

# The Value of Universal Eligibility in Promise Scholarship Programs

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The announcement of the Kalamazoo Promise in November 2005 sparked a surge of policy innovation around the country as communities large and small sought to replicate key elements of the program.<sup>1</sup> Between 2006 and mid-2011, the Kalamazoo Promise served as a model for the creation of place-based scholarship programs in approximately 30 communities, from El Dorado, Arkansas (pop. 18,884), to Denver, Colorado (pop. 600,158). Twenty-two Promise programs are currently granting scholarships, with another 13 in the planning stages and still others under consideration. An annual conference of community representatives interested in Promise-type programs has drawn participants from more than 50 communities in each of the four years it has taken place.

Despite the apparent diffusion of the Promise model, most of these programs depart from what is arguably the most important element of the Kalamazoo Promise: its universal eligibility provisions. In truth, the Kalamazoo Promise model is being replicated much less frequently than many believe.

The Kalamazoo Promise combines two key features. First, it is a place-based approach. Scholarships are awarded based on continuous enrollment and residency within the Kalamazoo Public Schools (KPS) for a minimum of four years. Second, provided this requirement is met, eligibility for the scholarship is universal. The Kalamazoo Promise can be utilized by the class valedictorian and the student who barely graduates, although these two hypothetical individuals

will undoubtedly attend different postsecondary institutions.<sup>2</sup> Similarly, the scholarship is available to students regardless of financial need, meaning that it can be used by middle-income families whose children were already likely to attend college as well as by working-class and low-income families who may have ruled out college based on its high cost or a lack of familiarity with the financial aid and application process.

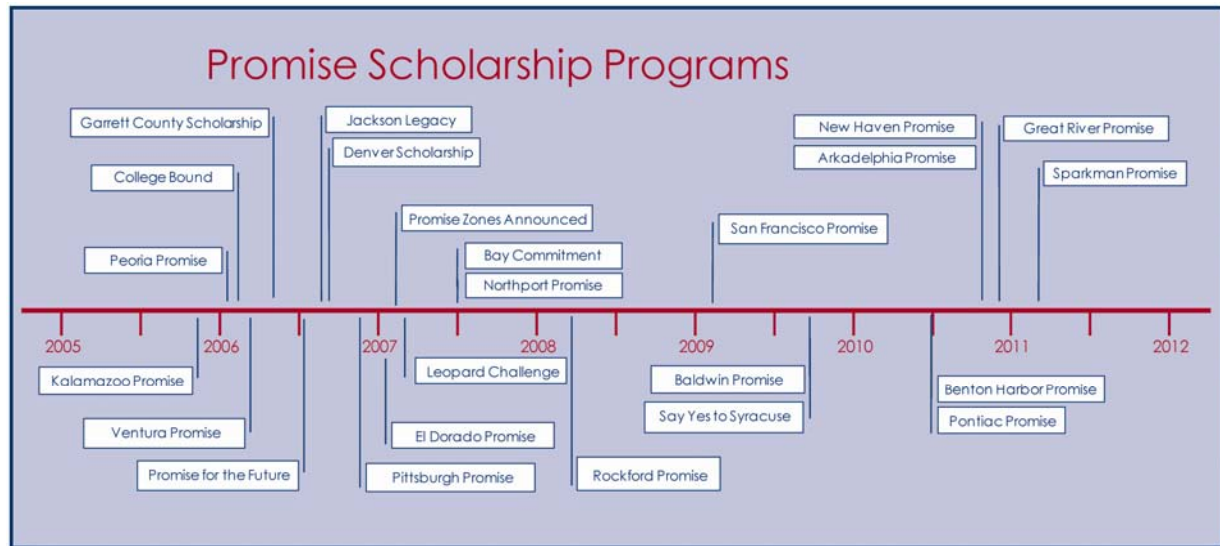
Universal eligibility represents a dramatic change from traditional scholarship models, which are based on financial need or academic merit, and is arguably the defining feature of the Kalamazoo Promise. In light of this, it is notable that 12 of the 22 active Promise programs can be considered targeted rather than universal. These latter programs usually require a minimum GPA, sometimes accompanied by excellent attendance and community service, while a few limit scholarships to first-generation or low-income college-goers.

