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Tribal College and University Funding: Tribal Sovereignty at the Intersection of Federal, State, and Local Funding

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EXECUTIVE SUMMARY

As a general consensus, postsecondary credentials are key to ensuring that the United States produces economically competitive and contributing members to society. It should also be stated that postsecondary opportunities stretch beyond traditionally recognized needs; they also contribute to the capacity building of sovereign tribal nations. The Native population has increased 39 percent from 2000 to 2010, but Native student enrollment remains static, representing just 1 percent of total postsecondary enrollment (Stetser and Stillwell 2014; Norris, Vines, and Hoeffel 2012). Despite the need and growing population, American Indians and Alaska Natives do not access higher education at the same rate as their non-Native peers.

Tribal colleges and universities (TCUs) continue to provide a transformative postsecondary experience and education for the Indigenous population and non-Native students from in and around Native communities. The 37 TCUs enroll nearly 28,000 full- and part-time students annually. TCUs, which primarily serve rural communities without access to mainstream postsecondary institutions, have experienced enrollment growth over the last decade, increasing nearly 9 percent between academic year (AY) 2002–03 and 2012–13.

This issue brief first contextualizes the important progress TCUs have made in Indian Country, then describes important inequities in federal, state, and local funding

that limit these institutions' ability to further their impact on the tribal communities they are chartered to serve. In this analysis, we identify five notable points:

- TCUs are perpetually underfunded through the federal Tribally Controlled Colleges and Universities Assistance Act of 1978 (TCCUAA).
- The formula for federal funds only allocates money for Native students. TCUs receive zero federal funding for non-Native students.
- Unlike other public minority-serving institutions, state and local governments have no obligation to appropriate funding to TCUs.
- TCUs are limited in their ability to increase tuition to fill revenue gaps, unlike other mainstream public institutions.
- The chronic underfunding of TCUs may jeopardize the educational attainment of Indigenous students, exacerbating attainment gaps that exist between Native and non-Native populations.

THE TRIBAL COLLEGE AND UNIVERSITY MOVEMENT

Following the colonization of the Americas, formalized education for North American Indigenous[1] students was rooted firmly in tactics of assimilation and eradication of tribal identity and language (Reyhner and Eder 2004; Szasz 2003). Recognizing the historical social barriers faced by Native students and the failure of mainstream colleges and universities to adequately serve them, tribal leaders began a movement toward tribally self-determined postsecondary education (McSwain and Cunningham 2006).

In 1968, the first tribally controlled college emerged on the remote southwest location of the Navajo Nation. Navajo Community College, now known as Diné College (AZ), systemically altered the vision and meaning of higher education for Indigenous people of North America (Stein 2009). The development of TCUs was a collaborative effort within and across tribal nations and allies with the overall goal of "protecting and enhancing their own [tribal] cultures and at the same time embracing many of the tools of standard postsecondary education" (Stein 2009, 18). Since then, 37 tribal colleges, which enroll nearly 28,000 full- and part-time students annually, have been chartered across the United States to meet the immediate and unique needs of Indian Country.[2] The demand for postsecondary education at TCUs continues to grow—enrollment increased 9 percent between AY 2002–03 and AY 2012–13.[3] In addition to serving as a hub for higher education learning, approximately 100,000 community members participated in community education programs at TCUs.[4] Among many other types of programs, such events include health and wellness, financial literacy, and cultural preservation programs.

This responsiveness to the higher education needs of communities across Indian Country, many of which are currently underserved by mainstream colleges and universities, continues to be the strength of TCUs. However, this also leads to diverse institutional conditions across TCUs, and challenges the notion that TCUs are a monolithic group. TCUs, in comparison to most mainstream postsecondary institutions, are still in their infancy and are developing their institutional capacity despite facing unstable and inadequate public funding. The importance of TCUs in meeting national goals of improving postsecondary access and attainment necessitates further investigation into how funding inequities are hindering the progress of these institutions.

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1 American Indians and Alaska Natives will be interchangeably referred to as Native or Indigenous throughout this brief.

2 Derived from the IPEDS 12-month unduplicated headcount at TCUs (AY 2012–13). This figure does not include Comanche Nation, Muscogee Nation, and Wind River.

