

10-18-2018

## Promise Scholarship Programs and Local Prosperity

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Policy Paper No. 2018-019

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### Citation

Miller-Adams, Michelle and Edward Smith. 2018. "Promise Scholarship Programs and Local Prosperity." Policy Paper No. 2018-019. Kalamazoo, MI: W.E. Upjohn Institute for Employment Research. <https://doi.org/10.17848/pol2018-019>

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# PROMISE SCHOLARSHIP PROGRAMS AND LOCAL PROSPERITY

UPJOHN INSTITUTE POLICY PAPER 2018-019

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October 18, 2018

## ABSTRACT

We argue that place-based college scholarships, if designed intentionally and leveraged effectively, can foster local economic development. Since the introduction of the Kalamazoo Promise in 2005, a growing number of communities have applied the place-based approach to investments in human capital through the creation of college scholarship programs. Reviewing the existing literature on educational and economic outcomes associated with Promise programs reveals that they can expand students' postsecondary aspirations, improve a school district's college-going culture, and increase college enrollment and degree attainment while promoting in-migration of residents and positive growth in housing prices. Therefore, these programs can serve a broader communal interest, benefiting both individuals (e.g., through higher earnings) and their localities. We conclude this report by outlining observations for city leaders and local policymakers that can be distilled into lessons concerning the civic engagement and economic vitality of a community, the attainment of equity in student outcomes, and the scale and sustainability of a program's design. We hope the evidence presented in this report will aid in the design, adoption, and scaling of programs that harness community assets and respond to community needs.

**JEL Classification Codes:** I25, I22, R23

**Key Words:** place-based scholarship, Promise program, local prosperity, economic development, education policy, educational finance, financial aid, college student outcomes, regional migration

Place-based policies have been recognized for decades as important components of local economic development. Historically, place-based policies have referred to investments within certain geographic areas, such as cities or regions, usually focused on infrastructure or financial support to businesses. Since the introduction of the Kalamazoo Promise in 2005, a growing number of communities are applying the place-based approach to investments in human capital through the creation of college scholarship programs.

Almost 100 communities have developed place-based, or Promise, scholarship programs designed to reduce the cost of college for broad groups of individuals (see Figure 1). Promise programs can be defined as scholarships that are offered to people (usually recent high school graduates but sometimes adults) from within an identified geographic area (usually a school

**Figure 1 Promise Scholarship Programs across the United States**



NOTE: For more information about Promise programs, see <https://upjohn.org/promise/database/>.

district, but sometimes a city or county). Promise stakeholders seek to create secure funding streams that represent long-term commitments; ideally, students and families will know upon entering a school district with a Promise program that a scholarship will be available years down the road. This long-term orientation makes Promise programs potential vehicles for not only increasing college access but also creating positive change in school districts and communities.

One of the hallmarks of Promise programs and something that sets them apart from traditional forms of financial aid is that their value accrues not just to the individuals receiving scholarships but also to the communities that are home to such programs. Critical to this connection is the idea that scholarship programs, if leveraged effectively, can serve as catalysts for the creation of new community assets. A Promise program can help increase the stock of skilled labor locally, serve to attract and retain families within the urban core, promote a positive shift in school culture, help with the recruitment of workers and businesses, and make a community more attractive to returning college graduates. A development strategy with educational investments at its heart is especially valuable for communities that are economically challenged by out-migration, the loss of industry, concentrated poverty, and demographic change.

## **THE PROMISE LANDSCAPE**

Promise programs are highly diverse in their structure. Rooted in local assets and representing a response to local needs, they differ in ways large and small. Some of the key distinctions concern the following:

- 1) **Who is eligible for the scholarship.** In some cases, residency is the only requirement; in others, there may be additional requirements, such as high school GPA thresholds or family income ceilings, that target certain types of students.
- 2) **Where students can use their scholarships.** Eligible institutions of higher education range from a single local community college to any institution nationwide.
- 3) **The scholarship's value and timing of delivery.** These vary from a flat annual amount to full tuition coverage. Most Promise scholarship programs are awarded on a last-dollar basis, meaning other forms of financial aid, especially federal need-based Pell grants, must be used first. Many programs include sliding scales that offer larger awards to students who have spent more time residing in a given school district.
- 4) **How the program is funded.** Most Promise programs are backed by private money, whether from local businesses, philanthropies, or public contributions. The newly emerging group of statewide Promise programs, along with a few local programs, draw on public funds.

The design of Promise programs is important for at least two reasons. First, program design should reflect stakeholder goals, creating the incentives necessary to accomplish what stakeholders hope to achieve. Second, some program designs will generate larger community impacts than others.<sup>1</sup> And while design is important, a program's impact is likely to hinge on the success of local alignment efforts, as will be discussed below.

Currently, about 45 cities, including Buffalo, Denver, Detroit, New Haven, Pittsburgh, and San Francisco, have created scholarship programs for their residents. Another 40 or so

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<sup>1</sup> For more information on program design distinctions, see Miller-Adams (2015), Perna (2016), and Swanson et al. (2016).

programs, many of them in California, emanate from community colleges that have chosen to make attendance free to residents. And in recent years, more than a dozen states have introduced legislation providing a tuition-free path to a college degree for many of their residents.<sup>2</sup> While statewide programs bear some similarities to the more locally based programs, there is limited research to date about their impact, and they are not the focus of this report.<sup>3</sup>

Even as Promise programs have proliferated, evaluation of their impacts has been limited.<sup>4</sup> Most studies focus on the more generous of the locally based programs, especially those that offer recipients a four-year postsecondary option, such as the El Dorado Promise, the Kalamazoo Promise, the Pittsburgh Promise, and the Say Yes programs in Buffalo and Syracuse. (The first two of these are first-dollar programs that direct more funding to low-income students and can thus be expected to have slightly different impacts.) This is not to imply that other Promise programs have not brought important benefits to their communities. Rather, in this report, we highlight research rigorous enough to estimate the causal impact of Promise programs; most of this research focuses on these older and more generous programs.

Our specific focus is to understand the impact of place-based scholarship programs on local prosperity. Such programs are generally created by groups of local stakeholders encompassing funders, school districts, higher education institutions, and employers. Their most obvious goal is expanding access to higher education for local youth by reducing costs and other barriers, but they also hope to improve other outcomes, including K–12 school quality and

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<sup>2</sup> For a review of statewide programs, see Mishory (2018).

<sup>3</sup> A distinction should be noted between an earlier generation of statewide merit-based programs, such as Georgia's HOPE Scholarship, and the newer group of statewide programs that do not impose merit requirements.

<sup>4</sup> Because it is difficult to apply the gold standard of program evaluation—a randomized controlled trial—within the Promise context, researchers have used a range of quasi-experimental methods such as difference-in-differences analysis or regression discontinuity analysis to reach conclusions about the causal relationships between variables. These rigorous studies, along with a growing body of qualitative research, inform our conclusions about the relationship between Promise programs and local prosperity.

economic conditions in the broader community. The next two sections discuss, respectively, the postsecondary outcomes of Promise programs and community-level outcomes, including school improvement and economic development. While addressed separately, these outcomes are linked to each other and all have implications for local prosperity. In the concluding section, we offer some policy guidelines based on lessons learned from this research.

