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President Emeritus George C. Wright Speeches

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"Summary of OCR Recommendations"

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I. Introduction

Prairie View A&M University (PVAMU) was founded in 1876, meaning that it is the state's second oldest public University. Along with Texas A&M University and The University of Texas, PVAMU is designated as a "University of the First Class." But, just as important, **PVAMU has been designated by the Texas Legislature as a "special purpose" institution charged with the important responsibility of serving a population with diverse ethnic and socioeconomic backgrounds and, significantly, PVAMU continues to enroll large numbers of students who are considered to be economically disadvantaged.**

A very significant step in the recent history of PVAMU was the Office for Civil Rights Priority Plan funding provided by the 77th Texas Legislature in 2001. It had a very clear goal: **To move PVAMU to a new level of excellence.**

"Summary of OCR Recommendations"

"For PVAMU, the plan includes key initiatives to improve the recruitment, retention and graduation of students; strengthen systems related to information technology and human resources to support the development of students, faculty, and staff; strengthen key academic programs, particularly Nursing, Engineering, Educator Preparation, Architecture, and Juvenile Justice; add state-of-the art buildings for key programs; complete building renovations; strengthen its institutional development office; create 12 endowed chairs for new and existing programs; add a merit scholarship program; and, to amend the statutory mission statement to ensure that it includes no exclusionary language that discourages any Texan from taking advantage of the excellent educational opportunities afforded at PVAMU."

- Last school year, another new program was added by shifting some of the OCR funding: **PVAMU started the Undergraduate Medical Academy.**
- Indeed, a key aspect is the flexibility built into Priority Plan. We have the ability to shift funds and goals to meet our needs (25% per appropriation item). This has allowed us to use funds, amounting to \$1,032,00 for rent-space for School of Nursing while its new building is under construction.

Two Concluding Points on OCR

1. **Given the importance of OCR to the future of PVAMU, it is critical that this funding continue well into the future so that the programs planned for the new buildings will have access to important “start-up” funds, and will have the funds needed to achieve the very ambitious enrollment goals that have been established for the Schools that will be occupying those new facilities as they are completed over the next 12-24 months.**
2. **OCR is a symbol of change, of Texas’s commitment to PVAMU. Thanks to OCR, there is an optimism that had not previously existed on this campus. PVAMU is convinced that its best days are in its future. This just might be the key aspect of OCR.**

II: Significant Challenges

There is no question that upon assuming the Presidency in August 1993, I inherited a very good situation. Yet, I also inherited a number of significant challenges.

Challenge Number 1. PVAMU is located in a small, rural community with scarce community infrastructure resources—the kind of community resources commonly needed to support and sustain significant enrollment growth of what could eventually become a major public university. One example: since before its incorporation as a city, the residents of the town of Prairie View have depended on the University for domestic sewage and wastewater treatment at the university’s wastewater treatment plant.

The City of Prairie View has a very limited number of what could be considered “decent” apartment complexes, the type of local, off-campus housing that large numbers of college students typically demand when on-campus housing is unavailable or inadequate to meet their needs. **PVAMU currently houses over 3,200 students, representing over 60% of the undergraduate student body, and there is a waiting list of over 200 students desiring to live on campus.** I have received many, many phone calls, e-mails, and faxes from upset students or parents who waited too late to apply for on-campus housing, demanding that I perform some sort of “magic” trick to create a place for their student to live—and I am unable to do that.

Yet, while there is a need for us to consider construction of additional on-campus housing, we are somewhat reluctant to move forward with a major new housing project because we know that construction of several hundred new apartments near the campus could result in large numbers of empty housing units on the campus.