This policy brief addresses two questions. First, why have many communities inspired by the Kalamazoo Promise departed from its universal eligibility provisions? Second, how important is universality in achieving the goals of Promise communities? After summarizing the scope and nature of the Promise movement, I examine the longstanding debate over universal versus targeted social programs, assess the initial impact of the Kalamazoo Promise, and evaluate the degree to which the program's universal eligibility provisions have played a role in its successes.

### The Diffusion of Promise Programs

The diffusion of the Promise model was spurred by extensive national media coverage of the Kalamazoo Promise and the reporting (and misreporting) of early positive results, as well as by communication among interested individuals (Miller-Adams 2009b). As the timeline below

shows, the demonstration effect of the Kalamazoo Promise was strong and immediate, with the majority of Promise programs created in the 2006–2007 period.



The first cities to announce plans for Promise programs did so within months of the unveiling of the Kalamazoo Promise. They included Peoria, Illinois, a community struggling with declining population and a low-skilled workforce; Hammond, Indiana, a shrinking industrial city on the south shore of Lake Michigan; Newton, Iowa, a company town adjusting to the imminent departure of the Maytag Corporation; and Flint, Michigan, the deeply depressed former headquarters of General Motors.<sup>3</sup> Confronting similar challenges, all these communities identified economic revitalization as among the chief purposes of their Promise programs.

Economic concerns are important for most Promise communities. In this regard, it is not surprising that most Promise programs are located in the upper Midwest, the region hardest hit by the economic decline of the past few decades. Based on a survey of 25 Promise programs planned or under way, 18 include economic development, regional vitality, and/or the creation of an educated workforce among their goals.<sup>4</sup> These community-level goals coexist with the other

main purpose of Promise programs: to increase access to higher education for local students, a strategy that involves not just reducing financial barriers but also strengthening a district's college-going culture.

### Promise-Type Scholarship Programs (active in 2011)



While the motivation for Promise programs is similar across communities, program design has varied widely. In Hammond, for example, the College Bound program is limited to the children of homeowners to provide incentives for long-term residency and home ownership. In Peoria, the scholarship may be used only at the local community college with the goal of strengthening the local workforce. In Pittsburgh, accelerating merit requirements in the program's first two years demonstrate that the program was designed in part as an engine for

school improvement. Funding sources have varied as well, with philanthropic, corporate, university, and public funding streams all in the mix.

Perhaps the most important variation is around the terms of scholarship eligibility. Some communities, including Peoria, El Dorado, and most notably the 10 Michigan Promise Zones authorized by the state legislature in 2008, have adopted the universal eligibility provisions of the Kalamazoo Promise. A growing number of communities, however, have made their Promise scholarships contingent on some measure of academic or personal merit. The largest program in this category is the Pittsburgh Promise, which requires recipients to graduate from high school with a 2.5 GPA and a 90 percent attendance record. A group of programs in Arkansas, while modeled on the El Dorado Promise, chose to enact minimum GPA requirements even though the El Dorado program provides universal coverage. The New Haven Promise, announced in 2010, is the most dramatic example of a merit-based Promise program in that it requires students to graduate from high school with a 3.0 GPA and meet additional attendance and community service requirements. A few communities have incorporated an element of financial need into their programs, such as eligibility for Pell grants (Denver Scholarship Foundation) or being the first in one's family to attend college (Bay Commitment), but the need-based model is less prevalent within the population of Promise programs than it is in the traditional scholarship arena.

#### The relative merits of universal versus targeted social programs

Social scientists and policymakers have long been divided over whether social programs are most effective if they are designed to reach an entire population or targeted to a specific group. There is an extensive literature weighing the pros and cons of these two approaches in

fields as diverse as school lunches, telephone service, and old-age pensions. In the education field, universal preschool has become an increasingly attractive strategy for ensuring that low-income children start Kindergarten on a more level playing field. To summarize the findings from this literature, universal programs are generally seen as more feasible, more likely to reach all segments of the highest need population, and nonstigmatizing. Targeted programs, on the other hand, are usually considered more efficient in that they distribute scarce resources to the population that needs or deserves them the most (Vaade and McCready 2011).