## **POSTSECONDARY EDUCATION OUTCOMES**

The past decade has been characterized by rising college costs, a growing need for training beyond high school to get a well-paying job, and challenges faced by displaced workers—trends that have led to a bevy of innovations in college access and completion. Policymakers, education leaders, and philanthropic organizations are responding to the reality that neighborhoods, cities, and regions with greater shares of college-educated residents produce a higher tax base, experience less crime and unemployment, and have fewer residents in need of government support programs.<sup>5</sup> Therefore, policies that reduce the cost of completing college for residents can serve a broader communal interest, benefiting both individuals (e.g., through higher earnings) and their localities.

This section reviews the impacts of Promise programs on measures of college success.<sup>6</sup> Higher education attainment is the result of a complex process that arguably begins at birth (or even before) and is influenced by the considerable differences in resources available to families,

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<sup>5</sup> Ma, Pender, and Welch (2016).

<sup>6</sup> Much of the research cited in this section was supported by a Lumina Foundation grant to the Upjohn Institute in 2014. Research carried out under this grant resulted in studies of postsecondary outcomes in the Promise communities of El Dorado, Kalamazoo, New Haven, and Pittsburgh, as well as the Say Yes programs in Buffalo and Syracuse. We are grateful to Lumina Foundation for supporting this work.

communities, and schools.<sup>7</sup> While degree attainment serves as a primary outcome of interest among many Promise program stakeholders, researchers have investigated the effects of programs on several intermediary milestones, including college aspirations and academic preparation, high school graduation, and college matriculation and completion.

### **Postsecondary Aspirations**

Some education analysts speculate that Promise programs' simple message of "free college" helps students and their families understand the value and affordability of higher education.<sup>8</sup> Early awareness of the value of a degree, as well as available money to pay for it, may cultivate students' college aspirations earlier in the educational pipeline. They may also inspire students to take steps helpful for successful matriculation, such as taking academically rigorous courses, researching college options, and learning how to apply.<sup>9</sup>

Simultaneously, Promise programs can motivate school leaders to employ strategies that improve a school's college-going culture and increase students' awareness of college. For example, high school student surveys and interviews with students, teachers, counselors, and principals suggest that, three years after implementation, the Kalamazoo Promise had improved the college-going climate and increased college-going expectations among students, teachers, and other school staff within Kalamazoo Public Schools (KPS).<sup>10</sup> Using similar methods, researchers also found improved college-going expectations among teachers, guidance

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<sup>7</sup> See Perna (2010) and Reardon and Bischoff (2011) for research on the relationship between income inequality, income segregation, and community-level disparities of educational attainment.

<sup>8</sup> Goldrick-Rab and Miller-Adams (2018).

<sup>9</sup> See Perna (2010, 2016) for useful steps in realizing college aspirations.

<sup>10</sup> Miron et al. (2011); Miron et al. (2012).

counselors, and administrators within the El Dorado School District six years after the adoption of the El Dorado Promise.<sup>11</sup>

The introduction of Promise programs has also been shown to stimulate Advanced Placement enrollment and increased FAFSA completion. In such cases, benefits may spill over to students across the school and district, even among those who may end up ineligible for the scholarship, as was observed several years after the adoption of the Pittsburgh Promise.<sup>12</sup>

Researchers find that high school GPAs and FAFSA filing, as well as high school graduation and college enrollment, increased among all high school students after the adoption of the program, irrespective of students' eligibility.<sup>13</sup>

Nonetheless, messaging about a Promise program's opportunities and benefits may come with challenges.<sup>14</sup> For example, in Kalamazoo, even with improvements in college-going culture and expectations, some teachers and staff continued to believe that not all students would benefit from the scholarship.<sup>15</sup> Moreover, in another exploratory study, focus group data suggests that at least some students eligible for the Pittsburgh Promise had incomplete knowledge of the program's requirements and financial benefits.<sup>16</sup> Findings from more recently collected survey and interview data reveal that counselors were regularly communicating the benefits of the Pittsburgh Promise, but that students and their families still lacked information about college costs.<sup>17</sup>

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<sup>11</sup> Ash and Ritter (2016).

<sup>12</sup> Page et al. (2018).

<sup>13</sup> Ibid.

<sup>14</sup> See research from Miron, Jones, and Kelaher-Young (2012); Gonzalez et al. (2011); and Page and Iriti (2016).

<sup>15</sup> Miron, Jones, and Kelaher-Young (2012).

<sup>16</sup> Gonzalez et al. (2011).

<sup>17</sup> Page and Iriti (2016).

Universal college scholarships may be a powerful conduit through which a community nourishes students' academic success and postsecondary aspirations. Further, by highlighting educational opportunities, Promise programs may help hold school districts accountable for students' academic preparation, including their college preparatory strategies. However, to fully scale their potential benefits, Promise programs' messaging must complement, and not substitute for, a robust, comprehensive strategy to improve college-going culture within middle and high schools.

### **High School Graduation**

Promise programs may motivate students to take several steps that lead to the successful completion of high school, a precursor to college attendance. However, the research remains inconclusive. For example, an examination of the Knox Achieves program (the predecessor to the Tennessee Promise, serving school districts within Knox County) reveals that the program increased on-time graduation rates by a little over 3 percentage points for eligible students compared with a matched sample of ineligible students from the surrounding area or elsewhere in the state.<sup>18</sup> Similarly, consistent with Promise effects, graduation rates have gradually increased by approximately 10 percentage points in KPS since the adoption of the Kalamazoo Promise.<sup>19</sup> In contrast, while researchers have found a host of positive outcomes (such as higher standardized test scores) for students eligible for the El Dorado Promise, the same students were

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<sup>18</sup> Carruthers and Fox (2016).

<sup>19</sup> Miller-Adams (2015) observes increases in high school graduation rates within KPS but acknowledges that a portion of the increase may be associated with the in-migration of new students to the public school district (which increased the numbers of students within postadoption cohorts) and may not be entirely related to the improvement of academic performance among existing students. The phenomena of in-migration to the city of Kalamazoo and increased student enrollment within KPS will be discussed in more detail in subsequent sections.

approximately 14 percentage points less likely to graduate from high school when compared with ineligible students residing in other areas of Arkansas.<sup>20</sup>

Several mechanisms complicate the detection of effects on graduation rates. On one hand, school districts may improve and standardize instructional practice and cocurricular supports—efforts that may generate higher graduation rates across the district. However, observed increases may be associated with changes in the demographic composition of students within the district, whereby different (and sometimes higher-achieving) students migrate to a Promise community to capitalize on its benefits. Even more challenging, school districts may have different definitions of high school graduation rates, and states may periodically change the way they calculate these rates, both of which may complicate cross-community comparisons or trends over time.

Measurement challenges notwithstanding, Promise scholarships create incentives for secondary school achievement while symbolizing the community's value of postsecondary education.