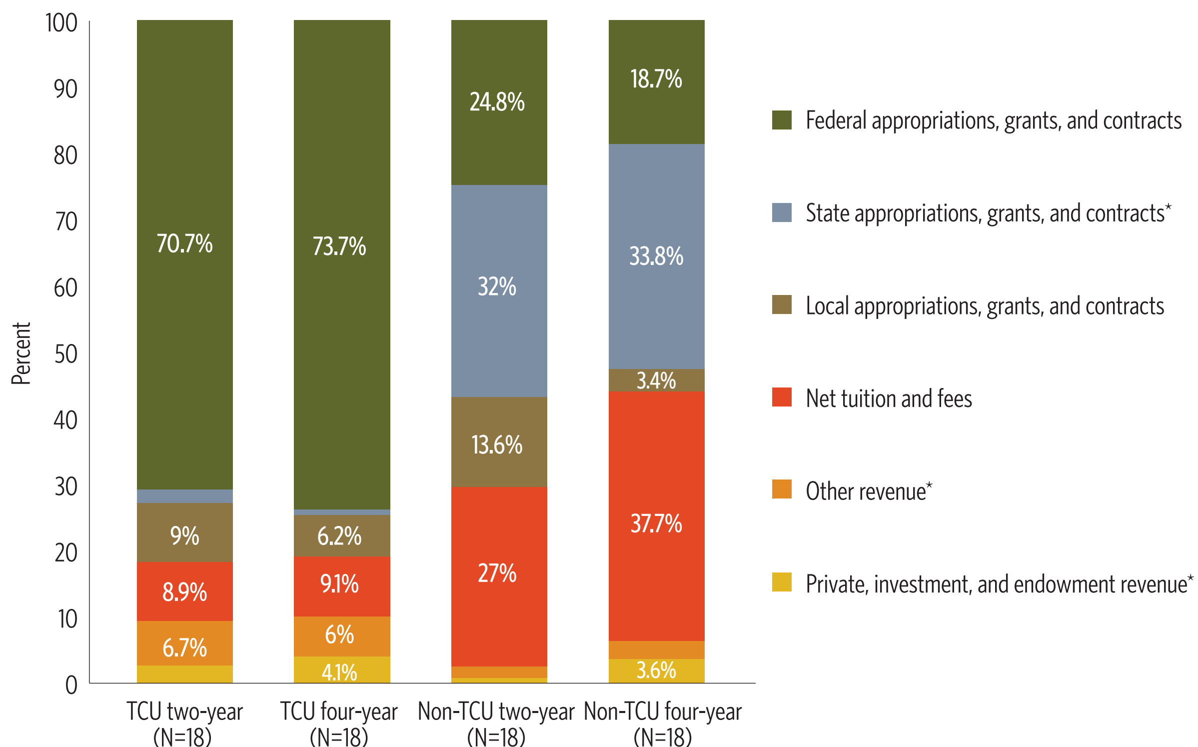
3 Derived from the IPEDS 12-month unduplicated headcount (AY 2002–03 and AY 2012–13) for all students attending TCUs. Does not include Comanche Nation, Muscogee Nation, and Wind River.

4 Figure derived from the 2013–14 AIHEC American Indian Measures of Success (AIMS) Key Indicator System (AKIS).

HOW ARE TCUs FUNDED?

The composition of revenue sources differs considerably between TCUs and other public institutions, as highlighted in Figure 1.[5] Public sources (federal, state, and local appropriations, grants, and contracts) accounted for the largest share of revenues across all public institution types, on average, in AY 2013–14.[6] However, TCUs received a significantly higher proportion of their total revenue from federal sources, averaging between 71 and 74 percent at two- and four-year TCUs, respectively. Compared to public non-TCUs, which receive less than 25 percent of their revenue from federal sources on average, two- and four-year TCUs are highly dependent upon federal funding.

Figure 1. Average Revenue Snapshot at TCUs and Public Non-TCUs, AY 2013–14



Source: Integrated Postsecondary Education Data System (IPEDS)
*Data below 3% is not marked.

Another major difference between TCUs and non-TCUs is the share of funding provided by state and local governments. State and local funding is a significant source of institutional revenue at public non-TCUs, but accounts for a relatively small percentage of total revenue at TCUs. TCUs are founded and chartered by their respective American Indian tribes, which hold a special legal relationship with the federal government, actualized by more than 400 treaties, several Supreme Court decisions, prior congressional action, and the ceding of more than 1 billion acres of land to the federal government. Because of the government-to-government relationship, the states

5 One of the barriers to fully describing the public funding inequities faced by TCUs is incomplete data reporting over time. Federal reporting requirements are time-consuming and require significant staff effort, which is difficult for institutions such as TCUs where staff and faculty are already taking on multiple roles in daily institutional operations (AIHEC 2012). Persistent funding inequities harm the capacity of TCUs to create data systems needed to inform institutional effectiveness and improvement. In the absence of consistent longitudinal data, we focus our analysis on a snapshot of the current financial characteristics of TCUs. See Figure 3 for the list of TCUs included in the data analysis.