Now, you may ask: “So what is the importance of all of this information about housing students, either on campus or off campus?” **It has to do with the expectations about significant enrollment increases at PVAMU—expectations for a virtual doubling of enrollment between 2001 and 2015, from less than 7,000 students in 2001 to more than 12,000 students.** We cannot depend on such huge growth in the numbers of commuter students to achieve the 2015 goal of more than 12,000 students; and at the same time, we cannot construct on-campus housing to accommodate another 5,000—6,000 students. **This means that unless the additional housing is provided in the Prairie View community or within a reasonable distance from the campus, it is going to be very difficult to achieve the enrollment goals.**

Challenge Number 2: During my first year as President of PVAMU, I learned that for many years, well over 50% of all new freshmen students enrolled have been admitted on a Provisional basis, and the data that I have seen recently, indicates a very low percentage of these Provisionally admitted students have persisted through graduation.

I have also learned that some students appear to come to PVAMU solely for the financial aid, including large amounts of money from loans, and after one year, or even after one semester, many of them are gone from the University, probably forever, but find themselves with the largest debt that they have ever experienced, except for what they owe on their car.

I have also learned that far too many of these Provisionally admitted students arrive at PVAMU with a history of behavioral issues that tend to cause a variety of different problems on the campus.

As President of PVAMU, I must take immediate steps to address and successfully resolve these kinds of problems. I intend to do that by “re-inventing” Prairie View A&M University. However, this can be done only by raising academic and behavioral standards for admission to the University, and by reducing the number of students who have been admitted on a Provisional basis.

As we begin considering applications for admission for the Fall 2005 semester, it will become more difficult for a student to gain admission to PVAMU as a “Provisional” student, and we will take appropriate steps to screen out those individuals who plan to come to PVAMU for reasons other than to earn a college degree. Inappropriate behavior by anyone, students, faculty, or staff, will not be tolerated.

I share all of this with you at this time so that you will not be surprised if you see reports next year, or the following year, indicating that the enrollment “numbers” coming from PVAMU do not look good. Indeed, I don’t want you, or state officials, or PVAMU alumni to be alarmed if enrollment declines over a period of 2 or 3 years. However, **I strongly believe that PVAMU will become a better University as a result of this change. We cannot expect to see a different result if we just continue to do the same things in the same ways.**

Challenge Number 3: One of the most significant challenges for PVAMU during the next twenty (20) years will be to achieve a much more diverse enrollment---an enrollment that is clearly prescribed in the goals and objectives outlined in the OCR Priority Plan. PVAMU is currently an institution with an enrollment composed of fewer than ten (10) percent non-Black students, but it is also an institution now facing a requirement to virtually double its enrollment by the year 2015, and this represents a very large challenge. During the past year, it has become very evident that PVAMU cannot achieve such optimistic enrollment goals by continuing to enroll over 90% African-American students. When studying the demographic projections for the State of Texas, it is relatively easy to understand that in the future, **the greatest potential for enrollment growth for PVAMU lies with our ability to recruit, retain and graduate not only black students but increasingly greater numbers of Hispanic, Asian, and Anglo students.** For PVAMU, this will pose not only a major opportunity, but also a major challenge due to the lack of on-campus housing and off-campus services and activities. Additional off-campus housing and expanded programs will be needed to accommodate this critically important growth of a more diverse student body. Such growth cannot occur unless additional high quality housing and a greater variety of programs can be provided, not only on the campus, but also within a reasonable distance from the campus. **The magnitude of these challenges cannot be overemphasized.**

Challenge Number 4: A key point that must be emphasized: When the four (4) new buildings are completed and occupied within the next two years, PVAMU will be faced with an E&G space surplus of more than 203,000 net assignable square feet (nasf). This space surplus could continue to exist for up to fifteen (15) years, while student enrollment gradually “catches up with” the total amount of available E&G space.