### **College Enrollment**

Among the most examined outcomes of Promise programs is their impact on college enrollment. Several studies have found that the Kalamazoo Promise increased college enrollment among eligible students, with most of the new enrollment concentrated in four-year institutions.<sup>21</sup> More specifically, researchers have concluded that the program raised college enrollment within 6 months of high school graduation by approximately 10 percentage points, and by 8 percentage points within 12 months.<sup>22</sup> This finding suggests that the program may help accelerate students'

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<sup>20</sup> Ash (2015) finds that these results were statistically insignificant and sensitive to the matching strategy and different measurements of graduation (graduation at all, graduation from 9th grade district, on time graduation).

<sup>21</sup> See Bartik, Hershbein, and Lachowska (2015).

<sup>22</sup> Ibid.

transition from high school to college; such an “immediate” transition tends to contribute to increased persistence and degree completion rates when compared with delayed enrollment.<sup>23</sup>

Similarly, researchers find that Pittsburgh Public School graduates were approximately 5 percentage points more likely to enroll in college after the introduction of the Pittsburgh Promise, and 10 percentage points more likely to select an institution in Pennsylvania, with most of the enrollment effects concentrated in four-year institutions.<sup>24</sup> Academically marginal students (defined as those achieving a cumulative GPA between 2.0 and 2.49 by high school graduation) were nearly 14 percentage points more likely to pursue postsecondary education than they would have been in the absence of the Promise opportunity, and nearly 17 percentage points more likely to persist into a second year of college.<sup>25</sup>

The El Dorado Promise led to an 11 percentage point increase in overall college enrollment among eligible students compared with ineligible students in the El Dorado Public School District.<sup>26</sup> Moreover, the El Dorado Promise was also effective in inducing several groups of disadvantaged students to enroll in college: the Promise led to an estimated 13 percentage point increase in postsecondary enrollment for Promise-eligible students of color, as well as a 21 percentage point increase in college enrollment among those with below-average GPAs.<sup>27</sup> Positive enrollment effects were concentrated among students who graduated between 2012 and 2016. The authors surmise that students who graduated in 2012, five years after the introduction of the program, would have been hearing about the values of the Promise (and college) from 8th grade through 12th grade. This result could reflect the importance of an

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<sup>23</sup> Snyder, de Brey, and Dillow (2016).

<sup>24</sup> Page and Iriti (2016).

<sup>25</sup> Ibid.

<sup>26</sup> Swanson and Ritter (2018).

<sup>27</sup> Ibid.

increased college-going culture at all grade levels for encouraging marginal students to attend college.

Researchers investigating college enrollment after the adoption of the Say Yes to Education program uncovered positive effects among students graduating from Buffalo Public Schools, with substantial increases observed among African Americans.<sup>28</sup>

In contrast, studies of the New Haven Promise find conflicting results depending on the methods used; the authors do not conclude that the program boosted college-going.<sup>29</sup> For example, one study finds that, while college enrollment rates in New Haven Public Schools increased during the observation period, the increases were relatively indistinguishable between Promise-eligible and Promise-ineligible students.<sup>30</sup> Exploiting the program's 3.0 GPA requirement as a cut point, another analysis of the New Haven Promise finds that college enrollment rates increased at public colleges by an estimated 8–14 percentage points among eligible students in the first three graduating cohorts (2011–2013). However, the authors disclose concerns about these findings because of potential violations of key methodological assumptions and the results of a concurrent analysis showing no effect on college enrollment. The authors conclude that the absence of an increase in college enrollment for eligible students may be attributable to the rigor of the eligibility criteria.

While the Kalamazoo Promise, the El Dorado Promise, the Pittsburgh Promise, and Say Yes to Education were associated with increases in overall enrollment, the New Haven Promise

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<sup>28</sup> Bifulco et al. (2016).

<sup>29</sup> See Gonzalez et al. (2014), and Daugherty and Gonzalez (2016).

<sup>30</sup> Gonzalez et al. (2014). It should be noted that the New Haven Promise is a last-dollar scholarship that provides up to \$10,000 to students who achieve at least a 3.0 grade point average, among other eligibility criteria, to attend any in-state public university in Connecticut and up to \$2,500 toward tuition costs incurred at private institutions in the state. For more information, visit <http://newhavenpromise.org/>.

was not. It is worth noting that the New Haven Promise also had the strictest academic eligibility requirements. These patterns suggest that enrollment effects likely vary with a program's design. Programs with a merit criterion tend to yield smaller boosts in college enrollment, as students targeted by this strategy often enroll in colleges even without a Promise scholarship. Universal programs are more likely to facilitate an enrollment increase but may also incentivize an enrollment shift (e.g., from four- to two-year institutions; from private to in-state, public institutions), depending on where the scholarship may be used.

### **College Choice**

One of the most common findings from Promise research is that students shift their college choice toward institutions where they can use their scholarships. Programs that allow an expansive set of institutions (both two- and four-year colleges) tend to result in higher rates of four-year enrollment, whereas programs that limit attendance to community colleges increase enrollment at these institutions, in some cases at the expense of four-year enrollment.<sup>31</sup>

Several investigations using different methodological approaches have revealed that the Kalamazoo Promise increased enrollment at in-state four-year institutions. For example, one study finds that students' likelihood of enrolling at an in-state, four-year public institution increased by 16–18 percentage points, with a 9 percentage point shift away from noneligible colleges (especially out-of-state institutions).<sup>32</sup> A comparison of the postsecondary destinations of graduates from the Kalamazoo Area Math and Science Center (KAMSC) before and after implementation of the Kalamazoo Promise suggests that the program encouraged high-achieving

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<sup>31</sup> See research on Michigan's Promise Zones from Billings (2018); Knox Achieves, Carruthers and Fox (2016); and a single community college Promise program located in the Pacific Northwest from Pluhta and Penny (2013).

<sup>32</sup> Bartik, Hershbein, and Lachowska (2017).

high school graduates to attend public, in-state colleges and universities, rather than out-of-state institutions. Specifically, two years after the program's implementation, the share of KAMSC graduates from KPS attending public, in-state colleges increased from 39 percent to 67 percent.<sup>33</sup>

Other investigations reached similar conclusions. For instance, an analysis of ACT test-score sending data (as a proxy for college applications) finds that students eligible for the Kalamazoo Promise were more likely to send their scores to Michigan's most selective public universities (i.e., the University of Michigan and Michigan State University) after the policy's adoption.<sup>34</sup> Additionally, eligible students were also more likely to send their ACT scores to nearby public universities (such as Western Michigan University) as opposed to in-state private universities and out-of-state public universities.<sup>35</sup> These trends were more prevalent among students from low-income communities; students from families with annual incomes below \$50,000 were 9 percentage points more likely to send their test scores to Michigan State University and 11 percentage points less likely to send them to Kalamazoo Valley Community College.<sup>36</sup> The researchers conclude that the Kalamazoo Promise changed the college choice set for low-income students, as the scholarship allowed them to consider institutions that were higher priced and more selective.