6 Total revenue excludes hospital and auxiliary revenues, as these operations are generally self-supporting.

have no obligation to fund the operations of TCUs, and in most cases states do not—not even for their non-Native state residents that attend TCUs.

In comparison to other public institutions, TCUs receive only a small share of their total revenue from tuition and fees (around 9 percent, on average). In AY 2013–14, tuition and fees at 24 out of 32 TCUs were below the national averages at public two- and four-year institutions.[7] Even with relatively low tuition rates, TCUs also provided $1.28 million in tuition waivers and discounts in AY 2009–10 to help meet the financial needs of their students (AIHEC 2012). While many public higher education institutions have resorted to increasing tuition to offset declines in government funding over the last two decades, TCUs are constrained in their ability to raise tuition in at least two ways:

- The majority of students served by TCUs face significant economic barriers such as extremely high rates of poverty and unemployment. The average annual income of students attending TCUs in AY 2009–10 was below $18,000, and at least 75 percent of students attending TCUs are Pell Grant recipients (AIHEC 2012).
- Because federal student loans are not practical for most TCU students, given the aforementioned high rates of poverty and unemployment, few of the TCUs participate in the federal student loan program, and all are committed to keeping tuition low to preserve access for the students in their tribal communities (AIHEC 2012).

Revenue from private and other sources represented a small share of total institutional revenue at both TCUs and other public institutions in AY 2013–14. Like many public higher education institutions, TCUs do not derive a substantial amount of their revenue from private gifts or endowments. Also, despite popular belief, not all tribal casinos are multimillion-dollar enterprises, as most are not located near highly populated, urban areas. Rather, most tribal casinos resemble small businesses, and the gaming tribes that have chartered a TCU are able to provide only modest, if any, financial support to their college or university (AIHEC 2015).

HIGHLIGHTING INEQUITIES IN PUBLIC FUNDING FOR TCUs

State and Local Funding

As described previously, state governments have no obligation to appropriate funding to TCUs. Although it is rare, some states do allocate funding to TCUs to help support the costs of enrolling both Native and non-Native students. Two states (North Dakota and Montana) currently provide financial support to TCUs in the form of an allocation per non-Native student, which partially subsidizes the costs of educating these students. Arizona provides a yearly sum to TCUs to be used toward capital expenses and maintenance (funded through a portion of tax revenues collected on reservation lands). However, the majority of states do not provide any financial support to TCUs, even as these institutions enroll significant numbers of non-Native state residents.[8]

TCUs also face challenges related to establishing local systems of funding. TCUs are not able to benefit from local property tax revenue, an important source of funding for non-TCU community colleges, because Indian reservations' status as federal trust territory prevents the levying of such taxes (AIHEC 1999). Similarly, although tribes have the sovereign authority to levy income taxes on their members, reservations' high poverty and unemployment rates limit the development of a reservation tax base (AIHEC 2015).

Federal Funding

Federal funding, the largest and most important source of funding for TCUs, is allocated through a complex series of titles within the Tribally Controlled College or University Assistance Act of 1978

7 Authors' calculations using data from the National Center for Education Statistics Digest of Education Statistics, 2013.

