# Minority Serving Institutions: Building Innovation from Historical Lessons Learned

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**Executive Summary**

Three particular institution types have traditionally comprised Minority Serving Institutions (MSIs): Historically Black Colleges and Universities (HBCUs), Tribal Colleges and Universities (TCUs), and Hispanic Serving Institutions (HSIs). However, in order to meet the growing needs of minority populations, institutional types are expanding and new terminology is being created to appropriately reflect the changing demographics in the United States. Language in federal funding policies has historically created both challenges and opportunities to meet the needs of different MSIs. The creation of future policies and organizational systems to better support MSIs requires continued policy revisions and forward thinking to encourage stronger collaboration to minimize potential funding conflict and optimize cohesion amongst MSIs.

**Introduction**

The purpose of this brief is to provide a definition of institutions that comprise what today are known as Minority Serving Institutions (MSIs) and to provide a review of the historical backdrop of federal funding associated with these institutions. An examination of the relationships amongst these institutions reveals the tensions experienced due to the language complexities of federal MSI funding. The organizational structures of the non-profits that represent specific MSIs support individual advocacy efforts of each institutional type. The Alliance for Equity in Higher Education formed in 1999 is a single non-profit that represents a coalition comprised of the three different institutional types for combined advocacy purposes (Merisotis and Goulian, 2004). This brief, however, suggests that building innovation from the historical lessons learned consists of a new organizational design to further strengthen future policy formulation to more equitably benefit all MSIs and the students they serve. Martinez (2008) details the historical funding tensions experienced between MSIs. The value in this proposal is to learn from historical accounts to minimize future funding tensions and to work in a more collaborate space for current and emerging MSIs.

**Historical and Emerging Overview of Minority Serving Institutions**

The term Minority Serving Institutions (MSIs) emerged in 1998 to collectively refer to HBCUs, TCUs, and HSIs (Merisotis and Goulian, 2004). While these three institutional types are most commonly known; today, MSIs include emerging institution types, including Asian American and Pacific Islander Serving Institutions (AAPIs) and Alaska Native and Native Hawaiian Serving Institutions (ANNHIs) (Jackson Mercer & Stedman, 2008). Another recently introduced term is Majority-Minority institutions (MMIs). MMIs are "institutions whose undergraduate and graduate enrollment of a single minority or a combination of minorities exceeds 50 percent of the total student enrollment" (Jackson Mercer & Stedman, 2008, p. 29). These institutions are not a federally recognized group, but a new categorization of student data at MSIs.

For purposes of this policy brief, MSIs will only consider HBCUs, TCUs, and HSIs given that they have the most, although limited, available literature associated with federal funding.

**Federal Funding for MSIs**

HBCUs are defined as such if they are eligible for federal funding under Title III of the Higher Education Act (HEA). To qualify under Title III, the principle mission of an HBCU must be to educate African Americans and the institution must have been established before 1964. It is important to distinguish that this is an historical designation, similar to TCUs, but different from HSIs because HSIs do not have an historical designation (Jackson Mercer & Stedman, 2008). Federal funding under Title III for HBCUs began in 1867 (Wolanin, 1998).

TCUs are defined as such if they are eligible for federal funding under Title III of the HEA, Section 316. "Section 316 defines TCUs as institutions identified by Section 2 of the Tribally

Controlled College or University Assistance Act of 1978 (25 U.S.C. 1801) or those that are included in the Equity in Education Land Grant Status Act of 1994 (7 U.S.C. 301)" (Jackson Mercer & Stedman, 2008, p. 30). Federal funding under Title III for TCUs began when Navajo Community College began operation in 1969 (Wolanin, 1998).