Social programs are most often targeted based on financial need. Head Start, federally subsidized lunches, Food Stamps, housing vouchers, and Medicaid all go to families below a given income level. The largest category of student financial aid—federal Pell grants—also conforms to this model. But there is a competing approach to financial aid that has become increasingly important in recent decades: statewide merit-based aid programs, such as the Georgia Hope Scholarship. Between 1990 and 2006, 14 states introduced broad merit scholarship programs available to all residents who meet certain criteria, usually a minimum GPA of 3.0 in high school and sometimes a minimum score on a college-entrance exam. A minimum college GPA is also required for scholarship renewal. The scholarships are awarded to students regardless of family income and are usually designed to increase college access and attainment, reward strong academic performance, and keep the best students from attending college out of state. (An example of a more expansive merit program is Oklahoma's Promise, which provides state aid for students with a minimum GPA of 2.5.) Assessments of the impact of these programs vary, with some scholars arguing that they mainly benefit students who would have attended college in any case (Cornwell, Mustard, and Sridhar 2006; Heller 2006), and others arguing that

they have had a positive impact in shifting students from two-year to four-year schools and helping improve college completion rates (Dynarski 2006).

While a few Promise programs target their scholarships to students with financial need, most are modeled more closely on merit aid programs with resources available only for the more successful students and scholarship programs designed at least in part to promote higher achievement in the K-12 system.

In a research study of postsecondary opportunity programs (POPs), including some Promise programs, WISCAPE researchers asked program designers about the targeted versus universal decision. Most respondents claimed that cost considerations were not driving their decision to limit scholarships to more academically successful students. If this is the case, what is behind the decision? There appear to be multiple rationales, from ensuring that students who receive scholarships are sufficiently prepared academically so that they will be successful once enrolled in college, to the idea of creating incentives for higher academic attainment, to the notion that students should be required to earn their scholarships with good grades, attendance, and community service.<sup>5</sup>

Regardless of where one stands on the universal versus targeted debate, most people would agree that social programs should be designed to meet the goals of their stakeholders. Given what we know about the goals of Promise programs—place-based economic development, cultural change in the K-12 system, and increased access to higher education—how important is universal eligibility? My evidence in this paper is drawn from the initial impact of the Kalamazoo Promise, the first Promise program and one that is clearly committed to the principle of universal eligibility.

## The case for universal eligibility: evidence from the Kalamazoo Promise

In its first five years, the universal eligibility provision of the Kalamazoo Promise has been critical to the success of the program in supporting economic revitalization, strengthening cultural change in the schools, and increasing college access.

The most striking result of the Kalamazoo Promise has been enrollment growth in KPS. After decades of decline, the district has grown by over 20 percent since 2005. At the same time, there has been little change in its racial, ethnic, or demographic makeup (Bartik, Eberts, and Huang 2010). In other words, the Kalamazoo Promise has increased enrollment among black, white, Hispanic, middle-income, and low-income students at a roughly equivalent rate. This suggests that the message of college for everyone has reached people of all races, ethnic groups, and income levels—something that would be less likely if scholarships were available only to higher-achieving students.

This enrollment increase has underpinned some of the most important economic effects of the Kalamazoo Promise, including the migration of new families into the school district, better retention of existing students, new teachers and staff, and the first new school construction in four decades. Enrollment growth has also reinforced voter support for school bond requests and helped the region retain population in the midst of a pronounced economic downturn.

Recent research carried out by Upjohn Institute economists demonstrates that the Kalamazoo Promise had strong immediate effects in improving academic achievement and student behavior. These effects included higher GPAs, increased enrollment in advanced placement (AP) courses, a reduction in the number of days of suspensions, and an increase in a student's probability of being promoted to the next grade (Bartik and Lachowska 2011).



The Kalamazoo Promise has also led to concerted efforts to strengthen the college-going culture of KPS. An intensive focus on early literacy, new college-awareness programs, and a rapid expansion of AP enrollment are all part of the post-Promise picture.<sup>6</sup> In the first few years following the introduction of the Kalamazoo Promise, almost 90 percent of KPS graduates have opted to continue their education beyond high school—a remarkable rate for an urban school district where 70 percent of students are economically disadvantaged.