A similar pattern was uncovered for the Pittsburgh Promise. Although early research found that the program was unrelated to overall rates of college enrollment among scholarship-eligible students in the three years after program implementation, subsequent work finds that the

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<sup>33</sup> Miller-Adams and Timmeney (2013). Kalamazoo Promise-eligible postsecondary institutions expanded in 2015 to include a number of private colleges in Michigan, so the shift to public institutions may no longer be occurring.

<sup>34</sup> Andrews, DesJardins, and Ranchhod (2010).

<sup>35</sup> Ibid. The same program changes mentioned in Footnote 33 would exercise an effect here as well.

<sup>36</sup> Ibid.

program was related to an increase in enrollment at four-year institutions, particularly those within the state of Pennsylvania.<sup>37</sup> Similar effects occurred for white and black students, regardless of eligibility for free or reduced-price lunches, a proxy for household income.<sup>38</sup> More recent work has found that the Pittsburgh Promise is associated with higher rates of college enrollment, both overall and specifically at four-year institutions, as well as with persistence through the first two years of college and lower rates of undermatch.<sup>39</sup> Again, these effects remain stable across ethnic and income-based subgroups.<sup>40</sup>

Programs that limit awards to community colleges may increase enrollment at these institutions. For example, an investigation of the Knox Achieves program finds that the scholarship raised community college enrollment for affected students, but that there were also reductions in “the propensity to enroll in a four-year college or university.”<sup>41</sup> Comparing eligible and ineligible students residing in the Knox coverage area, as well as in other areas of Tennessee, Knox Achieves participants were 24 percentage points more likely to enroll in college than their matched counterparts, and 30 percentage points more likely to enroll in community college within nine months of high school graduation.<sup>42</sup> The study’s authors suggest that much of the gain in community college enrollment derived primarily from students who would have otherwise attended four-year institutions, as eligible students were a little over 5 percentage points less likely to enroll in a four-year university.<sup>43</sup>

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<sup>37</sup> Bozick, Gonzalez, and Engberg (2015); Gonzalez et al. (2011).

<sup>38</sup> Bozick, Gonzalez, and Engberg (2015).

<sup>39</sup> Page and Iriti (2016). Note: the authors define undermatch as a student attending a college with a median SAT score more than 15 percentile points lower than the her or his score.

<sup>40</sup> Ibid.

<sup>41</sup> Carruthers and Fox (2016, p. 98).

<sup>42</sup> Ibid.

<sup>43</sup> Ibid.

Promise stakeholders should keep these enrollment shifts in mind when thinking about students' workforce outcomes and opportunities in the local labor market. Promise programs that support community college enrollment may hold the potential to strengthen the local workforce, since students enrolling in—and graduating from—these institutions tend to remain in the region. Moreover, the powerful influence of geographic proximity on college enrollment may neutralize the meaningful opportunities provided by expansive program designs. With 59 institutions from which to choose, nearly 6 in 10 (59 percent) Kalamazoo Promise recipients attend either the local community college or the local four-year university.<sup>44</sup> Preliminary results from a survey of the first graduating class of Promise recipients suggest that these students are more likely than previous cohorts to return to Kalamazoo to live and work.<sup>45</sup> Indeed, for many students, college access and success is a local phenomenon.<sup>46</sup>

## **Degree Completion**

Educational attainment is arguably the most important outcome of interest among researchers and policymakers.<sup>47</sup> However, only a few studies have investigated the impact of Promise programs on degree completion. Some researchers have hypothesized that Promise programs may encourage both K–12 schools and colleges to create a more coordinated approach to improving college success for students from underserved groups.<sup>48</sup> Colleges, for example,

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<sup>44</sup> Jorth (2017). The two institutions are Western Michigan University and Kalamazoo Valley Community College.

<sup>45</sup> This information was retrieved from a preliminary analysis of responses to the Kalamazoo Promise 10-year alumni survey, administered by the W.E. Upjohn Institute for Employment Research and the Kalamazoo Promise.

<sup>46</sup> Iriti, Page, and Bickel (2017).

<sup>47</sup> Bartik, Hershbein, and Lachowska (2017, p. 34).

<sup>48</sup> See Iriti, Page, and Bickel (2017) for a detailed discussion of cross-sector collaboration in support of college degree completion.

could expand academic or social support services or matching scholarships that may reinforce students' ability and motivation to complete a degree.

Initial studies show that Promise programs increase six-year college completion rates, especially for bachelor's degrees.<sup>49</sup> An investigation of the completion impacts of the Kalamazoo Promise reveals that it led to a 10 percentage point increase in the completion of any postsecondary credential within six years of high school graduation. Researchers find that eligible students were approximately 7 percentage points more likely to earn a bachelor's degree within six years, compared with previous rates of degree completion experienced by KPS students.

A recent study of the El Dorado Promise finds that degree completion rates were higher for eligible students than ineligible students across several cohorts of graduating classes. Specifically, the scholarship was associated with an 11 percentage point increase in college enrollment and a 10 percentage point increase in bachelor's degree completion within six years among eligible students relative to ineligible students.<sup>50</sup> Students of color and students with above-average GPAs saw the biggest gains in bachelor's degree completion. However, the study finds no evidence that the Promise affected associate's degree completion within three years of high school graduation.

As programs proliferate, it is important to understand their full effects on a range of outcomes, from high school graduation to college enrollment and degree attainment.<sup>51</sup> It is also essential to explore how design features shape impact. The studies reviewed here suggest that first-dollar, more-expansive programs (of which there are very few) increase college enrollment

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<sup>49</sup> Bartik, Hershbein, and Lachowska (2017).

<sup>50</sup> Swanson and Ritter (2018).

<sup>51</sup> Swanson et al. (2016).

and degree attainment.<sup>52</sup> The emerging research on last-dollar, more-restrictive programs reveals that they, too, may boost college enrollment, but that they may also shift this enrollment toward two-year institutions, with unknown implications for degree completion.

## **Summary**

To ensure that students from all groups have the opportunity to enroll in, complete, and benefit from college, education leaders and policymakers must improve students' awareness of and access to available resources. Extant research suggests that Promise programs hold the potential to help students expand their educational prospects, as they often bring available resources and additional supports into closer reach. The extent of their reach is manifested through their ability to improve early awareness of college affordability, recognize the structural barriers that limit higher education opportunities across subsets of students, address the financial and nonfinancial barriers to college enrollment and attainment, and encourage K–12 schools and colleges to provide additional needed supports. Through increasing educational attainment, Promise programs can help communities prosper and thrive under ever-evolving economic conditions.