HSIs are defined as such if they are eligible for federal funding under Title V of the HEA as public or private, accredited, degree granting, non-profit colleges and universities with a minimum of 25% full-time equivalent (FTE) total undergraduate Hispanic student enrollment (Laden, 2004). These institutions must "also have 50% or more low-income students" (Laden, 2001, p. 76). HSIs began receiving federal funding under Title V in 1992 (Wolanin, 1998). "Collectively, HSIs grant 58 percent of subbaccularеate certificates, 59 percent of associate degrees and 40 percent of bachelor's degrees conferred to Latino students" (Malcom-Piqueux and Lee, Jr., 2011, p. 1).

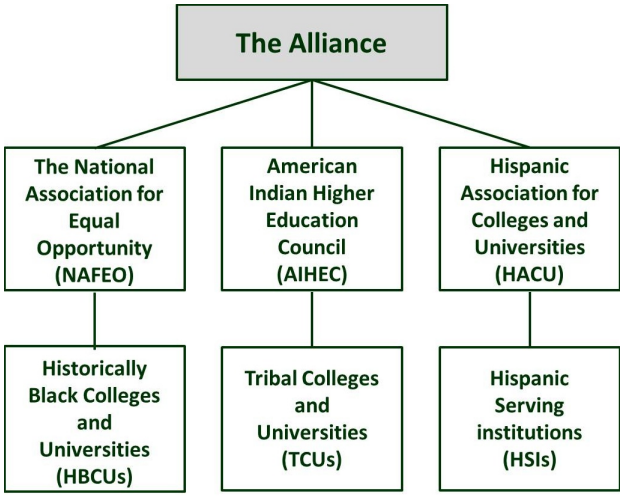
**Relationships Amongst MSIs**

Prior to the 1998 HEA Reauthorization Act, the relationship between HBCUs and HSIs was tenuous at best, "locked in a battle for funding" (Martinez, 2008, p. 269). This battle paralyzed Congress. Unlocking it came by way of The American Council of Education (ACE). ACE served in an intermediary role to help create Title V of the HEA, which is where HSIs obtain their funding today.

It is important to remember that HBCUs like TCUs were founded to serve their specific populations, and federal funding is allocated from Title III. HSIs, on the other hand, are designated solely on meeting the 25% Hispanic enrollment and the 50% poverty rate, and are funded under Title V. While in 1998, this distinction unlocked the battle for funding, the question of funding equity still remains today.

In 1999, after the funding battle, The Alliance for Equity in Higher Education formed among HBCUs, TCUs, and HSIs, "marked an important turning point for minority education" (Merisotis and Goulian, 2004, p. 89). The aim of the Alliance is to advocate for all three MSIs on Capitol Hill and shape policy for these institutions. In addition, each MSI has a non-profit organization that advocates for each institutional type. The National Association for Equal Opportunity (NAFEO) represents HBCUs, the American Indian Higher Education Council (AIHEC) represents TCUs, and the Hispanic Association for Colleges and Universities (HACU) represents HSIs.

This current organizational structure is best be depicted as:




**The Importance of Language**

The language in Title III – "Institutional Aid" versus the language of Title V – "Developing Institutions" of the HEA exemplifies its importance on policy (Fowler, 2013; Smircrich & Morgan, 1982; Tan, 2009). It is the language stipulated which carries the intent of these policies. This intent differentiates the pockets of funding available for these institutions. It was language spearheaded by ACE that created a funding opportunity for HSIs under Title V, whereas Title III funds TCUs and HBCUs. While language helped soften the funding gridlock, two fundamental questions remained. Is the current language and structure the best to meet student needs considering the demographic shifts at this moment in history and how well can they serve future population changes?

