Predominantly Black Institutions

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Predominantly Black Institutions

Incorporated in the Higher Education Act in 2008, Predominantly Black Institutions (PBIs) are defined as institutions that:

- Serve at least 1,000 undergraduate students
- Have at least 50% low-income or first-generation degree-seeking undergraduate enrollment
- Have a low expenditure per full-time undergraduate student in comparison with other institutions offering similar instruction
- Enroll at least 40% Black American students

Based on the institutions receiving funds in 2020, the majority of PBI grantees are two-year public institutions. It is worth noting that there are many more institutions that meet the requirements for PBI status based on their enrollment figures, but only those institutions awarded grants are included on the official PBI program list. While PBIs are located throughout the country, they are concentrated in the South, Midwest, and East. This is primarily due to how the population of Black Americans is distributed across the country as a whole.

Federal PBI Funding

There are two strands of PBI funding: competitive grants and formula grants.

**The PBI competitive grant program** is designed to support PBIs in establishing or strengthening programs in the following areas:

- Science, technology, engineering, or mathematics (STEM)
- Health education
- Internationalization or globalization
- Teacher preparation
- Improving educational outcomes of Black American males

The 2017 allocation of federal PBI competitive grants—the most recent data available—was $13,980,000. Grants were awarded to 24 institutions for a period of one, two, or three years.

**The PBI formula funds** are designed to strengthen institutions’ efforts to serve low- and middle-income Black Americans and expand higher education opportunities for those students. Institutions must first apply to be designated a PBI and, if approved, are invited to submit a grant application and project plan. All applicant institutions that meet set requirements receive automatic funding. According to statute, PBIs receive funds based on three factors (similar to HBCUs): the number of Pell Grant recipients, the graduation rate, and the number of graduates continuing on to graduate or professional schools.
Institutions may use formula funds for activities that include:

- Academic instruction in disciplines in which Black Americans are underrepresented
- Establishing or enhancing a program of teacher education designed to qualify students to teach in a public elementary school or secondary school
- Establishing community outreach programs that will encourage elementary school and secondary school students to develop the academic skills and the interest to pursue postsecondary education
- Purchase, rental, or lease of scientific or laboratory equipment for educational purposes, including instructional and research purposes
- Construction, maintenance, renovation, and improvement in classrooms, libraries, laboratories, and other instructional facilities, including the integration of computer technology into institutional facilities to create smart buildings
- Support of faculty exchanges, faculty development, and faculty fellowships to assist in attaining advanced degrees in the field of instruction of the faculty
- Development and improvement of academic programs
- Purchase of library books, periodicals, and other educational materials, including telecommunications program materials
- Tutoring, counseling, and student service programs designed to improve academic success, including innovative, customized courses—which may include remedial education and English language instruction—that help retain students and move them rapidly into core courses and through program completion
- Education or counseling services designed to improve the financial literacy and economic literacy of students or students’ families
- Funds management, administrative management, and acquisition of equipment for use in strengthening funds management
- Joint use of facilities, such as laboratories and libraries
- Establishing or improving an endowment fund
- Creating or improving facilities for internet or other distance learning technologies, including purchase or rental of telecommunications technology equipment or services

The 2020 allocation for PBIs was $13,197,000. This allocation was distributed to 10 institutions. The minimum grant for a formula PBI grant was $493,000.⁶

The CARES Act

The COVID-19 pandemic impacted thousands of students and institutions, including PBIs. In response to financial concerns for both students and institutions, President Trump signed into law the Coronavirus Aid, Relief, and Economic Security Act, more commonly known as the CARES Act, in March 2020. The CARES Act authorizes $30.75 billion for an Education Stabilization Fund, including $14 billion in the Higher Education Emergency Relief Fund (HEERF).
Of the $14 billion higher education allocation, $1 billion is directed to MSIs, including PBIs, through existing programs in Titles III and V. All institutions that would be eligible to participate in any of the MSI programs in the Higher Education Act are eligible to receive these funds. The HEERF also includes $350 million directed to institutions that received less than $500,000 in overall CARES Act funds through the Fund for the Improvement of Postsecondary Education (FIPSE). In a letter to institutions, the Department specified that institutions may use these funds for emergency student grants to cover any component of cost of attendance or for institutional costs, such as lost revenue, reimbursement for expenses, technology costs, faculty and staff training, or payroll needs. Unlike the largest portion of the HEERF, this allocation does not require institutions to spend half of their funds on student emergency grants, though they may if they choose.