## **COLLECTIVE/COMMUNITY-LEVEL BENEFITS**

While community leaders have enacted Promise programs with the explicit goal of increasing the educational attainment of residents, most Promise programs include goals that go well beyond this. The Pittsburgh Promise seeks to “deploy a well-prepared and energized

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<sup>52</sup> See Andrews, DesJardins, and Ranchhod (2010); Ash and Ritter (2014); Bartik, Eberts, and Huang (2010); Bartik and Sotherland (2015); Page et al. (2018).

workforce.”<sup>53</sup> The El Dorado Promise counts a “vibrant economy” and “improved quality of life” among its expected achievements.<sup>54</sup> The New Haven Promise refers to a desire to “enhance the growth, stability, and economic development of the city of New Haven.”<sup>55</sup>

Promise programs can contribute to outcomes such as higher rates of home ownership or a better-prepared workforce that make communities more attractive, setting in motion a virtuous cycle of attracting new residents and recruiting new businesses. Recipients of Promise scholarships may appreciate their community’s investment in education and return with an enhanced level of engagement and pride, and higher levels of volunteerism. The place-based nature of Promise programs is integral to these efforts, as it facilitates the alignment that is crucial for positive community change.

While poverty alleviation is rarely spoken of as a core goal, almost all Promise programs are located in low-income communities or school districts that serve large numbers of economically disadvantaged students. Thus, central to most Promise programs, whether stated explicitly or not, are equity concerns about increasing access to higher education for those young people least likely to earn a college degree or credential—nonwhite minorities, low-income students, and first-generation college-goers. Whether Promise programs do indeed help break the cycle of generational poverty cannot be known in the short term; in the meantime, however, they have emerged as a critical element of community-based strategies to support low-income students across their life course.

In this section we review evidence of the public or collective benefits of Promise programs. Using methods that make it possible to isolate the effects of such programs,

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<sup>53</sup> Pittsburgh Foundation (n.d).

<sup>54</sup> [El Dorado Promise \(2012\)](#).

<sup>55</sup> <http://newhavenpromise.org/about/board-and-sponsors/> (accessed October 11, 2018).

researchers have found positive impacts on a variety of community-level outcomes, including the size and quality of the local K–12 school district, migration patterns, and housing prices.

### **Impact on School Districts**

A high-quality public school district is an important component of a vital community. School quality is widely recognized as a key factor in where people, especially those with children, choose to locate and figures prominently in business investment decisions. Not only do strong public schools attract educated workers to a community, they also produce more of them through graduation and preparation for higher education. Promise programs offer a good example of this dual dynamic. Scholarships create an incentive for families, workers, and businesses that value education to move to or remain within the community. At the same time, school districts face incentives to educate and graduate students who are well prepared to pursue postsecondary education. Over time, these two paths should combine to yield a more skilled local workforce.

In the short term, Promise programs can serve as powerful catalysts for school improvement. They provide students with incentives, in the form of scholarships, to improve their performance in a K–12 setting to gain admission to college. They also may attract new students into a school district. (If the new population is higher achieving than the existing population, a district’s overall achievement levels will rise; changes in student composition must be factored into any analysis of school improvement.) Promise programs also tend to encourage K–12 school districts to embrace cultural and structural change. Teachers in Promise communities, especially those with universal-eligibility programs, are more likely to consider every student “college material.” In such settings, students have an incentive to extend their outlook beyond high school graduation, and administrators are motivated to innovate around

college readiness. All these factors create an environment that supports school district improvement, and achievement rises not just because individual students work harder but because the school climate changes for the better.<sup>56</sup>

Rigorous research in this area focuses on two dynamics— the impact of Promise programs on school district enrollment trends and their effect on student behavior and achievement.

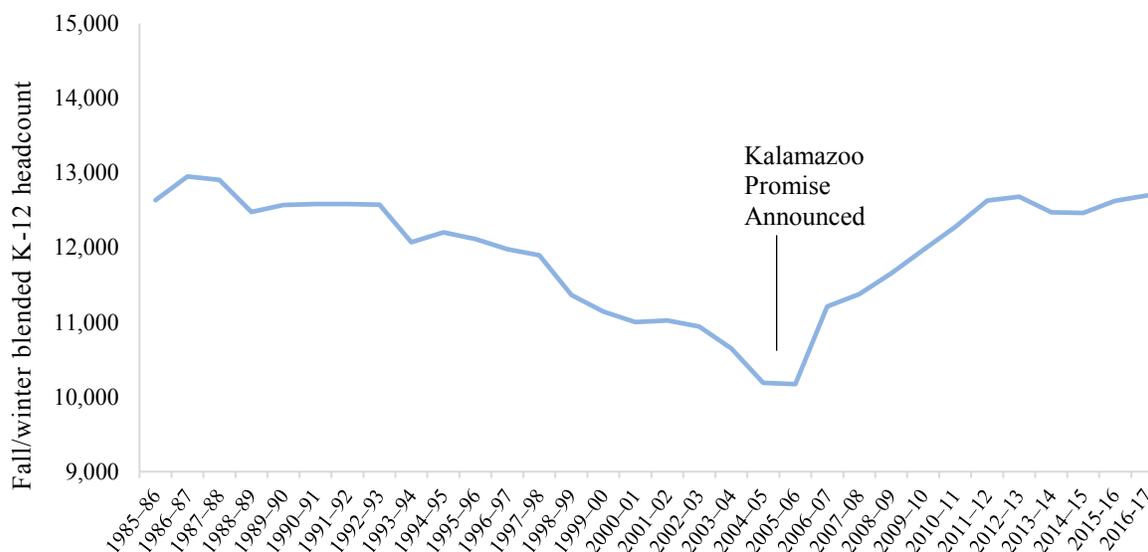
### **School district enrollment effects**

Many school districts serving urban communities struggle with declining enrollment because of demographic trends, out-migration, and competition from school choice programs and charter schools. In acute cases, the vicious circle of shrinking enrollment, declining funding, program cuts, and building closings drives families out of the district. Promise programs, especially the flexible and generous versions, have the potential to reverse this dynamic. This has certainly been the case in Kalamazoo, where enrollment in KPS rose 25 percent in the decade following the introduction of the Kalamazoo Promise (see Figure 2). This enrollment increase marked a reversal of decades of decline and brought the district benefits ranging from additional dollars (since state funding for schools is based on the number of students they enroll) to the construction of the first new school buildings serving the district in almost 40 years, to improved public perceptions of the school district.

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<sup>56</sup> Positive effects on school climate, teacher expectations, and student aspirations were reported based on surveys of students, parents, teachers, and community members in the years following the introduction of the Kalamazoo Promise; see Miron, Jones, and Kelaher-Young (2011). Similarly, researchers from the RAND Corporation identified rising student aspirations as among the early impacts of the Pittsburgh Promise; see Gonzalez et al. (2011).

**Figure 2 Kalamazoo Public Schools' Enrollment Trend (updated February 2018)**



SOURCE: MI School Data, Center for Educational Performance and Information, State of Michigan.

An interesting feature of enrollment growth in Kalamazoo is that it is due not just to new students entering the district but to a marked decline in those exiting.<sup>57</sup> While the initial post-Promise enrollment boost was about equally attributable to an increase in entrants and a decline in exit rates, the subsequent increase has come about almost entirely because of a reduction in exit rates. This suggests that the Promise has served to attach families to the district for a longer period. One corollary of this long-term enrollment growth has been a 52 percent increase in the number of high school graduates between 2005 and 2018, the result of improving graduation rates but even more so the higher number of students in the district.

