

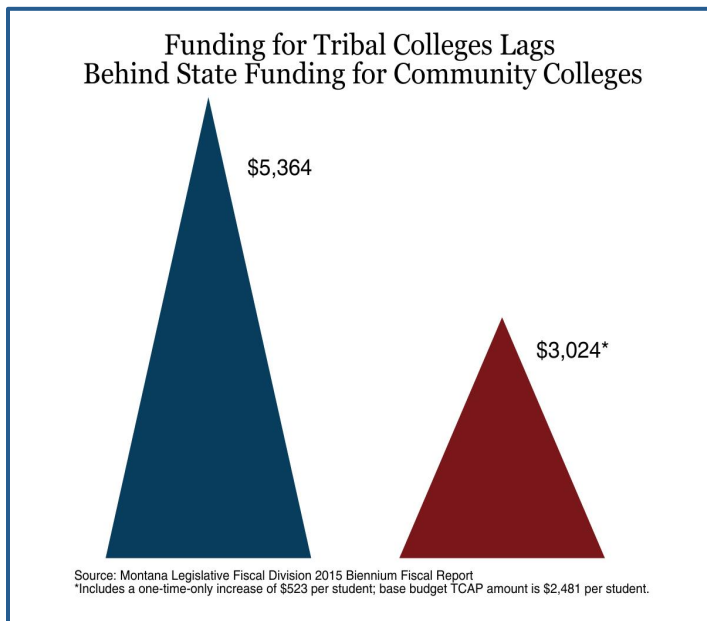


Critical Support for Montana's Students: Montana's Disproportionate Funding of Tribal College Students January 2015

Tribal colleges across the state play a critical role in providing many Montanans, Indian and non-Indian, a pathway to higher education and the ability to prepare for the workforce. These schools also provide rural communities with jobs, as well as contribute to the economic health of our state. However, Montana's funding of students who attend tribal colleges lags significantly behind its investment in the rest of the Montana University System. Montana's level of investment in college students should not differ based on where the education is received. Montana should provide the same investment in all students who are part of the overall public college system.

Tribal colleges play a critical role in Montana's higher education system

Montana's tribal college system is one of the strongest in the nation. Out of the 32 fully accredited tribal colleges nationwide, Montana has the most, with seven colleges serving more than 5,000 students.¹ Individual tribes charter the colleges, which are then accredited by the Northwest Commission on Colleges and Universities.² Tribal colleges provide a range of educational opportunities for their students, from adult basic education and certificates to associate's degrees and bachelor's degrees. Due to their modest size and structure, tribal colleges are able to provide their students with an affordable education option that includes the personal attention needed to be a successful student and graduate.



Tribal colleges often serve as an entry point for Montanans who want to better their lives by earning a college degree, particularly for those who otherwise would not pursue post-secondary learning.³ Student demographics include those who do not enroll immediately following high school graduation, tend to have children, and come from lower-income households.⁴ Tribal colleges provide a stepping stone for many graduates who go on to earn their Bachelor's degrees and graduate degrees at Montana's universities. The popularity and accessibility of tribal colleges continues to gain momentum. Between 2001 and 2012, student enrollment at tribal colleges in Montana increased 20%.⁵

Tribal colleges fuel economic growth in Montana

Tribal colleges, like community colleges, respond to the needs of the local workforce. The academic programs they provide help to ensure graduates can find good-paying jobs upon

graduation that benefit not only them but also their communities. These schools stimulate both the local and state economy by creating jobs, as well as purchasing goods and services.⁶

Many of these jobs are in rural communities where they are especially needed. In 2011, tribal colleges in Montana provided almost a thousand jobs across the state.⁷ These jobs increase the amount of consumer spending and improve the economic activity in the rural communities where tribal colleges are located.

Equally important to jobs created directly by tribal colleges, these schools also help create a skilled and qualified workforce by providing Montanans with critical career development services. Students can earn degrees that are designed specifically to meet the needs of the local workforce, to ensure graduates are able to quickly earn a good paying job.

