBCUs was 32% compared to 52% for other four-year public and private, nonprofit colleges and universities.ⁱ This indicator, however, does not reflect student factors, such as their socioeconomic status and academic preparation, or levels of institutional wealth.

If HBCUs and non-HBCUs were to enroll students with the same characteristics, HBCUs would graduate black students at a rate that is 14 percentage points higher than non-HBCUs.ⁱⁱ

HBCUs disproportionately enroll economically and educationally disadvantaged students – two factors that account for two-thirds of the variance

in graduation rates between HBCUs and non-HBCUs.ⁱⁱⁱ

The more a college serves and enrolls Pell recipients, the lower its graduation rate.^{iv}

Institutions with 20% or fewer Pell recipients average graduation rates of 80%; while institutions with 80% or more Pell recipients average graduation rates of 25%.^v At HBCUs, 71% of students receive Pell Grants.

Graduation rates are also highly correlated with admissions selectivity: the less selective an institution is, the lower its graduation rate.^{vi} Consistent with their missions, HBCUs tend to be less selective in their admissions criteria.

More than 80% of students at HBCUs are African Americans, many of whom receive inadequate precollege education. In 2014, only 5% of black high school graduates were college ready in the critical subjects of English, reading, mathematics and science.^{vii}

HBCUs have lower levels of institutional wealth. The average endowment across all HBCUs is only \$28 million^{viii} and 14 HBCUs have endowments that are less than \$2 million. By contrast, average and median 2014 endowment assets were \$115 million and \$529 million, respectively, across 812 institutions participating in an annual survey conducted by NACUBO.^{ix}

ⁱ UNCF Frederick D. Patterson Institute analysis of Integrated Postsecondary Education Data System information.

ⁱⁱ Richards, D.A.R., & Awokoya, J.T. (2012). *Understanding HBCU Retention and Completion*. Washington, DC: Frederick D. Patterson Research Institute, UNCF.

ⁱⁱⁱ Ibid.

^{iv} Advisory Committee on Student Financial Assistance. (2013). *Measure Twice: The Impact on Graduation Rates of Serving Pell Grant Recipients*.

^v Ibid.

^{vi} National Center for Education Statistics. (2015). *Institutional Retention and Graduation Rates for Undergraduate Students*.

^{vii} ACT, Inc. (2014). *The Condition of College & Career Readiness – African American Students 2014*.

^{viii} U.S. Department of Education, White House Initiative on Historically Black Colleges and Universities. *Historically Black College and Universities Data Dashboard*. 2014.

^{ix} National Association of College and University Business Officers and Commonfund Institute. (2016). *2015 NACUBO-Commonfund Study of Endowment (NCSE) Results*.