Community engagement around the goals of the Kalamazoo Promise has been strong. Businesses have become involved in supporting schools and students, and economic development leaders have aligned their message around the idea of Kalamazoo as an education community. Services such as tutoring and mentoring have proliferated within and outside the schools, as community members volunteer in support of student success. The depth and breadth of community involvement has been recognized by a series of national awards, such as the city of Kalamazoo's inclusion as one of America's 100 Best Communities for Young People—an award that the city has received three times since the Promise was announced.<sup>7</sup> In recent years, the emphasis on education and opportunity has expanded to encompass not just KPS and the city, but the entire region, with the formation of the Learning Network of Greater Kalamazoo and other initiatives to support educational attainment for students throughout the county. Among the specific initiatives set in motion at least in part by the Promise are those seeking to provide universal high-quality preschool, child and adult literacy, and improved college access and awareness. All of these programs are being targeted at the regional level.

The Kalamazoo Promise illustrates some of the most powerful advantages of a universal social program. By serving students at all income levels, it avoids the stigma that sometimes is attached to programs designed for poor children. Its simplicity lowers nonfinancial barriers to

college access and eases administrative costs. The fact that all postsecondary options are included means that an academically weak student can still benefit from the scholarship and gain valuable technical skills that will fundamentally change his or her economic future. Most important, the Kalamazoo Promise has elicited the support and engagement of individuals well beyond those who are its direct beneficiaries. Like other universal social programs that reach a broad segment of the population and provide multiple avenues for participation, the Promise has proven to be a powerful catalyst for community alignment.

Ultimately, the Kalamazoo Promise may even prove to be an engine for reducing educational inequality—the holy grail of school reform efforts. The groundwork for such a transformation can already be seen in elementary school classrooms where low-income students hear the message year in and year out that they can and will go to college for free. The message in a place like New Haven is quite different, conditional on behavior and academic attainment, and relevant to only a portion of the student body.

Like other Promise programs, the New Haven Promise stakeholders have lofty goals that include “cultivating an aspiration for college education, building community and parental engagement, and growing economic development in the city of New Haven.”<sup>8</sup> Yet these goals are disconnected from the structure of the program, which is a variation on an old theme in college financial aid—scholarships as a reward for good academic performance. The same ethos is evident in statewide merit aid programs and in those Promise programs that have opted for GPA cutoffs. In contrast, the universal eligibility of the Kalamazoo Promise and similar programs is truly a new model and one that best meets the goals that Promise stakeholders have set for themselves: cultural change in the schools and economic revitalization in the broader community. Like universal social programs at the national level, universal place-based

scholarships enjoy broad support across the political spectrum and elicit the participation and engagement of diverse individuals. They represent the best model for using place-based scholarship programs to transform not just the lives of individuals, but the communities in which they reside.

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<sup>1</sup> For more information on the origins and initial impact of the Kalamazoo Promise, see Miller-Adams (2009a). For program details, see <https://www.kalamazoopromise.com/>

<sup>2</sup> Kalamazoo Promise recipients can enroll at any in-state public college or university, ranging from the state’s flagship institution, the University of Michigan, or its other 14 universities, to one of 29 community colleges that adhere to open admissions policies.

<sup>3</sup> Two of these communities—Peoria and Hammond—went on to enact Promise programs, while initial planning efforts in Newton and Flint failed to result in the creation of such a program.

<sup>4</sup> These findings are based on a survey of the Web sites of Promise programs carried out by Upjohn Institute staff.

<sup>5</sup> It is important to keep in mind that even universal programs reward merit, in that students can only attend the schools to which they gain admission. The difference is that those students who cannot gain entrance to competitive four-year institutions can still receive scholarship money to attend open-admission community colleges where they can work toward certification, an associate’s degree, or transfer to a four-year university.

<sup>6</sup> While test scores are improving within KPS, the same is true in other districts and it is difficult to establish a causal relationship with the Kalamazoo Promise. For more information see Bartik, Eberts, and Huang (2010). For more on how the Kalamazoo Promise has positively affected school climate, see Miron, Jones, and Kelaher-Young (2011).

<sup>7</sup> This award is given by [America’s Promise Alliance](#), a nonprofit founded by Gen. Colin Powell to support the lives of children. The 2011 citation reads in part that “Kalamazoo cares for its young people from infancy through adulthood with financial and volunteer resources that contribute to the development of young people.”

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<sup>8</sup> New Haven Promise Web site: <http://promise.nhps.net/new-haven-promise.php>.