

Promise Nation

Transforming Communities through Place-Based Scholarships

Michelle Miller-Adams



Chapter 1

What is a Promise Scholarship Program?

Kalamazoo, Michigan—a mid-sized city halfway between Chicago and Detroit with a history of innovation in pharmaceuticals and medical technology; Denver, Colorado—a booming city of 650,000 in the foothills of the Rocky Mountains; Pittsburgh, Pennsylvania—once known as “Steel City,” a declining population center of 305,000 rebounding from the loss of heavy industry; El Dorado, Arkansas—a company town of fewer than 20,000 located a few miles north of the Louisiana border. While these four communities may seem to have little in common, they are all leaders in a recent innovation in college access that has spread rapidly across the United States. Place-based scholarships, or Promise programs, have emerged in communities of all types and sizes, including those above; more than 35 were created between 2006 and 2014. These four programs alone—the Kalamazoo Promise, Denver Scholarship Fund, Pittsburgh Promise, and El Dorado Promise—have sent over 13,000 students to college for free or close to it. The results are impressive:

Following decades of decline, enrollment in the Kalamazoo Public Schools grew by 25 percent between 2005 and 2013. The availability of the Promise led to a reduction in suspensions, an increase in credits attempted, and, for African-American students, a higher GPA.

The college enrollment rate for graduates of the Denver Public Schools rose from 56 percent to 86 percent between 2007 and 2012, while the college retention rate reached 79 percent for low-income minority students.

The high school graduation rate in the Pittsburgh Public Schools rose from 63 percent to 69 percent in the six years after the Pittsburgh Promise was introduced in 2008, while the college enrollment rate increased from 58 percent to 68 percent.

For graduates of the El Dorado School District, the college enrollment rate increased from 65 percent to over 90 percent between 2006 and 2013; 91 percent of freshmen completed their first year of college.

At a time when there is a fierce national debate over the costs and benefits of college, local communities are finding ways to make higher education affordable and improve student outcomes. But the agenda for Promise communi-

ties is about more than college access and school improvement—it is about economic development and quality of life. In short, it is about transforming communities.

What is behind the Promise movement, and why has it spread so rapidly? How do these programs fit into a broader array of community transformation projects, and what is their meaning for students and cities? Will Promise programs become an ongoing avenue for college access, or are they a temporary outgrowth of current trends in college affordability? Are the economic development goals of Promise communities realistic and achievable? This brief volume will address some of these questions.

In this chapter, I define a Promise program. (This task is harder than it sounds since the place-based scholarship programs created to date differ from each other in many ways, both large and small.) In Chapter 2, I address how Promise programs fit into the larger landscape of financial aid, economic development, and collective impact strategies. Chapter 3 explains the pathways through which the Promise model has expanded into new communities. Chapter 4 examines the most important variation among Promise programs—student eligibility—and asks to what extent it matters. Chapter 5 reviews existing research and draws some conclusions about the impact of Promise programs to date, while Chapter 6 looks at the area of impact that is hardest to measure or assess how Promise programs affect economic development. Chapter 7 offers some concluding thoughts on the future of the Promise movement.

In November 2005, Kalamazoo, Michigan, became home to an unprecedented experiment in education-based economic renewal when it was announced that a group of anonymous donors had created the Kalamazoo Promise, a scholarship program that guarantees in perpetuity generous college scholarships to every student who graduates from the Kalamazoo Public Schools district (KPS). Behind the scholarship is an ambitious economic development agenda that seeks to revitalize the city and the region through a substantial investment in public education. The unorthodox approach drew widespread national media coverage and the attention of leaders in dozens of communities across the nation.

The Kalamazoo Promise differs from most other scholarship programs in that the allocation of funds is based not on merit or need but on place. Beginning with the class of 2006, every KPS graduate who has been enrolled in and resided in the district since kindergarten receives a scholarship covering 100 percent of tuition and mandatory fees at in-state, postsecondary institutions. Scholarships are awarded on a first-dollar basis, meaning that the scholarship amount is calculated before a student's other grant aid. Students eligible for additional aid, usually in the form of federal Pell Grants, can use their non-Promise aid to pay for room and

board or other college costs. (Most graduates of KPS, with a low-income enrollment rate of over 70 percent, are eligible for federal financial aid.) For the graduating classes of 2006 to 2014, use of the scholarship was limited to any one of Michigan's 44 public colleges or universities. For the class of 2015 and beyond, 15 private liberal arts colleges, each a member of the Michigan Colleges Alliance, are also included as postsecondary options. Graduates who attended a KPS school and lived in the district for four years receive a scholarship covering 65 percent of these costs, with a sliding scale for those in between. There are almost no strings attached: students must maintain a 2.0 GPA in their college courses and make regular progress toward a degree.

