

## Who We Are

The CEO Action for Racial Equity Fellowship brings together top talent to advance public policies and corporate engagement strategies that will address systemic racism, social injustice and improve societal well-being. The Fellowship is a first-of-its-kind, business-led initiative that uses the power and speed of CEO Action for Diversity & Inclusion™ signatory organizations to help forge equitable pathways for

## Our Social Contracts

Leveraging the resources of corporate America, we are focused on three areas that disproportionately affect Black Americans where our companies can have direct impact:

**forging prioritized collaborative relationships with HBCUs**, advancing equity through diversity, corporate contracting and procurement, and from prison to professional: CEOs in action to disrupt recidivism.

## Advancing Corporate & HBCU Relationships: Leading with Equity- It's more than just talent

For over 183 years, Historically Black Colleges and Universities have contributed substantially to the Black community, the Black middle class and the country as a whole. HBCUs provide great value to their students, while producing graduates with great values. These graduates, in turn, bring immeasurable value to employers across corporate America. However, HBCUs continue to be underfunded, under-resourced and undervalued. Strategic equitable investments and sustainable collaborations with corporate America are critical to the future of HBCUs.

## The Opportunity

HBCUs contribute approximately \$15 billion annually and generate nearly 135,000 jobs for their local and regional economies.<sup>1</sup> Despite this positive impact on the US economy and Black community, HBCUs face continued financial hardship stemming from inequitable funding at both the federal and state levels due to years of structural racism in higher education.<sup>2</sup> Corporate engagement historically has been inequitable as well. HBCUs rely heavily on tuition dollars and are mission-driven institutions providing college access to Black students, many of whom have limited financial resources.<sup>3</sup> HBCUs cannot increase the cost of attendance as a means of offsetting losses, financial divestment, or policy changes.<sup>4</sup> Securing the future success of HBCUs involves expanding reach

and sustained engagement with corporate America.

### Why it Matters

- ▶ **HBCUs accounted for 17 percent** of the bachelor's degrees earned by Black Americans and 24 percent of the degrees earned by Black Americans in "STEM" fields: science, technology, engineering and math.<sup>5</sup>
- ▶ **Narrow the Racial Wealth Gap** By providing a leading value in education, HBCUs help to eliminate or reduce student debt for low to middle-income families, which can dramatically narrow the racial wealth gap between Black and white Americans.<sup>6</sup>
- ▶ **Campus Climate Fosters Success** The Gallup-Purdue poll noted that Black graduates of HBCUs are significantly more likely to have felt supported while in college and to be thriving afterward than their Black peers who graduated from predominantly white institutions (PWI).<sup>7</sup>

### What HBCUs Need from You

- ▶ **Invest (Economic Impact):** *HBCUs create skilled workers, support the development and maintenance of the Black middle-class and serve as economic hubs to their surrounding communities.*
- ▶ **Empower (Talent Pipeline):** *Building and sustaining a diversity pipeline is of paramount importance to corporate America.*
- ▶ **Advocate (Infrastructure):** *Decades of structural racism have contributed to major financial disparities within these institutions.*

### The Solution



## Taking Action

- ▶ Our goal is to obtain commitments from a majority of the CEOARE signatories by September 2022 to take action by developing authentic relationships and engagement with HBCUs using a holistic approach of investing, empowering and advocating to create opportunities through the strength and reach of the network created by CEOARE. We will accomplish this goal by providing tools, resources and support to educate CEOARE signatories on the HBCU landscape. We will strive to create equity for HBCUs by understanding their unique needs and cultivating a collaborative community among CEOARE signatories for sustainable efforts.

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# References

1. UNCF. (n.d.). *HBCUs Make America Strong: The Positive Impact of Historically Black Colleges and Universities*. UNCF.org. [https://cdn.uncf.org/wp-content/uploads/HBCU\\_Consumer\\_Brochure\\_FINAL\\_APPROVED.pdf?\\_ga=2.107525323.851653636.1630450234-34115711.1624634029](https://cdn.uncf.org/wp-content/uploads/HBCU_Consumer_Brochure_FINAL_APPROVED.pdf?_ga=2.107525323.851653636.1630450234-34115711.1624634029).
2. Williams, K.L. and Davis, B.L. (January 2019) *Public and Private Investments and Divestments in Historically Black Colleges and Universities* (Issue Brief: Minority Serving Institutions Series) ACE American Council on Education & UNCF. <https://vtechworks.lib.vt.edu/bitstream/handle/10919/89184/PublicPrivateHbcus.pdf>
3. Id.
4. Same source as 2
5. Same source as 1
6. Lomax, M. L. (2020, April 21). Six reasons HBCUA are more important than ever. UNCF. <https://uncf.org/the-latest/6-reasons-hbcus-are-more-important-than-ever>.
7. Id.

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