Federal funding of tribal colleges

Tribal colleges rely primarily on federal funding provided through the Tribally Controlled Colleges and Universities Act (TCCU), fulfilling agreements made through treaties in exchange for land, ensuring access to education for American Indians. These federal dollars cover the majority of general operating budgets, allowing the colleges to charge affordable tuition and fees.⁸ The funding schools receive is based on the number of **beneficiary students**. Beneficiary students are individuals “who are a members of or are at least a one-fourth degree Indian blood descendant of a member of an Indian tribe which is eligible for the special programs and services provided by the United States through the Bureau of Indian Affairs.”⁹ Tribal colleges in Montana receive \$5,850 per full-time enrolled beneficiary student.¹⁰ In comparison, the per-student rate that is received by tribal colleges is about the same amount that Montana currently provides to community colleges within the Montana University System.

Tribal colleges also enroll a significant number of students who are referred to as **non-beneficiary students**, or those students not enrolled in a federally recognized tribe.¹¹ Non-beneficiary students make up a significant portion of enrollment at tribal colleges – 10 percent at some campuses and up to 30 percent at others.¹² Unfortunately, tribal colleges do not receive any federal support for these students and are left to absorb the cost by stretching their budgets.¹³ In 1995, Montana responded to this funding shortfall by establishing the Tribal College Assistance Program (TCAP).¹⁴ Notably, Montana was the first in the nation to provide state dollars to tribal colleges, and today is one of only three states that provide funding to tribal colleges.¹⁵

Montana’s investments in tribal colleges lags behind its investment in other colleges

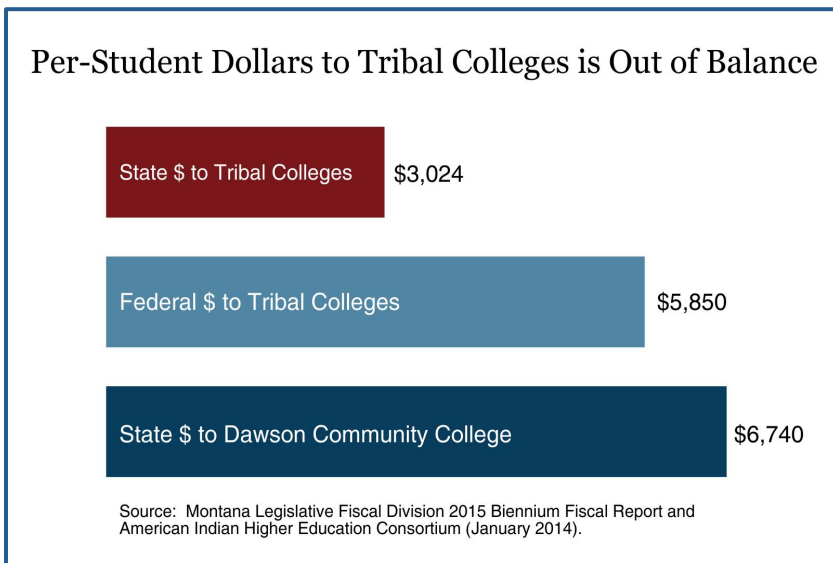
However, Montana funds tribal colleges at a lower per-student amount than it provides for Montana students enrolled in other colleges and universities. Tribal colleges receive state funding at a fixed per-student amount, while the funding formula for Montana’s community colleges takes into account changing economic conditions and inflation. According to the Legislative Fiscal

Who are non-beneficiary students?

1. Non-Indian students
2. Students who are not enrolled in a federally recognized tribe or are less than ¼ blood descendant.
3. Indian students who are members of state-recognized tribes.

Division's 2015 Biennium Fiscal Report, the average per-student state funding to Dawson, Flathead Valley, and Miles Community Colleges was \$5,364 per FTE resident student.¹⁶

While TCAP funding provides critical support to the tribal colleges, the per-student remains far below Montana's support of other community colleges and does not cover the cost of educating non-beneficiary students. In fact, the disproportionate funding forces tribal colleges to subsidize the State of Montana.



During the 2013 legislative session, policymakers approved a one-time-only increase, raising the amount of TCAP funding from \$2,481 to \$3,024 per enrolled non-beneficiary student.¹⁷ Notably, this per-student figure is the maximum amount allowed under Montana law, and is nearly half the amount provided to other two- and four-year colleges in the state. Because this was a one-time funding increase, the funding disparity will be even greater in the upcoming budget cycle.

