



Office of the President

DILLARD UNIVERSITY

2601 Gentilly Boulevard New Orleans, LA 70122

DR. WALTER M. KIMBROUGH

PRESIDENT

DILLARD UNIVERSITY

STATEMENT AT THE U.S. DEPARTMENT OF EDUCATION

OPEN FORUM ON COLLEGE AFFORDABILITY

LOUISIANA STATE UNIVERSITY

Noland/Laborde Ballroom

Lod Cook Alumni Center

November 21, 2013, 11:30 A.M.

Let me begin by thanking the US Department of Education for offering this public forum. My name is Walter Kimbrough and I enthusiastically serve as president of Dillard University, located in New Orleans.

The White House and the Department of Education have been tremendous supporters of Dillard. We've practically [completed our recovery from Hurricane Katrina](#), a natural disaster which caused over \$400 million in damages. This support has further been seen throughout the HBCU community from the [student aid and fiscal responsibility act](#).

President Obama's goal is to have the [highest proportion of college graduates in the world](#). The plan to make college more affordable is a key initiative in reaching this goal. But when the idea of a ratings system was introduced, I became concerned. I authored an op-ed for [Inside Higher Education](#) on September 30th which attempted to show that a fair rating system has to account for the degree of difficulty each individual institution faces based on the demographics of their student body.

But today let me take a different approach. I understand the rising cost of college. [Bloomberg noted that since 1985](#), when I was a college freshman, the cost of college has risen 500%. [My kids are 7 and 5](#)- I get it. But I am frustrated by the notion that nonprofit colleges and universities are responsible for controlling costs when they must do business with entities designed to make lots of money.

How am I supposed to control costs when technology changes frequently and systems we use constantly require new software and training? What do I do when our health insurance company comes to us with a 19% increase because last year they paid out more in coverage than they received? I assure you when they collect more we don't receive a rebate. And heaven forbid a natural disaster like Katrina. Our property insurance increased from less than \$300,000 a year to over \$2 million a year. Eight years later we still pay about \$1.8 million.

Costs are rising because Americans expect more security after Virginia Tech. Colleges are frequent targets for lawsuits. Higher education is already one of the most highly regulated industries with significant reporting requirements. This new rating would be on top of our already substantive accreditation and assessment expenses.

My boggled mind begins to wander & wonder why no national forums discuss controlling the cost of incarceration. Here we are, in Louisiana, [incarceration capital of the United States](#), the incarceration capital of the world. [A 2012 Vera Institute study](#) indicated we spend over \$31,000 per inmate annually, or more than EVERYTHING for a year at Dillard. [Louisiana spends enough in incarceration](#) that if applied to [Pell grants](#), would give every Louisiana Pell recipient almost three times as much Pell funding as they receive now.

That same is true when we think about national defense. Every US president when inaugurated swears to defend the Constitution against all enemies foreign and domestic. How can I get poverty on the list of domestic enemies? How can I get unequal access to a quality education on that list?

I re-read the fact sheet on the president's plan to make college more affordable, subtitled "A better bargain for the middle class." The middle class. An [MSNBC story](#) listed ways to know if you're middle class. These included making between \$40- \$100K per year (not \$250K), since the median family income is \$68K. The middle class saves for college, goes on a vacation, own homes, have secure jobs, and have health insurance.

So if this new rating system is focused on the middle class, how will it impact schools like mine? Yes I have middle and upper middle class students. But our average family income is about \$31,500, less than half the national median family income. [78% of my students](#) receive the Pell grant, one of the highest campus percentages in the nation. If the original idea does not even acknowledge my campus, how can I expect it not to be harmful? Higher education is being told do more with less. But when you already charge half of the [national average for private colleges](#), with a small endowment and lots of high need students, you're essentially telling me to do more - with nothing.

The road to hell is paved with good intentions. Without considering all of these factors, it is clear what road we're on. Lots of smart and well-meaning people will work on this rating system, but recent history shows me that this group will not be diverse and inclusive enough to catch blind spots, like the recent [Parent PLUS loan fiasco](#), and there will be collateral damage.

My suggestion today is that if it is absolutely necessary for a rating system (and I remain skeptical) the widest, most diverse group would develop it to attempt to avoid unintended consequences I've outlined.

But my prayer is that we properly resource education, like we eagerly do prisons, instead of continuing to look for discount education. Sure, we can do education cheaper. But it will be cheap which means in the long run, will be more expensive.