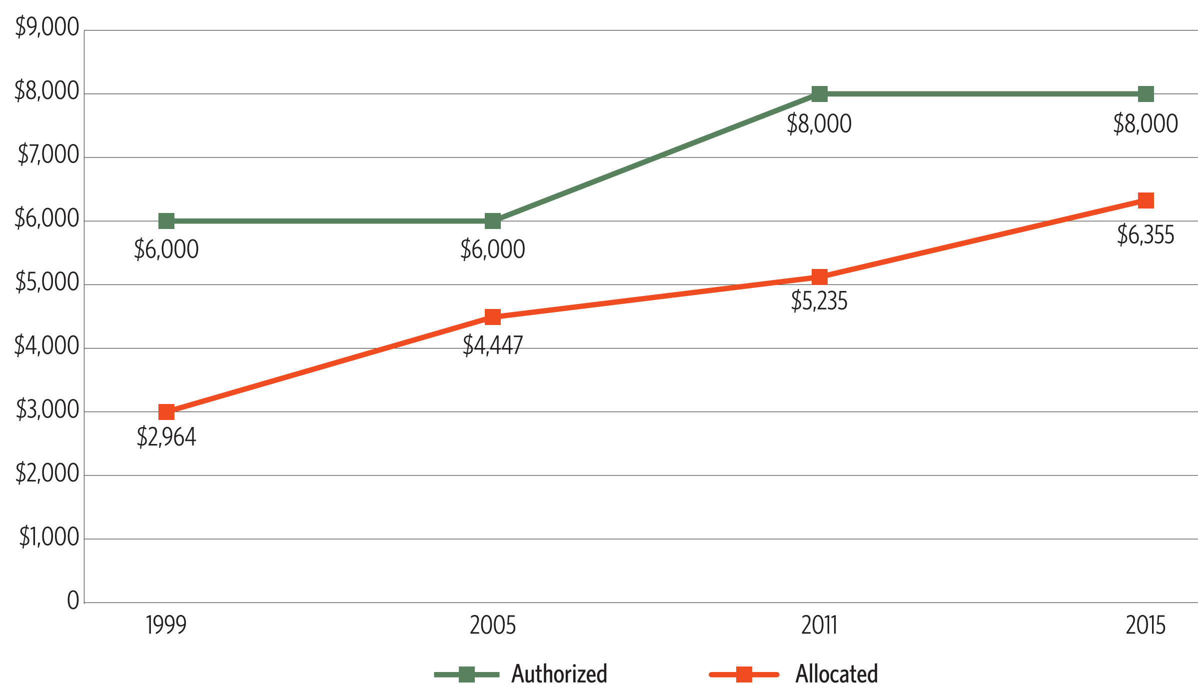
8 Fond du Lac Tribal and Community College (MN) (FDLTCC), as a dual status tribal college and community college, is eligible for state funding sources inaccessible by other TCUs.

(TCCUAA).[9] The political and tribal circumstances surrounding the creation of each TCU determine how the institution is authorized and the type of federal funding to which it is entitled. Thirty of the 37 TCUs are funded through the four federal funding streams authorized by the TCCUAA to support operational expenses for TCUs (AIHEC and the Institute for Higher Education Policy 1999).[10] These funding streams are managed and distributed by the Bureau of Indian Affairs (BIA):[11]

- Title I and II:[12] Authorization is earmarked for core operating expenses and calculated through the Indian Student Count (ISC), which is a formula based on the number of Native enrolled full-time equivalent students.[13]
- Title III: Authorizes up to $10 million for matching funds for endowment grants; however, only $109,000 are appropriated each year.
- Title IV: Authorizes funds to support projects that engage local economic development; however, this program has never been funded.

Federal authorizations under the TCCUAA support TCUs in various capacities; however, the formula for those appropriations and the actual dollar amount allocated to institutions are far from equitable. For fiscal 2015, Title I and II were authorized at $8,000 per student, yet TCUs only received $6,355 per Indian student toward their operating budgets (AIHEC 2015). In the past 10 years, authorization increased from $6,000 to $8,000, while allocation increased from just $4,447 to $6,355 (Figure 2). Despite increases in both authorization and allocation, federal funding has not kept up with the steady growth of the Native population at TCUs during this time period.

Figure 2. Federal Appropriations per Indian Student Count at TCUs, FY 1999–2015



Source: Integrated Postsecondary Education Data System (IPEDS)

9 TCUs receive a limited amount of additional federal funding due to their status as land-grant institutions (determined by the Equity in Educational Land-Grant Status Act of 1994).

10 Several TCUs—Haskell Indian Nations University (KS), Southwest Indian Polytechnic Institute (NM), and the Institute of American Indian Arts (NM)—are funded and operated directly by the BIA.

11 Due to the BIA and TCU relationship, TCUs are required to submit operational expenses to IPEDS and the BIA, through BIA Form 6259: http://www.bie.edu/cs/groups/xbie/documents/document/idc1-032336.pdf.