Policy language can also make these institutions vulnerable to administration changes. Let us consider the following examples:
1980 - Executive Order (E.O.) 12232 under President Carter intended to remedy past federal and state discrimination offering support to HBCUs,
1981 - E.O. 12320 under President Reagan revoked President Carter's, but reinstated it to include private sector involvement to strengthen HBCUs,
1989 - E.O. 12677 under President Bush revoked President Reagan's, but also reinstated it with modifications,

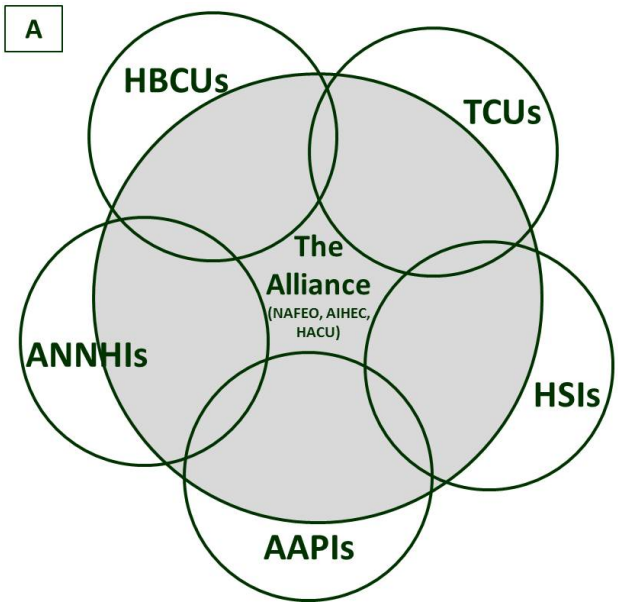
1993 - E.O. 12876 under President Clinton revoked President Bush's, and again reinstated it with the intent "to put some teeth into policy compliance" (Wolanin, 1998, p. 23).

**Conclusion**

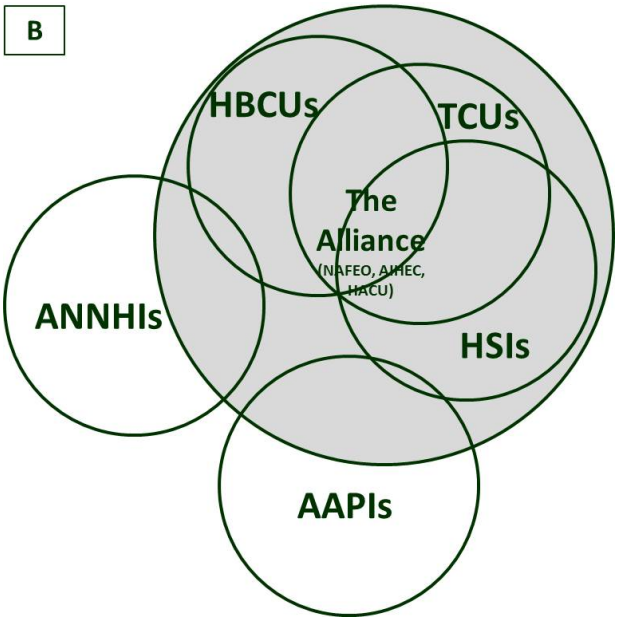
Even though HBCUs, TCUs, and HSIs receive more federal funding attention, emerging MSIs include AAPIs and ANNHIs. Developing terminology such as MMIs is innovated to accommodate the "percentage scheme" (Baez, Gasman, & Sotello Viernes Turner, 2005, p. 7) at institutions enrolling certain percentages of single or a combination of minority groups. The historical backdrop and the definitions of the three MSIs discussed provide insight into the funding and relational complexities experienced by these institutions as well as the importance of language. The Alliance and each of the non-profits representing the three MSI institutional types as they currently exist have perhaps been more reactive to the policy funding pressures than proactive. Let us recall that the Alliance was formed out of the funding battle. While the structure of the Alliance may visually represent an example of tight coupling, it is loosely coupled. The three groups are responsive, but they each have their own identity and separateness (Weick, 1976). In addition, how will the Alliance accommodate emerging MSIs? The following recommendation values historical events, considers past tensions, and hopes to optimize collaboration in order to achieve equitable policy funding outcomes for current and future MSIs that will serve an increasing multicultural student population for years to come.