To access these funds, institutions must submit a funding certification agreement through the Department and agree to specific reporting requirements. As of February 2021, 80 PBIs had received $18 million in CARES Act assistance through Title III, and 11 PBIs had received $3.5 million in CARES Act assistance through FIPSE.

Additionally, the CARES Act set into law several federal student loan provisions that affect students enrolled at PBIs: a temporary suspension of federal student loan repayment; interest rates on federal student loans set to 0%; and a pause on garnishing wages and collecting upon defaulted student loans. In January 2021, the acting Secretary of Education continued the extension of these provisions through September 30, 2021.

Given the need for further financial assistance to colleges and universities, President Trump then signed the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA Act) into law in late December 2020. The CRRSA Act authorizes $21.2 billion for higher education through the Higher Education Emergency Relief Fund II (HEERF II). These funds are to be used for emergency financial aid grants to students with exceptional need, such as those receiving Pell Grants, and to cover institutional costs associated with responding to the pandemic. Institutions that received aid under the CARES Act are not required to submit an additional application to access these funds, though institutions that were eligible to receive CARES Act funds, but did not, must apply to receive these funds. The same PBIs that received CARES Act funds are eligible to receive CRRSA Act funds. In early February 2021, the Department began disbursing this aid to institutions.

### Enrollment Trends of PBIs

Current PBIs enrolled 170,000 students, including graduate and professional students, in the fall of 2018, most of whom were students of color. After Black students, white students are generally the second largest group of students represented at PBIs. Latino students are the second largest minority group at about one-quarter of these institutions. PBIs, along with Minority Serving Institutions in general, serve high percentages of Pell Grant recipients in addition to large populations of students of color. At all but a handful of PBIs, Pell Grant recipients make up over half of all undergraduates enrolled.
PBI Outcomes

In general, PBIs struggle with challenges that are similar to those faced by HBCUs and other Minority Serving Institutions, given that their students share many of the same characteristics and experience many of the same barriers (e.g., low-income, first-generation, underprepared academically). Overall graduation rates at PBIs and graduation rates for Black students at PBIs are lower than at non-PBIs.\textsuperscript{x}i

Still, a lack of data and research on PBIs makes it difficult to draw conclusions about the impacts they are having on students, families, and local communities. Since the PBI program is still relatively new (the first competitive PBI grants were awarded in 2008 and the first formula grants in 2010), additional research would provide much-needed answers to questions surrounding institutional success and impact.
Sources:

i Eligibility Designations and Applications for Waiver of Eligibility Requirements

ii Predominantly Black Institutions Program – Competitive Grants

iii Predominantly Black Institutions Program – Competitive Grants

iv Predominantly Black Institutions Program – Formula Grants

v 20 U.S. Code 1059e- Predominantly Black Institutions

vi Predominantly Black Institutions Program – Competitive Grants

vii Department of Education: Letter Sent to College Presidents

viii At the Request of President Biden, Acting Secretary of Education Will Extend Pause on Federal Student Loan Payments

ix Integrated Postsecondary Education Data System

x Eligible Matrices for Titles III and Title V Programs

xi Tiffany Jones, SEF Presentation at PNPI’s MSI Seminar in Atlanta, GA (October 2014)

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i https://www2.ed.gov/about/offices/list/ope/idues/eligibility.html#el-inst

ii https://www2.ed.gov/programs/pbi/index.html

iii https://www2.ed.gov/programs/pbi/funding.html

iv https://www2.ed.gov/programs/pbihea/index.html

v https://www.law.cornell.edu/uscode/text/20/1059e

vi https://www2.ed.gov/programs/pbihea/awards.html

vii https://www2.ed.gov/about/offices/list/ope/coverletterhbcumsisiptccu.pdf


ix https://nces.ed.gov/ipeds/use-the-data

x https://www2.ed.gov/about/offices/list/ope/idues/eligibility.html#el-inst

xi Tiffany Jones, SEF Presentation at PNPI’s MSI Seminar in Atlanta, GA (October 2014).