Higher enrollment has also had important effects on school finances. Research from the Upjohn Institute has demonstrated that without the Promise, KPS enrollments would have

<sup>57</sup> KPS enrollment trends discussed in this section draw on Bartik, Eberts, and Huang (2010) and Hershbein (2013).

continued to decline; instead, incoming students represented approximately an 18 percent funding boost to the KPS budget in 2009–2010. And because the marginal cost of serving a new student is below the value of the additional state funding received per pupil, the district had an additional \$6 million to spend on new services for students, with similar benefits occurring in every subsequent year.

The Promise also stabilized the demographic balance in the district following decades of white flight. Enrollment increases were seen in the white, black, and Hispanic populations, roughly in proportion to each group’s share of enrollment when the Kalamazoo Promise was announced. The district’s percentage of students eligible for free and reduced-price lunches (the traditional measure of economic disadvantage) rose in the aftermath of the 2008 recession (from 59 percent in 2006 to 69 percent in 2009) but has seen little change since then (in 2017, it was 70 percent).<sup>58</sup> Stabilization of the racial, ethnic, and socioeconomic composition of a district is important for several reasons. First, it may be a valuable social goal in and of itself (and there is extensive research supporting the benefits of socioeconomic school integration for the learning of all students).<sup>59</sup> Second, a racially and economically integrated school district may be better able to maintain political and financial support from a diverse community and more likely to attract potential migrants. Thus, the stabilization of school demographics in Kalamazoo (even more apparent when one compares it to neighboring districts, as well as urban school districts across the state and region) may have important implications for the community’s future economic vitality.

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<sup>58</sup> Center for Educational Performance and Information (2018).

<sup>59</sup> For more on the benefits of socioeconomic school integration, see Kahlenberg (2012, 2016).

Subsequent research analyzed the origins and destinations, socioeconomic composition, and individual school choices associated with the inflow of students.<sup>60</sup> Results show that the majority of students who entered KPS the year after the Promise was announced came from outside district boundaries, and a quarter of new students came from out of state, suggesting migration into the area and considerable economic benefits not just for the school district but for the broader metropolitan area.

Few other Promise communities have seen enrollment increases comparable to that which took place in Kalamazoo, although there is evidence of positive enrollment impacts in other locales, including El Dorado, Arkansas.<sup>61</sup> Prior to the announcement of the El Dorado Promise, the local school district had experienced a decline of nearly 14 percent in overall enrollment from 1990 through 2006. Since the Promise was announced, the decline has halted and there have been small increases in enrollment. Moreover, the proportion of low-income students enrolled in the El Dorado schools has held steady while it has increased in comparable districts. Researchers speculate that this may be because of increased economic vitality in El Dorado, greater desire by middle-class residents to remain in the community, or an influx of new middle-class families, concluding that some combination of these factors has contributed to El Dorado's relative economic stability.

Kalamazoo and El Dorado are home to two of the nation's most generous Promise programs, both awarding scholarships on a first-dollar basis. The interesting question of how program design affects school district enrollment was addressed in a comparative study of the enrollment and housing effects of 21 Promise programs.<sup>62</sup> The authors asked whether merit-

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<sup>60</sup> Hershbein (2013).

<sup>61</sup> See Ash and Ritter (2014) on El Dorado discussion.

<sup>62</sup> LeGower and Walsh (2017).

based programs had different enrollment effects than universal programs. They find that public school enrollments increased in Promise communities relative to their surrounding areas following the announcement of a place-based scholarship program; however, there were distributional effects related to racial and economic diversity. Programs with the greatest choice of postsecondary institutions experienced the largest enrollment effects, and impacts were highest in the elementary grades (reflecting a sliding scale with greater benefits for long-term enrollment and residency in place in most Promise programs). Schools associated with merit-based programs experienced increases in white enrollment and decreases in nonwhite enrollment.

The enrollment question can be complicated, and impacts may vary from place to place. In some settings, simply stabilizing enrollment may be an important benefit to a district that has been in decline. In other places, enrollment gains may take different forms even across similar communities. For example, public school enrollments increased in both Syracuse and Buffalo following the introduction of their respective Say Yes to Education programs, compared to schools in neighboring suburban communities and other cities without these programs (e.g., Rochester).<sup>63</sup> While the Syracuse program may have attracted new residents from the suburbs and other communities, the Buffalo program appears to have encouraged current residents to shift their children's K–12 enrollment from private (mainly Catholic) to public schools.

### **Student behavior and achievement**

Enrollment growth does not guarantee improved student performance; yet, there is evidence that Promise programs can contribute to this as well. Improved student behavior and achievement trends can contribute to improvements in the reputation and attractiveness of a

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<sup>63</sup> Sohn et al. (2017).

school district just as rising enrollment does. Upjohn Institute researchers find clear evidence that the Kalamazoo Promise reduced student behavioral problems and had a dramatic positive effect on the high school GPA of African American students.<sup>64</sup> Because of the methods used, this study captures only the individual student-level effect of the introduction of the Kalamazoo Promise and thus may have understated its impact. Additional Promise effects resulting from changes in school culture, morale, or peer effects would not have been detected by this study, yet they are arguably among the most important aspects of Promise programs. (Such changes can be difficult to detect in part because they are seldom measured in a consistent way across school systems.)

A related study of the academic impact of the El Dorado Promise examines test scores of El Dorado Public Schools students in grades three through eight.<sup>65</sup> The average El Dorado Promise student outscored his or her peers by the equivalent of roughly six to seven percentile points on math and literacy tests. Disaggregation by race and income shows gains that were especially strong for African American and low-income students in the upper half of the ability distribution—that is, the greatest gains were made by high-achieving students from disadvantaged groups who had strong academic ability but presumably faced challenges around the cost of postsecondary education.

Analysis of scores on standardized tests in Kalamazoo supports this picture of rising achievement. Research carried out in 2015 analyzed how the Kalamazoo Promise affected student scores on the statewide standardized achievement test across subjects.<sup>66</sup> The results show

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<sup>64</sup> Bartik and Lachowska (2013). Note: estimates of the program’s GPA effect for all students were not precise enough to draw strong conclusions.

<sup>65</sup> Ash and Ritter (2014). Using “pre-Promise” student-level achievement data as a baseline, and demographic data available for all students across the state of Arkansas, the authors created a hypothetical match for every El Dorado Promise-eligible student.

<sup>66</sup> Kennedy (2015).

broad test score increases across almost all subjects and all demographic groups relative to a group of carefully chosen comparison districts. These gains developed slowly over several years and were greater for those students who were not economically disadvantaged.

Research on how Promise programs affect school districts is limited, and most of it focuses on the more generous programs. While this makes it difficult to generalize about such findings, it is clear that Promise programs have the potential to reverse some of the negative enrollment and achievement trends that characterize school districts in high-poverty, urban communities. Stabilized or rising enrollment and improved student performance can contribute to a healthier school district that is, in turn, a critical element of a vital community.

