

# **EFP** Takeaways

The Promise of Place-based Investment in College Access

### Background

Place-based promise scholarships are a relatively recent innovation aimed at expanding college access, while promoting regional economic development through scholarships awarded to students in distinct geographic areas. Following the launch of a place-based scholarship in Kalamazoo, Michigan in 2005, over 100 communities have implemented similar promise programs. Despite the rapid growth in these scholarship programs, research regarding the effects of the programs has not kept up. A new study by researchers at the University of Pittsburgh in vol. 14, issue 4, helps to bridge this gap.

### The Study

The study investigates the effect of the Pittsburgh Promise on eligible students' postsecondary attainment and early college persistence outcomes. Utilizing administrative and student-level data from more than 8,000 students, the authors compare students' GPAs that were just above or below the eligibility criteria to assess the effects of the Pittsburgh Promise program five years after it was enacted (see Figure to the right).

## **Findings**

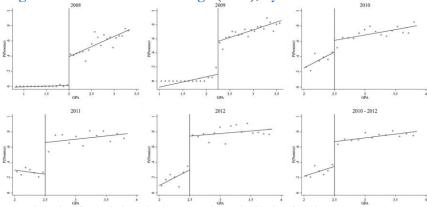
Results indicate several successes of Pittsburgh Promise opportunity. Those eligible for the program were:

- 5 percentage points more likely enroll in any college
- 10 percentage points more likely to attend college in-state
- 4-7 percentage points more likely to enroll <u>and</u> persist into a second year of college

The results of the program are likely attributable to the reduction in actual costs of pursuing higher education, especially within the context of the

expensive postsecondary market in Pennsylvania. Initial analysis indicates that the Promise investment will yield a positive rate of return. However, policy makers need to focus future analyses on the economic sustainability of the program in the long run.

Relationship between Probability of Receiving Promise Funds and High School Grade Point Average (GPA), by Year



Source: Pittsburgh Public Schools, the Pittsburgh Promise, and the National Student Clearinghouse.

Notes: Vertical line represents year-specific GPA threshold for Core Promise eligibility. From 2010 through 2012, students with GPAs between 2 and 2.5 were eligible for the Extension Scholars opportunity, and students with GPAs below 2.0 were not eligible for any postsecondary support. Therefore, in these years, the authors restrict comparison to these two different scholarship opportunities and exclude those students who fall below the 2.0 GPA margin.

#### For more details:

- View the <u>full issue</u>.
- See the <u>full article in Education Finance and Policy</u>.
- Sign up here to receive future EFP Takeaways.
- Summary of: Page, Lindsay C.,

Page, Lindsay C., Iriti, Jennifer E., Lowry, Danielle J., & Anthony, Aaron M. (2019). The *promise* of place-based investment in post-secondary access and success: Investigating the impact of Pittsburgh promise. *Education Finance and Policy*, 14(4), 572 - 600.