The results of the program have included surprises, some positive for the local economy (almost two-thirds of scholarship recipients have chosen to attend the local university or community college), others less so (the program has had no discernible impact on the housing market). But there is no bigger surprise than what has happened outside Kalamazoo. Spurred in part by extensive national media coverage and the reporting (and misreporting) of early positive results from the Kalamazoo Promise, communities in every part of the country have created their own place-based scholarship programs inspired by what is happening in Kalamazoo.

The first cities to announce their intentions to develop Promise-type programs did so only a few months after the introduction of the Kalamazoo Promise. These included Newton, Iowa, a company town adjusting to the imminent departure of the Maytag Corporation; Hammond, Indiana, a shrinking industrial city on the southern shore of Lake Michigan; and Flint, Michigan, the distressed former home to General Motors' main production facilities and the setting for Michael Moore's classic anticorporate documentary, *Roger and Me*. By the first anniversary of the Kalamazoo Promise announcement in November 2006, the floodgates had opened, with city after city announcing its own version of the program. Some of these plans have come to fruition, while others have not. The Newton and Flint programs, for example, never got off the ground, although the College Bound program in Hammond continues to award scholarships to the children of homeowners in that community.

Three of the programs mentioned above—the Denver Scholarship Foundation, the Pittsburgh Promise, and the El Dorado Promise—were created in the 2006–2007 period and represent some of the earliest Promise programs. They also underscore the difficulty of generalizing about this group of initiatives.

While these programs were inspired by the Kalamazoo Promise, only one of the three mirrors the fundamental premise of the Kalamazoo program: that all students should be eligible for a scholarship, receiving funding to attend any postsecondary institution to which they can gain admission. (Even very short-term career and technical programs offered by community colleges, as well as one apprenticeship program and a vocational training school for special needs students, are covered by the Kalamazoo Promise.) The El Dorado Promise adopted this universal approach as well as the first-dollar structure, providing even greater flexibility than the Kalamazoo Promise by allowing students to use their scholarships at any accredited two- or four-year, public

or private educational institution in the United States. (Tuition is capped at the highest annual resident tuition at an Arkansas public university.) In 2013, the El Dorado Promise broadened student eligibility by removing the residency requirement, meaning that any student attending El Dorado Public Schools, regardless of whether he or she resides within the school district, is eligible for the scholarship.

The Denver and Pittsburgh programs both break with the universal eligibility approach of the Kalamazoo and El Dorado scholarships, but they do so in different ways. Denver is one of a handful of Promise scholarship programs that has a financial need component—in order to qualify, students must be eligible to receive federal student financial aid (here, too, the district's free and reduced-price lunch rate of over 70 percent means that a majority of students are indeed eligible). Denver also has a merit requirement of a 2.0 high school grade point average, or a C average, for receipt of a scholarship. The amount of scholarship funding available through the Denver program is lower than that offered by many other programs, but the program requires students to apply for at least three other scholarships, which means that substantial additional scholarship funding has been leveraged. A large part of the Denver Scholarship Foundation budget goes to support Future Centers in 16 of the district's high schools; each Future Center is staffed by a full-time Denver Scholarship Foundation college advisor who guides students through the college application and financial aid processes.

The Pittsburgh Promise is the first of a group of merit-based programs, with eligibility for the scholarship contingent on high school grade point average and attendance. Students must have a 2.5 GPA and 90 percent attendance rate in high school to qualify for the full Pittsburgh Promise funding of up to \$10,000 a year for four years (or \$40,000). (As with most Promise programs, the amount of the benefit is prorated for the number of years a student has attended the school district.) There is a provision for students with GPAs in the 2.0–2.5 range to receive support to attend the local community college and transition to full eligibility if they are successful in that environment, but this is not widely publicized. The merit-based model has been adopted by many other communities with some variations. (In New Haven, for example, the GPA requirement is a 3.0.)

As of this writing, approximately half of the existing Promise programs have a merit component to eligibility and half have opted for universal eligibility, as in Kalamazoo. Most Promise programs differ from Kalamazoo and El Dorado in another important respect: they are "last-dollar" programs, with the Promise scholarship awarded after other grant aid is calculated. In Pittsburgh, for example, the Promise award is calculated to fill any gap left after federal, state, and institutional aid is awarded; however, it can be used (up to the maximum amount) to cover not just tuition costs but also books, room, and board.