Tribal colleges deserve proportionate funding

In Montana, tribal colleges and universities benefit the state economy and provide an affordable option for quality post-secondary education. This opportunity is especially important to rural and tribal communities. Tribal colleges provide a bridge to economic prosperity; by providing jobs and preparing Montana's workforce. Our state investments should not promote inequality. All students in Montana should have equal opportunities to learn and prepare themselves to contribute to their communities. Montana should provide adequate investment for all resident students, regardless of the location of the college.

¹ U.S. Department of Education Institute of Education Sciences National Center for Education Statistics, <http://nces.ed.gov/ipeds/datacenter/Statistics.aspx>
² Victoria Fregoso, "Tribal college conference helps maintain culture," MTN News, March 18, 2014, <http://www.kpax.com/news/tribal-college-conference-helps-maintain-culture/>.
³ American Indian Higher Education Consortium, *Tribal Colleges: An Introduction*, February 1999, http://www.aihec.org/who-we-serve/docs/TCU_intro.pdf
⁴ American Indian Higher Education Consortium, *Tribal Colleges: An Introduction*, February 1999, http://www.aihec.org/who-we-serve/docs/TCU_intro.pdf
⁵ U.S. Department of Education Institute of Education Sciences National Center for Education Statistics, <http://nces.ed.gov/ipeds/datacenter/Statistics.aspx>
⁶ Anne Grob, "The Impact of Tribal Colleges in the Economic Development of Tribal Communities: A Case Study," *Current Objectives of Postgraduate American Studies* (2009), Vol. 10. <http://copas.uni-regensburg.de/article/viewArticle/112>
⁷ National Center for Education Statistics, IPEDS Data Center (2011).
⁸ Shanley, James (2006). *Montana Tribal Colleges: History, Mission, and Promise*, The Montana Professor, 16.2, <http://mtprof.msun.edu/Spr2006/shan.html>.
⁹ *Assistance to Tribally Controlled Community Colleges and Universities*, available at <https://www.cfda.gov/index?s=program&mode=form&tab=core&id=e28e78d1183417fff3efc4ccf69f75f0>
¹⁰ American Indian Higher Education Consortium, "Priorities of the Tribal Colleges & Universities (TCUs) For The 113th Congress," January 2014, http://www.aihec.org/who-we-are/docs/AIHEC-Brochure2014_optimized.pdf.
¹¹ Eddy McClure, "A Historical Perspective on 2-Year Postsecondary Education in Montana: "WHERE DO WE GO FROM HERE?," Prepared for the Postsecondary Education Policy and Budget Subcommittee, Montana Legislative Services, September 2007, <http://mus.edu/board/meetings/2007/Sept07/Workforce/2YearEdReportToPEPB.pdf>.
¹² U.S. Department of Education Institute of Education Sciences National Center for Education Statistics, <http://nces.ed.gov/ipeds/datacenter/Statistics.aspx>
¹³ Deborah His Horse is Thunder, "Breaking Through Tribal Colleges and Universities." American Indian Higher Education Consortium, April 2012,
¹⁴ Eddy McClure, "A Historical Perspective on 2-Year Postsecondary Education in Montana: "WHERE DO WE GO FROM HERE?," Prepared for the Postsecondary Education Policy and Budget Subcommittee, Montana Legislative Services, September 2007, http://mus.edu/board/meetings/2007/Sept07/Workforce/Sept07_Workforce.asp.
¹⁵ Mary Annette Pember, "Deal or No Deal?," *Diverse Education* (November 30, 2006), <http://diverseeducation.com/article/6707/>.
¹⁶ Legislative Fiscal Division, "2015 Biennium Fiscal Report," <http://leg.mt.gov/content/Publications/fiscal/FR-2015/Section%20E/5102-04.pdf>
¹⁷ Legislative Fiscal Division, "2015 Biennium Fiscal Report," <http://leg.mt.gov/content/Publications/fiscal/FR-2015/Section%20E/5102-04.pdf>