**Future Recommendations**

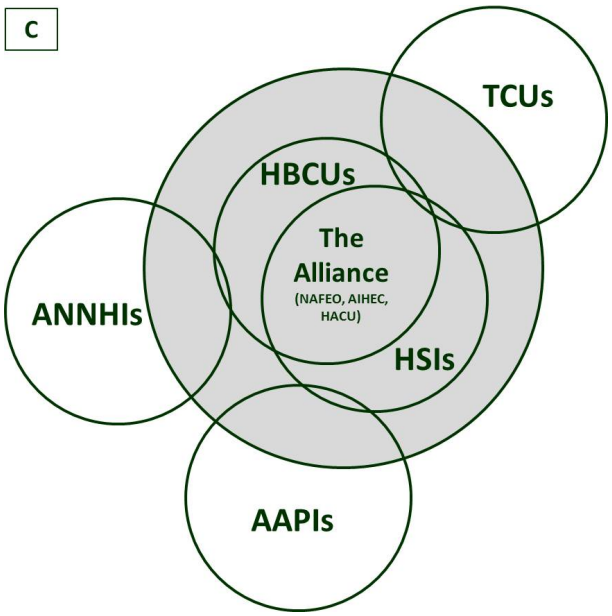
This new design focuses on creating a stronger and larger joint policy effort in an attempt to minimize institutional vulnerability to administrative language changes impacting funding. This new organizational design would require an investment of human capital, good faith, and a shift of resources from the current non-profits. As the collaborative efforts ensue, these three separate non-profits would merge under the Alliance, but would continue to specialize and support each institutional type to include emerging MSIs. The outcome would be to provide intentional focus for each MSI, but each would have access and transparency to other MSI policy issues permitting more frequent and intense lobbying efforts while keeping an active pulse on policy actors (Fowler, 2013). Figure A represents the new design.




This new design would have a "floating" capability as illustrated in Figures A-C permitting a shift in attention as times and needs required for each MSI. When institutional types experience stability they shift outward giving way for other institutional types having increased needs to move inward (Figure B).




If institutional types share particular aspects such as "percentage scheme" these would move closer to one another and inward and outward as needed (Figure C).




The center of this activity would be the Alliance (highlighted in gray) rather than each non-profit.

In order to balance power relations, the key is in embracing cohesion over division, and adopting a framework to support this type of organization change. McDonnell and Elmore's Policy Instruments (Fowler, 2013) include: 1) mandates, 2) inducements, 3) capacity building, 4) system changing, and 5) persuasion. Detailed consideration for each of these areas is beyond the scope of this brief, but it is offered as a viable consideration. Coupling each of these institution types, their representative non-profit organization, and organizing under one umbrella is no doubt not without challenges. However, the motivation to innovate at a critical moment in educational history to better serve our society's ever change student demographic is perhaps inspirational for the next generation of educational leaders.

History has already demonstrated the outcome of division. While the future is unpredictable, this new model provides the flexibility to adapt to unforeseen changes while supporting the needs of student populations and the institutions that represent them as these changes arise.

The exigent financial times of today call for cohesive collaboration to achieve stronger, more effective outcomes to better serve the increased diverse student populations on college campuses. This new organizational structure, achieved by MSIs coming together to design and execute, shifts the focus from institutional type to student composition within these institutional types. The policy discussion is powered "in-house" and is inclusive of all MSIs. Issues can be considered from a broader perspective rather than individual non-profit organizational silos currently vying for funding. Together, these MSIs create the outcomes they seek to better serve their student populations. This proposal calls for high collaboration, high trust, good faith, and the belief that together MSIs can create a stronger policy impact, which will translate to higher educational outcomes for all students attending these institutions. While the system as a whole remains loosely coupled, the Alliance becomes more interdependent with each institutional type, aligns efforts and resources, which in turn creates a more tightly coupled system, and benefits all MSIs more cohesively.

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