RUTGERS–NEW BRUNSWICK
Graduate School of Education

Center for MSIs

The Impact of Trump Administration Funding Cuts on Hispanic Serving Institutions

Rebecca Perdomo
Senior Research Associate
Rutgers Center for Minority Serving Institutions

On September 10, 2025, the U.S. Department of Education ended discretionary funding for Minority Serving Institutions (MSI) grant programs. For Hispanic Serving Institutions (HSIs) – those enrolling at least 25% Hispanic undergraduates – the decision to end MSI funding programs represents a compound loss of **$507,908,965** across three critical programs. The effects of these cuts reach far beyond dollars, impacting educational opportunities for already underserved students. Over 270 HSIs across 20 states are affected by these changes, with California, Texas, and Puerto Rico being the most affected.

What does this mean? An institution that received a $3,000,000 DHSI grant in 2023 will lose $1.8 million in remaining funding across three years (2025-26, 2026-27, and 2027-28)

Legislation	Award Title	Purpose	Award Length
Title III Part E	Minority Science and Engineering Improvement Program (MSEIP)	Improve science and engineering education at MSIs Increase participation of underrepresented minorities in STEM	3 Years
Title V Part A	Developing Hispanic Serving Institutions (DHSI)	Expand educational opportunities for and improve the academic attainment of Hispanic students by strengthening institutional programs, facilities, and services	5 Years
Title V Part B	Promoting Postbaccalaureate Opportunities for Hispanic Americans (PPOHA)	Expand postbaccalaureate educational opportunities for Hispanic Americans by supporting master's and doctoral programs at HSIs	5 Years

Methods

Funding losses were derived by multiplying each year's total awards by the number of funding years remaining as of September 10, 2025. Cuts are scheduled to start with the 2025-26 funding since the 2025 funds had not yet been disbursed.

DHSI & PPOHA (5-year programs): 2021 awards stayed at their same value since they lost 2025-26 funding. The 2022 awards were multiplied by 2 (losing 2 remaining years), the 2023 awards by 3, and the 2024 awards by 4. These products were summed to calculate total losses.

MSEIP (3-year awards): 2021 and 2022 awards completed their full funding cycles before the 2025 announcement. The 2023 awards stayed at their same value, losing 1 year of funding, and the 2024 awards were doubled.

Though MSEIP includes non-HSIs, the totals here only reflect funds distributed to HSIs.

The tables below display annual funds awarded to HSIs from 2021 – 2024 and the combined funding loss for awards that renewed through 2025 and beyond.

Annual Awards: This table sums total annual grants awarded to HSIs by program. Since 2021, **$192.9 million** has been awarded to HSIs in discretionary funding through these programs, extending into 2025 and later. These awards represent multi-year commitments. Institutions that won these grants did so with the expectation of continued funding over 3–5-year periods to support program development, infrastructure improvements, programming, student services, and more.

Annual Awards

Award Year	DHSI (Title V Part A)	PPOHA (Title V Part B)	MSEIP* (Title III Part E)	Discretionary Total
2021	$ 22,620,286	$ 937,802	-	$ 23,558,088
2022	$ 46,417,334	$ 5,876,894	-	$ 52,294,228
2023	$ 64,309,170	$ 7,680,597	$ 4,715,776	$ 76,705,543
2024	$ 28,086,011	$ 11,095,717	$ 1,175,216	$ 40,356,944
	$ 161,432,801	**$ 25,591,010**	**$ 5,890,992**	**$ 192,914,803**

***MSEIP funding is only 3 years.**

Funding Cuts: This table displays the calculated total funding loss by program. Each year's awards are multiplied by the number of remaining years institutions will lose due to the termination. The total loss represents **$507.9 million**.

For five-year programs, 2021 awards lose one year of funding. 2022 awards lose two years, 2023 awards lose 3 years and 2024 awards lose 4 years.

MSEIP is a three-year program, so 2023 awards lose one year while 2024 awards lose two years.

Funding Cuts

Years Cut	Award Year	DHSI (Title V Part A)	PPOHA (Title V Part B)	MSEIP* (Title III Part E)	Discretionary Total
1	2021	$ 22,620,286	$ 937,802	-	$ 23,558,088
2	2022	$ 92,834,668	$ 11,753,788	-	$ 104,588,456
3	2023	$ 192,927,510	$ 23,041,791	$ 4,715,776	$ 220,685,077
4	2024	$ 112,344,044	$ 44,382,868	$ 2,350,432	$ 159,077,344
		$ 420,726,508	**$ 80,116,249**	**$ 7,066,208**	**$ 507,908,965**

***MSEIP funding is only 3 years.**

Rebecca Perdomo is a Senior Research Associate with CMSI and the Proctor Institute. As a consultant, she has produced reports, created dashboards, and served as a content editor for the University of Georgia's (UGA) Carl Vinson Institute of Government, Rutgers Center for MSIs, and the Hispanic Association of Colleges and Universities (HACU). Perdomo uses predominantly quantitative methods to address equity in education with a focus on Hispanic Serving Institutions, funding, and marginalized students.

Using her research to inform policy, she previously served as HACU's Director of Policy Analysis, where she engaged with stakeholders and used her research to advocate on behalf of Hispanic Serving Institutions and the students they serve. Recognized for its innovative approach to making HSI information accessible to students, parents, and policymakers alike, Forbes featured the HSI dashboard she created in 2021.

Perdomo's background is in philosophy (B.A, University of Central Florida '1) and sociology (B.A, UCF'15; M.A., UGA'17 '17), and her Ph.D. is in Higher Education Policy and Administration from UGA ('19). She has presented her research at the Association for the Study of Higher Education (ASHE), Cambio de Colores, the Southern Sociological Society, and the American Institutes for Research (AIR), guest lectured at the University of Georgia and Wayne State, and co-authored an article in Race Ethnicity and Education.