The THECB’s infrastructure formula is, to a great extent, driven by student enrollment, so we have justifiable cause for concern over the adequacy of funding for utilities, building maintenance and operations, and custodial services. **If increased general revenue funds are not provided, at least temporarily, for maintenance and operation of the surplus E&G space, the only source of funds available will be from increased Designated Tuition paid by PVAMU students.** With almost 90% of the University’s students currently receiving financial aid, a requirement to increase Designated Tuition substantially in order to cover the added costs of utilities, building maintenance, and custodial services for new buildings (versus increased tuition to pay for improved academic or student support programs) would be difficult to justify. **While the new buildings are important to the future growth of PVAMU, it seems unrealistic to conclude that the enrollment growth required to generate the infrastructure funding needed to support the new buildings can be generated during a base period year that will end even before those new buildings have been completed and occupied. For this reason, PVAMU is seeking special consideration for infrastructure funding that will be needed to pay for utilities, building maintenance and custodial services for four new buildings of at least \$650,000 for FY2006 and at least \$1,000,000 for FY2007.**

III: General Revenue Reduction

Prior to my arrival at PVAMU slightly over 13 months ago, I learned that in 2003, when the General Revenue reductions were made by the Seventy-eighth Texas Legislature, PVAMU was required to do very little in the way of budget cutting or implementing significant increases in Designated Tuition paid by students. Instead, because there were a number of relatively large balances in some of the OCR Priority Plan accounts at the time, certain types of expenses that could legally be paid from OCR Priority Plan funds, were shifted to those sources. **In retrospect, PVAMU should have increased Designated Tuition by at least \$5 per semester credit hour for the FY2004, and modest budget reductions in the 2% - 3% range should have been implemented; however, that was not done.**

[Note to me: I am now turning to a very important part of the presentation]

I would now like to turn to a discussion of the potential impact of the 5% General Revenue reduction reflected in our Request for Legislative Appropriations, and I will also discuss the possible requirement for PVAMU to “absorb” a very large increase in debt service on three new buildings and renovation and repair work funded with Tuition Revenue Bonds.

First, regarding the possible 5% GR reduction, I will call attention to the spreadsheet shown on page #1 of your handout. Column “D” of that spreadsheet shows how a 2-year, 5% General Revenue reduction of \$5.9 million might be distributed at PVAMU.

Column “E” of that same spreadsheet reflects the potential impact on the budget of the increased Tuition Revenue Bond debt service “IF” the Legislature chooses to not provide the increased General Revenue Funds needed to retire new debt that has been incurred to construct three new buildings with a combined total project cost of \$53 million plus an additional \$15 million for renovations and repairs across the campus. **Tuition Revenue Bonds for the three new buildings and the renovation and repair projects were authorized by the Legislature in 2001.**

When combined, the total “negative” fiscal impact on our budget over the 2006-2007 biennium will exceed \$14.4 million. For something of this magnitude to be covered by the University will translate into almost doubling the current rate of Designated Tuition, from \$46 per semester credit hour to more than \$88 per semester credit hour, and that would cause PV to instantly become one of the most expensive public universities in Texas, costing the average student an additional \$500 to \$650 per semester.

Even if we should somehow be able to make General Revenue budget cuts of 5%, each student currently enrolled at PV would be required to pay \$27 per hour more to cover the increase Tuition Revenue Bond debt service, bringing the total Designated Tuition hourly rate for the Fall Semester of 2005 to \$73 per semester credit hour.

(Refer to Page #2 of handout)

If you will look at page #2 of your handout, you can see on a single page the economic condition of many of the families of PVAMU's students over the last seven (7) years, and you can see that during the last academic year, 88% of students were on some form of financial aid. While I cannot predict the future with any degree of accuracy regarding most matters, I can predict that being required to pay from \$500 to \$650 more per semester would have a devastating impact on enrollment. I would not be surprised to see enrollment fall by 25% to 35% in one year if that should be required.

Obviously, the very important and very positive momentum shift experienced at PVAMU during the last 3 – 4 years would evaporate----and likely to never return.

IV: Budget Request Priorities

Page #3 of the handout indicates Special Items and proposed new Exceptional Items.

1. Funding to replace 5% General Revenue Reduction: For PVAMU to be required to absorb a 5% reduction in General Revenue funding at this time would be potentially devastating at a time when the institution is striving for enhancement and expansion in many important areas. Some of the gains that have been achieved during the last two years would be offset by losses that would clearly be required should such a large amount of General Revenue funds suddenly disappear with little possibility that such cuts would be restored. The inability to absorb budget reductions of this magnitude would make it necessary to increase designated tuition and fees paid by all students just to offset a portion of the losses that could be expected to occur.

