

# Value of SUNO as an Autonomous HBCU Fact Sheet

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Prepared for Southern University at New Orleans

## Fact Sheet – The Value of SUNO and the Costs of a Merger

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The Southern University at New Orleans (SUNO) currently serves over 3,100 students through the provision of **valuable academic programs and economic and workforce development services** relevant to its surrounding area.

- ❖ The University’s College of Education & Human Development, College of Business & Public Administration, School of Social Work, Graduate Studies Program, and College of Arts & Sciences offer programs focused on the **upward mobility of students**. Addressing the needs of both traditional and non-traditional students, SUNO offers daytime, evening, and weekend programs, as well as non-credit courses for working adults.
- ❖ Despite the extreme toll hurricanes Katrina and Rita wreaked on the institution, SUNO has made critical advances in its recovery, most notably evidenced by **dramatically improving enrollment numbers**. Spring 2011 enrollment at SUNO has reached 3,318 students, 91 percent of the pre-Katrina figure.
- ❖ SUNO provides **workforce development and community enhancement services** through programs such as its Small Business Development & Management Institute, Economic & Urban Tourism Program, and the extensive community service activities of its students.

SUNO provides **significant economic benefits** to the State of Louisiana.

- ❖ In an independent study of the economic impact of the Southern University System and its individual member institutions, Hanover Research determined that **SUNO contributed \$176.1 million to the State of Louisiana in 2008 alone**.
- ❖ An economic impact study conducted by the University’s College of Business & Public Administration which included an examination of the effects of the University from the individual’s perspective determined that between 1998 and 2008, the estimated value of **the cumulative increase in incomes attributable to SUNO graduates with associate’s, bachelor’s, and master’s degrees was \$323,100,800**. In addition to the benefits to individuals, these dollars also support the State of Louisiana in the form of taxes.
- ❖ A 2008 study of the “wage-earnings” impact of HBCU attendance found that while on average, black males who attended HBCUs came from “less advantageous” backgrounds and initially showed no advantage in earnings over black males who attended other institutions, **HBCU attendees experienced faster wage growth – 1.4 percent to 1.6 percent faster per**

**year – than their counterparts at other colleges and universities.** The results presented “evidence of significant long-term economic benefits from HBCU attendance for black males.”<sup>1</sup>

**The loss of SUNO as an autonomous public HBCU may result in significant economic and social costs** to the New Orleans area and the State of Louisiana.

- ❖ **SUNO annually receives between four and five million dollars of funding through its Title III programs** – federal funding allocated to HBCUs. If SUNO’s status changes from being an HBCU to a “majority serving” institution, the state would no longer have access to such funds. **Compiling these allocations over a ten-year period, the state would lose between roughly \$40 and \$50 million in federal funds.**
- ❖ **SUNO serves a starkly different student population than that served by the University of New Orleans (UNO).** Incoming students to SUNO are typically less prepared academically and come from poorer backgrounds than UNO students (in 2008-2009, 73 percent of full-time beginning students at SUNO received Pell Grants, compared to 31 percent of such students at UNO). Over half of SUNO undergraduates are considered non-traditional students (over the age of 25), compared to 32 percent of UNO students.
- ❖ Other differences include tuition (2010-2011 tuition was \$3,360 for SUNO and \$4,759 for UNO), size (3,165 students enrolled at SUNO in Fall 2010 and 11,276 enrolled at UNO), and admissions requirements (SUNO had an open admissions policy until Fall 2010 and still has lower admissions requirements than UNO today). Given these additional considerations **it is clear that SUNO provides a more affordable option with a close-knit learning environment catered to students who are less prepared academically, come from poorer backgrounds, and over half of whom are non-traditional students.**

On top of these differences, **SUNO is a public HBCU, a part of the only HBCU system in the United States, and upholds a special duty to serve the historically underrepresented African-American population.** A merger of SUNO with a larger doctoral/research university – an institution with what the NCHEMS report to the Louisiana Board of Regents describes as a “striking” difference in student body composition, as well as a different history and mission – risks the loss of the identity of an important asset to the New Orleans community. Coupled with the economic considerations described above, the negative ramifications may outweigh any anticipated benefits of the proposed merger.

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<sup>1</sup> Elton Mykerezzi and Bradford F. Mills. “The Wage Earnings Impact of Historically Black Colleges and Universities.” *Southern Economic Journal*. 75:1. (2008). 173-187.

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