12 Title II is allocated to only Diné College.

13 For further explanation see U.S. Code Title 25, Chapter 20, Section 1801.

In addition to not being appropriated funds to full authorization levels, TCUs that receive ISC funds do not receive any federal allocation to support the costs of educating non-Native students. On average, 16 percent of the student population at TCUs is non-Native[14] (Figure 3). The lack of federal support for non-Native students has important financial implications for TCUs and continues to strain TCUs' operating budgets, which are already struggling with federal underfunding. Beyond funding allocation, ISC further complicates an accurate calculation of the percentage of Native students served by TCUs. At TCUs, Native student enrollment follows ISC guidelines, and to be counted as Native a student must be an enrolled member of a federally recognized tribe or the biological child of an enrolled member of a federally recognized tribe, whereas at non-TCUs students self-identify as Native and are not required to provide specific tribal affiliation.

Figure 3. Percent of Non-Native Total Student Enrollment at TCUs, AY 2013–14

Institution	State	Percent Non-Native Enrollment
Ilisagvik College	AK	46.64%
Bay Mills Community College	MI	44.05%
College of Menominee Nation	WI	41.01%
Keweenaw Bay Ojibwa Community College	MI	32.56%
Lac Courte Oreilles Ojibwa Community College	WI	31.93%
Fort Peck Community College	MT	25.73%
Salish Kootenai College	MT	24.40%
Saginaw Chippewa Tribal College	MI	20.31%
Institute of American Indian and Alaska Native Culture	NM	19.40%
Nueta Hidatsa Sahnish College	ND	19.32%
Sisseton Wahpeton College	SD	17.71%
United Tribes Technical College	ND	15.05%
Tohono O'Odham Community College	AZ	14.88%
White Earth Tribal and Community College	MN	12.64%
Sinte Gleska University	SD	11.26%
Cankdeska Cikana Community College	ND	10.48%
Aaniiih Nakoda College	MT	9.95%
Navajo Technical University	NM	9.66%
Stone Child College	MT	8.45%
Leech Lake Tribal College	MN	8.24%
Sitting Bull College	ND	6.81%
Northwest Indian College	WA	6.70%
Chief Dull Knife College	MT	6.09%
Little Priest Tribal College	NE	5.56%
Oglala Lakota College	SD	5.49%
Turtle Mountain Community College	ND	5.45%
Nebraska Indian Community College	NE	5.33%
Little Big Horn College	MT	3.40%
Blackfeet Community College	MT	3.19%
Diné College	AZ	1.77%
Average		**15.80%**

Source: Integrated Postsecondary Education Data System (IPEDS)

14 FDLTCC was excluded from Figure 3 due to its dual status as a community college. Haskell Indian Nations University and Southwest Indian Polytechnic Institute are also excluded from Figure 3 because they are federally chartered institutions open to Native students only.

Funding disparities are not a new phenomenon for TCUs. For over 25 years, TCU advocates have urged Congress to increase authorization and allocation of funds (Carnegie Foundation for the Advancement of Teaching 1989; Houser 1991). It is important to note the establishment of TCUs and the funding gap between authorization and allocation speaks to a larger relationship between tribal nations and the federal government. Through Indian treaty rights dating back as far as the late 1700s, the United States government legally and morally committed to honoring a unique set of rights, benefits, and conditions for Native people. Among those rights is the benefit of education. Given the trust responsibility and treaty obligations of the federal government to provide lifelong education, which arguably includes meeting fiscal and operational needs of TCUs, the chronic funding gap is especially troubling. Some speculate that funding issues are rooted in the manner in which the BIA works directly with Congress on behalf of TCUs for funding allocations. Another possible explanation for the persistent funding gap is that TCCUAA Title I and II allocations are not keeping up with the demand and growth of these institutions.

CONCLUSION

TCUs provide many Native and non-Native students with access to a postsecondary education, making them an invaluable resource for Indian Country and the United States. By improving postsecondary access and attainment, particularly among populations who have been traditionally underserved in higher education, TCUs contribute directly to tribal and national goals of improving educational equity and economic capacity. As the Native population continues to grow, so will the need for TCUs to provide access to quality postsecondary training and credentials.

This analysis of TCUs' funding streams improves our understanding of how federal, state, and local policy impacts these institutions. It highlights the ways in which the current structure of postsecondary funding is not sufficient to meet the existing needs of TCUs, which have a proven track record of reducing access and attainment gaps for American Indian and Alaska Native students. Given the important issues outlined in this brief, such as TCCUAA funding gaps and limited alternative sources of support, TCUs face funding disparities and inequities that must be addressed if these institutions are going to be able to serve to their full capacity.

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