Many of the other communities that have launched Promise programs, including some that were announced in the very earliest days following the Kalamazoo Promise, limit use of the scholarship to local institutions. The Peoria Promise in Illinois, Ventura College Promise in California, Jackson Legacy in Michigan, and Garrett County Scholarship Program in Maryland are all examples of programs where

students receive funding that can be used only at a local two-year institution.

The map below shows the distribution of place-based scholarship programs as of 2014. This landscape is continually evolving, as new communities learn about, plan, and implement Promise programs. A list of current programs and their key features is found in the appendix; an updated list and an interactive map of Promise communities can be found on the W.E. Upjohn Institute Web site (www.upjohn.org).

Given the diversity of their structure, does it make sense to treat Promise programs as a group? I would argue that it does, for two reasons. First, all of the programs embody a place-based approach to awarding scholarships. As will be explored in the next chapter, scholarships in the United States are generally awarded on the basis of financial need or academic merit. Such scholarships are attached to the individual student with little regard to which school he or she attends. Beginning with the Kalamazoo Promise in 2005, and continuing to the present and well into the future (many more Promise programs are currently in the works), dozens of communities have opted to create scholarship programs where the key determinant of eligibility is long-term attendance in a specific school district and often residency within that district as well. This place-based model has existed in other forms—at a larger scale in the form of statewide merit programs such as Georgia Hope, and at a smaller scale in the form of scholarships extended to students at a single school or even a single grade within a school—but the notion of awarding scholarships based on school district attendance and residency is a new idea and one that has taken hold in communities of many different types and sizes.

The second reason why Promise programs can and should be analyzed as a group has to do with the goals of such programs. In surveying the stated motivations for establishing place-based scholarship programs, three themes emerge. The most obvious goal of Promise programs, as well as most other scholarship initiatives, is to increase access to postsecondary education. Promise programs do this by reducing the financial barrier to higher education through the provision of grant funding rather than loans. They also further this goal by providing support services, such as Future Centers or other college awareness and readiness programs, to help students overcome the nonfinancial barriers to postsecondary education. A second stated goal of most Promise programs is to build a

college-going culture in the school district. This involves the kinds of access and awareness programs mentioned above, as well as an increase in college preparedness activities through, for example, K-3 literacy initiatives, middle school career awareness programs, greater emphasis on advanced placement courses, and college visits. But it is the third category of goals that truly sets Promise programs apart from other scholarship or college readiness initiatives and suggests that they should be viewed as a group. That is the emphasis on local community and economic development. The creators of Promise programs have made it clear that these initiatives are not just about students and schools; they are also about transforming the communities in which these schools are located. In a later chapter, I will address the question of whether this is a realistic goal and what it means to say that a scholarship program can serve as a tool to promote community and economic development. For now, though, it is sufficient to note that Promise stakeholders see their programs as tools for this larger agenda.

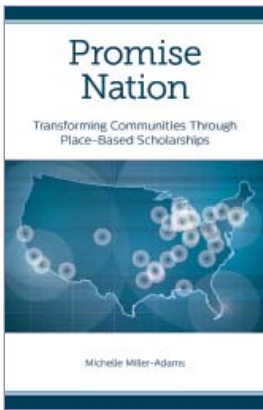
With these factors in mind, it is possible to arrive at a working definition of Promise programs, one that allows for the variations among these initiatives while acknowledging their common features:

Promise communities are those that seek to transform themselves by making a long-term investment in education through place-based scholarships. While these programs vary in their structure, they all seek to expand access to and success in higher education, deepen the college-going culture in K-12 systems, and support local economic development.

With our definition in hand, we can now turn our attention to how such programs fit into the national landscape of college access, financial aid, and community transformation, the topic of Chapter 2.



NOTE: This map represents the best of our knowledge and research but other programs likely exist.



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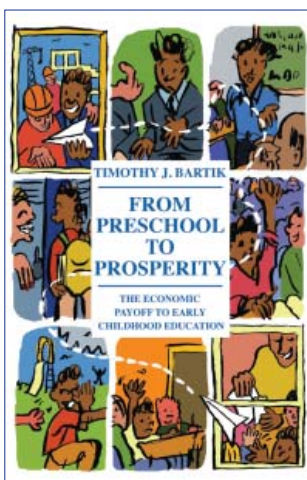
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