### **Migration and Housing**

Community-level benefits of Promise programs are not confined to school districts. Early on, many researchers anticipated that Promise programs would positively affect housing prices in their communities, and indeed this is sometimes mentioned as a stakeholder goal. The logic holds that the value of a scholarship that accrues to households within a certain geographic area should lead to an appreciation in home values within the eligible area. It turns out that this is not a straightforward relationship. For one thing, the value of a scholarship, especially if it carries many specific requirements that limit its applicability and usage, may not be large enough to show up in housing values. For another, broader trends in the housing market may swamp any “Promise effect” that occurs. Yet, there is some evidence of housing price increases as a result of Promise programs.

One study of more than 20 Promise programs finds that within three years of the announcement of a program, residential properties within selected Promise communities experienced an average increase of 7–12 percent in housing prices relative to the region

immediately surrounding the Promise area. Housing price gains were larger in neighborhoods with high-quality schools (those with higher test scores) and in the upper half of the housing price distribution, suggesting higher valuation by higher-income households.<sup>67</sup> These findings led the authors to conclude that Promise scholarships mainly affect the behavior of households above the median income, for which they present the greatest value. Merit-based versions of Promise programs were shown to disproportionately affect the housing market decisions of white households. Additionally, Say Yes to Education was associated with increased housing prices in Syracuse but not in Buffalo—the former offered relatively more generous scholarships than the latter.<sup>68</sup>

A related study of migration patterns in Promise communities estimates the average effects of eight relatively generous Promise programs on migration rates and housing prices in their local labor markets.<sup>69</sup> Promise programs led to significantly reduced out-migration rates for at least three years after their announcement. These reductions in out-migration rates were larger for households with children, and larger when the focus was on smaller areas around the Promise-eligible zone rather than the entire local labor market. These out-migration effects were large enough to imply that Promise programs would lead to a 1.7 percent increase in the overall population of the local labor market over the two to three years following the enactment of the program. The overall applicability of this research is limited because of its focus on the more generous programs, but this is the first evidence to show that Promise programs can have an impact on out-migration.

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<sup>67</sup> LeGower and Walsh (2017).

<sup>68</sup> Sohn et al. (2017).

<sup>69</sup> Bartik and Sotherland (2015) rely on data from the American Community Survey to estimate the average effects of these programs.

## Workforce

Stakeholders of Promise programs often cite creating a more skilled local workforce as one of their motivations. There are several mechanisms by which such an outcome could occur. The most obvious is that Promise programs send more students to college; if the community is able to retain these better-educated workers (or entice them to return), its workforce will be enhanced. In the shorter term, Promise programs may serve to attract better-educated workers by signaling a community's commitment to education and through an improving school district.

As with many aspects of Promise programs, both private and public benefits accrue in the area of workforce development. Individuals who benefit from Promise programs are more likely to complete a degree or certification, and hence, to be better compensated for their work and less likely to face unemployment. Communities that invest in Promise programs will presumably have access to a better-trained workforce, thus contributing to the vitality of the local economy. To date, neither of these outcomes has been tested, although there is research under way to examine both avenues.<sup>70</sup> The comments offered here are thus based less on rigorous research and more on observation and some survey data.

Program design variations are important in shaping the workforce outcomes of Promise programs. Programs that limit use of a scholarship to local institutions may have a larger workforce development impact than those that give people a greater range of postsecondary options because they retain students within the local community through their postsecondary years. On the other hand, people with college degrees, especially from four-year institutions, have generally been shown to have higher levels of mobility than those without, so it is not a

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<sup>70</sup> Thanks to a grant from Strada Education Network, a consortium of researchers is studying both individual and community-level workforce outcomes of Promise programs in El Dorado, Kalamazoo, Pittsburgh, and Tennessee. Their findings will be available in 2019.

foregone conclusion that Promise communities will retain local talent even if that talent is educated locally. Research under way on the workforce outcomes of Promise programs will explore these questions.

Occasionally, Promise stakeholders consider including a requirement to remain in the local community after completing a college degree. The best-known program to have implemented such a requirement is New York State's Excelsior Scholarship program, which began in fall 2017. It requires two years of residency in-state following degree completion; if this is not fulfilled, program rules call for the Excelsior Scholarship grant to be converted into a loan that must be repaid. Because the Excelsior Scholarship is a new program, this mechanism has not been tested, but observers agree that it is misguided for several reasons: For students who don't read the fine print, the conversion from grant to loan could come as a surprise. Additionally, even those who do understand the program's rules may need to relocate due to personal reasons, military service, or promising job opportunities.<sup>71</sup> Because of this, the postcollege residency requirement may dissuade some students from using the scholarship, and the goal of increasing opportunities for state residents could be undermined by its structure.

Formally tying people to their local community after college completion is not only unrealistic but may also be unnecessary because many students will opt to remain local even without such a requirement. Researchers in Pittsburgh report that of traditional first-time college students, nearly half attend a postsecondary institution within 20 miles of their high school, with an even higher rate for students from lower-income households.<sup>72</sup> Postsecondary attendance data

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<sup>71</sup> The statewide Rhode Island Promise has a similar provision but without the penalty.

<sup>72</sup> According to Iriti, Page, and Bickel (2017), for students from families with an expected family contribution of 0, 63 percent attend college within 20 miles of home. Rates are even higher when all first-time college goers are included.

from Kalamazoo bears out this trend. As noted above, almost two-thirds of Kalamazoo Promise recipients have opted to remain in the local community for their college years, roughly half of these at the local community college and half at the local research university, despite a wide range of institutions statewide from which to choose. There is also early evidence that the Kalamazoo Promise is having an impact on the locational decisions of recipients after college completion. Results from a 10-year Kalamazoo Promise Alumni Survey of the class of 2006 (the first to receive the scholarship) suggest that this class was 18 percentage points more likely to live within 10 miles of downtown Kalamazoo than the three earlier classes, 56 percent to 38 percent. Additionally, students who used the Promise from the class of 2006 were 29 percentage points more likely to live within 10 miles of downtown than those from that class who did not use it.<sup>73</sup>

Critical to both retaining locally educated talent and attracting new talent is the engagement of the business community in a Promise program. Many programs rely on local businesses as key funding partners, and this relationship has been important in bringing employers to the table and encouraging business engagement in education. In Pittsburgh, for example, annual Career Launch networking events, an Executive Scholars program that provides Pittsburgh Promise students with professional development and career track support through matching with a corporate sponsor, and a grants program to local businesses that employ scholarship recipients represent ways in which the business sector has engaged with the Pittsburgh Promise.<sup>74</sup> In New Haven, an annual internship and career fair, as well as a robust

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<sup>73</sup> Analysis of this survey is ongoing and not yet published. These results come from personal communication with the study's coauthor, Brad Hershbein of the W.E. Upjohn Institute.

<sup>74</sup> <https://pittsburghpromise.org> (accessed October 11, 2018).

internship program, connect Promise scholars to the business community.<sup>75</sup> It is worth noting that in both of these cases, local employers, including some of the communities' largest businesses, are among the major funders of the Promise program.