2. Child and Family Development Center: Consistent with the programmatic mandates of the Office for Civil Rights Priority Plan, and the State's Master Plan, the Institution is placing priority on upgrading and refining its capacity in the area of child and family development. This proposed center would allow us to continue to upgrade the quality and capacity of the institution's teacher preparation programs, help it to achieve a greater working partnership with local school districts, and make a significant contribution to the many areas that are fundamental to the health, well being, and quality of life of the state's children.

3. **Debt Service:** For FY 2004-2005 the State of Texas has appropriated \$5.7 million for the institution's tuition revenue debt service. Because of the scheduled completion of certain OCR campus renovations and new buildings, the institution's debt service will be an estimated \$14.1 million in principal and interest for FY 2006 and 2007. The sharp increase in principal and interest is due to the completion of several designated capital outlay projects in the OCR Priority Plan.

4. **Student Stipends:** As you have seen, the University enrolls a large number of economically disadvantaged students, with approximately one-third of its enrollment coming from families with incomes under \$15,000. While our recent tuition and fee increases were modest, these funds take on an additional relevance to our students in the face of these modest income figures, and such funds can play a key role in the institution's commitment to the "Closing the Gaps" initiative.

5. **Agricultural Match:** One priority need is funding to provide required dollar matching for funds received under the Federal Farm Bill. The quality of the institution's overall research and extension program and its capacity in the food, agricultural, and natural resource scenario will be greatly strengthened through the federal-state matching funds, as well as bringing substantial federal dollars to the State of Texas. The 2002 Farm Bill called for an increasing matching amount (up to 70% this year); however, the University is only able to match at the level of 55.017% at this time. The Farm bill includes a requirement that the match increase annually to 80%, 90% and then to 100% in three more years. If the U.S. Department of Agriculture refuses to honor our current (and future) "Request for Waiver to reduce Matching Fund Requirement" the University as well as the State of Texas will be forced to absorb a significant reduction in federal funding, leading to the elimination of a large

number of positions at the Cooperative Agriculture Research Center (CARC) and at the Cooperative Extension Program (CEP). While we were granted a waiver for the “match” for the current year, what may happen in the future is very uncertain at this time.

I need to close on the Agricultural Match by emphasizing that the quality of the Institution’s overall research and extension program and its capacity in the food, agricultural and natural resource sciences will be strengthened through the federal-State matching funds, as well as bringing substantial federal dollars to the State of Texas. These funds will allow us to continue to upgrade the quality and capacity of the institution, helping it achieve equity with its peers, and make the maximum contribution to the citizens of Texas.

The next point is very important: As previously mentioned, we anticipate increased building maintenance, custodial, and utility expenses of approximately \$650,000 in FY2006 and \$1,000,000 in FY2007 when these new facilities are completed. It is important to understand that base period year that will drive funding for FY2006 – 2007 will end before the first of the new buildings is occupied.

Special TRB Item:

Child and Family Development Center \$9.9 Million Tuition Revenue Bond Request

Rider #4 on page III-99 of House Bill 1 provides a statement of intent that funds appropriated to PVAMU “will” be used jointly with Waller ISD to operate an “America’s Promise School.”

We are proposing that this “Rider” be addressed with construction and operation of an on-campus Child and Family Development Center similar to a comparable facility located at TAMU-Corpus Christi. The proposed Center would provide a laboratory school program serving pre-schoolers through fourth grade. All activities will directly support the academic programs at the University.

Conclusion

Finally, my vision marks a clear path for the institution's direction, and outlines how we plan to use the resources if the Legislature decides to appropriate them to us. A transformed Prairie View A&M University will be a powerful and positive force for the State of Texas. We will focus on and strive for access, opportunity, a quality education, and improving the life of each individual and to society as a whole. All of our efforts will remain geared toward continually enhancing the value of a degree earned at Prairie View A&M University.