NAIC MEMBERS STEP UP TO SUPPORT HISTORICALLY BLACK COLLEGES

By Alan Hughes of the National Association of Investment Companies

The Largest Network of Diverse-Owned Private Equity Firms and Hedge Funds
Several Historically Black Colleges and Universities have recently received much-needed support courtesy of NAIC members – even those members who never attended an HBCU. Sadly, many of these iconic institutions struggle financially despite boasting a rich history and a plethora of illustrious graduates who have excelled in business, politics, entertainment and the sciences.

Rising from a historic environment of legal segregation when predominantly white institutions of higher-learning disqualified African Americans from enrollment, HBCUs have played a major role in ensuring that African Americans received a quality education. Over the years, HBCUs have enrolled more non-African American students according to the National Center for Education Statistics with roughly 23% of students identifying as non-black. In 2016, there were 102 HBCUs located in 19 states, the District of Columbia, and the U.S. Virgin Islands.

Many of these same venerable institutions that helped create the black middle class have struggled in recent years as they compete with larger, better-funded institutions to provide the top-notch facilities needed to recruit and retain outstanding faculty and students while keeping tuition affordable.

Among their present-day benefactors is Robert F. Smith, Founder, Chairman, and CEO of Vista Equity Partners. A well-known philanthropist, Smith gifted $1.5 million to Morehouse College to support endowed scholarships and the establishment of a campus park to serve as a study area for students outdoors. Similarly, José E. Feliciano, Co-Founder and Managing Partner, Clearlake Capital Group, and his wife, singer/songwriter Kwanza Jones, bestowed a $1 million gift to Bennett College on behalf of Jones’ mother and aunt, who both graduated from the college in the 1960s.

Patricia Miller Zollar, a Managing Director of Neuberger Berman and a leader of the firm’s Private Equity Division, has become one of the major donors for her alma mater, North Carolina A&T State University. In July 2007, Zollar was appointed to A&T’s board of trustees and served as Chair from 2013-2015 when A&T became the largest HBCU in the country. Zollar also provided for a gift to support an endowed professorship in the School of Business and Economics. JoAnn H. Price, Co-Founder and Managing Partner of Fairview Capital Partners is another stalwart HBCU supporter who is currently serving on the Howard University Board of Visitors. This is an advisory committee to the President, the Provost, the Board of Trustees and the Dean of the School of Business.

These kinds of donations and support go a long way for HBCUs, which are often highly reliant on gifts from benefactors. Willie E. Woods, President and Managing Director of ICV Partners, is a Morehouse alumnus who began his involvement with the institution as a donor more than a decade ago. After a request to become more involved with the college by its Trustees, Woods joined the Board as a Visiting Trustee in 2015 and was named the Chairman in 2017. Since becoming a Trustee, Woods has given significantly to his alma mater. “When I reflect on what Morehouse did for me, I realized that I owed a debt to the College. What Morehouse is really good at is transforming its students into something far greater than what they initially thought they could be. That was certainly the case for me.”

These institutions have contributed to the well-being of African American leadership and lives for decades, something Woods appreciates. “If you want to sustain these institutions for the next generations, you have to give to them,” he says. “That’s how colleges sustain themselves, from donations. Tuition alone is not enough to sustain a college.”

HBCUs are also under increasing pressure from majority schools, which are often better positioned to attract quality students of color due to superior facilities and higher profile professors. This is a direct result of greater alumni giving. “If we want to compete with that and we want Morehouse or Spellman or Howard or Hampton to be
here 50 or 100 years from now, we all have a part to play,” says Verdun S. Perry, Senior Managing Director and Global Head of Strategic Partners at Blackstone. Perry, who graduated Morehouse in 1994, started giving in the late 90s and early 2000s. He was inducted into the John Hope Society for lifetime giving in excess of $250,000 to the university. His goal is to one day be inducted into Morehouse’s Benjamin E. Mays Society for lifetime giving over $1 million.

At the end of the day, Perry's goal is to ensure that his alma mater thrives by keeping up with technological advances, is able to retain the best and brightest educators and students and that the school has the resources to ensure its facilities and curriculum are state-of-the-art. “I’m looking to make sure Morehouse is here for future generations to provide the experience that I was fortunate enough to have,” he says. “There’s a sense of urgency because there’s no guarantee that HBCUs are going to [continue to] exist, so the time to give is now.”