The workforce implications of Promise programs, one of their most central goals, remains under-studied partly because of the time frame during which students complete their college education and enter the workforce. Research currently under way will provide more insight into how Promise programs change workforce outcomes for individual recipients as well as their impact on the communities that are home to such programs.

## **LOCAL PROSPERITY IN PROMISE COMMUNITIES—OBSERVATIONS AND LESSONS**

In this section, we present our observations concerning the role Promise programs can play in supporting local prosperity. These observations emerge from the current empirical evidence on economic and educational outcomes, as well as our deep and informed interpretations of what we are seeing in Promise communities. Our observations can be distilled into the following 10 lessons:

- 1) **Promise programs anchor residents, especially those with children, to their communities.** Research on Promise programs in Kalamazoo, El Dorado, Buffalo, and Syracuse shows gains in school district enrollment. Moreover, programs that have universal eligibility, allow money to be stacked on top of other aid, and allow funds

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<sup>75</sup> <http://newhavenpromise.org> (accessed October 11, 2018).

to be used at multiple colleges are linked to declines in out-migration, especially among households with children.

Reflecting the important goal of retaining population, many Promise leaders have adopted sliding scales for program participation as a way of providing the greatest scholarship benefits to the longest-term residents. Strengthening the attachment of residents to the community is a key way in which Promise programs contribute to economic vitality—but only if other aspects of the community also improve.

- 2) **The strengthening of school districts makes communities more attractive to new residents and businesses.** In addition to rising K–12 enrollment, Promise programs can improve student behavior and achievement, enhancing the reputation and desirability of a school district.

The improvement of students and school districts can make communities more appealing to families seeking to relocate from outside the area. Moreover, a higher-performing school district is also an important component of business location decisions.

- 3) **Promise programs promote both college enrollment and degree completion.** Several studies find that Promise programs increase college enrollment among eligible students, with most of the new enrollment concentrated at in-state, four-year institutions. Evidence from more generous programs also shows increased degree attainment among scholarship recipients.

Because most young people remain in or near their local communities after high school, increased degree completion can have large benefits for the local economy. Even programs that support community college enrollment may hold the potential to

strengthen the local workforce, since students enrolling in—and graduating from—these institutions tend to remain in the region.

- 4) **Promise programs can help address poverty even if they are not targeted toward poor students.** Programs with universal eligibility often reach more poor students than programs targeting higher-achieving students because of the overlap between economic disadvantage and low academic achievement.

Yet, research suggests that even Promise programs with performance requirements can stimulate innovations that help all students. For example, early messaging around the benefits of a college degree, assistance with application and FAFSA preparation, and improved course offerings benefit even those students who may not meet eligibility requirements.

- 5) **The equity impacts of Promise programs will vary depending on program design.** A few programs disburse their grants before recipients receive other sources of aid, and a handful target their funds based on need. These design features bring more resources to low-income students.

Last-dollar programs that require students to use existing grant aid before receiving Promise funds typically channel more money to fewer poor students. Some programs employ a “last-dollar-plus” model that provides a minimum amount of funding even if other financial aid is sufficient to cover tuition expenses.

But even last-dollar designs can benefit low-income students through more intensive messaging around college awareness, preparation, and college-going. Last-dollar programs also provide new resources to an underserved population—families of moderate incomes who miss out on other forms of financial aid. Program

stakeholders should think through the distributional impacts of program designs to ensure that resources are directed where intended.

- 6) **Most Promise programs do not serve adult learners, but efforts to do so would support local prosperity.** Few Promise programs support the postsecondary participation of adult students or nontraditional learners, focusing instead on students matriculating directly from high school.

Allowing adults to use a Promise scholarship could have value for the local economy. These residents have local ties and are unlikely to out-migrate, and many have already started college and may need only a few more credits to earn a degree. Communities looking to serve these students should leverage existing Promise programs to suit these needs.

- 7) **Simplicity in program design has broad benefits to students and the community.** For Promise programs to function as effective tools of community transformation, they require buy-in across the population, which can be facilitated by a clear and simple message. Analysts have found that complexity of eligibility criteria and changes in criteria over time can make messaging difficult and limit community engagement.

Universal eligibility programs bring administrative and operational simplicity and can engender widespread reform and support. Programs with targeted requirements should strive to keep them as simple and straightforward as possible to reduce administrative costs and keep messaging clear for both students and the broader community.

8) **Start-up costs for a generous program may be difficult to fund but can pay off over time.** Promise programs should be viewed as investments in a community’s human capital—not just as scholarships. Like most investments, their payoff is not immediate. While it can be challenging for resource-constrained communities to raise the funds needed to make a secure and generous Promise, the long-term returns might make the extra effort and expense worthwhile.

9) **Promise programs help communities align their resources in support of youth development.** Many communities struggle to provide developmental supports for students across a panoply of often disconnected organizations. The local nature of Promise programs facilitates the breaking down of silos and can lead to coordinated action for student success throughout the cradle-to-career pipeline.

Promise programs may also foster collaboration across sectors—for example, business engagement in a school district or tighter connection between a community college and local workforce needs. Strong partnerships with private businesses or philanthropic organizations are also essential to secure sustained funding.

10) **Scale matters.** Promise programs exist in communities of all sizes, but their impact on local prosperity may be greater in small or midsized communities than in large cities.

A Promise program in a small town may play an outsized role in both educational and economic development. While such an initiative in larger cities may serve greater numbers of students, it will likely have less impact on community prosperity due to the issue of scale. Small and midsized communities have an additional advantage in

that the convening and alignment efforts vital for a program's success are simpler to manage.

Some of the positive effects of Promise programs will be realized before others. For example, the collective excitement associated with a scholarship announcement may inspire a relatively swift improvement in school district morale and student behavior, stronger attachment to the community among families with children, and increased civic engagement among businesses. As the programmatic mission starts to unfold and several cohorts of high school seniors graduate, stakeholders may begin to detect effects on student achievement and college enrollment. For other outcomes, such as degree attainment, workforce development, and labor market expansion, it may be a decade (or more) before stakeholders realize a positive return on their initial investment. This is one reason why Promise funders must be willing to invest for the long run.

Timing of outcomes notwithstanding, Promise scholarship programs hold the potential to advance local prosperity and have become an increasingly prevalent policy option. But they are not sufficient. Promise programs are just one component of community revitalization, focusing as they do on a single point—college going—along the developmental continuum. Promise programs, especially in their more generous form, can catalyze broader community revitalization efforts, but they cannot fulfill this task alone. Community leaders should be mindful of the need to connect scholarship programs with regional cluster strategies for reducing unemployment, targeted assistance to local businesses, and the revitalization of distressed neighborhoods. Scholarship programs should also operate alongside strategies employed by state agencies to offer job training and improve infrastructure, transportation, child care, and health care.

For Promise programs to reach their full potential in catalyzing broadly shared local prosperity, stakeholders need to think carefully about how all the pieces fit together toward achieving their specific goals. The evidence presented here will, we hope, make that task easier.

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