

College Promise Programs and Alternative Tuition Strategies in Pennsylvania and Beyond

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College “Promise” programs have spread rapidly across the higher education landscape over the past two decades, but there is little consensus about what they are or how they work. This research report introduces these programs, discusses prior research findings about their effects, and conducts empirical analyses using several data sources. At the national level, the study finds a positive effect of Promise programs on enrollment, particularly of first-year students, but not on retention. For one local program this research examines in-depth, Tamaqua’s Morgan Success Scholarship, results suggest strong effects both on “democratization” (increasing overall college-going) and “diversion” (routing students from four-year colleges/degrees to two-year colleges/degrees), though the latter fades over time. For the Community College of Philadelphia’s 50th Anniversary Scholars Program, the study finds no effect on college-going or on community college enrollment.

“Promise” programs are state and local higher educational scholarship programs. They are widespread, but there is much confusion about what they are and how they work. In this report, we first provide a working definition, discuss their design, and profile a set of established and cutting-edge Promise programs. We thoroughly review prior findings about Promise programs, and then conduct four empirical analyses.

First, we compile a data set of existing state and local Promise programs and identify common program features. We detail the various design elements according to which programs vary and discuss which elements are common. Today, most Promise programs are funded and operated by states and public colleges rather

than by private-sector actors. They are designed to achieve maximal apparent cost reduction, while minimizing expenditure through last-dollar awards, guaranteeing tuition but restricting applicability to community colleges, and limiting the pool of eligible students who qualify for funds.

Second, we survey Promise programs regarding designers’ reasons for creating the program and choosing design elements. Program staff present their programs as advancing egalitarian goals, and mostly designed to efficiently achieve these goals.

Third, we then use national data to examine the effect of introducing a local Promise program on college enrollment and retention rates. We find that Promise programs boost

enrollment but not retention, and that enrollment effects are most robust for first-year students at community colleges.

Fourth, we profile two Promise programs in Pennsylvania and estimate their effects on student educational outcomes. The Morgan Success Scholarship, located in the small industrial town of Tamaqua in rural Schuylkill County, has strong estimated effects on college-going, community college attendance, and associate degree completion, while it temporarily diverts students from four-year colleges and degrees. We do not find any impact of the community college of Philadelphia's 50th Anniversary Scholars Program on college attendance.

We conclude with implications for policy. A statewide Promise program, we conclude, can accomplish several policy goals. We recommend that such a program: 1) be simple in its construction, 2) reduce uncertainty about college costs, 3) produce substantial college cost-reduction for students and families, and 4) fund four- and two-year public college attendance.

Finally, we caution policymakers to be realistic about what such a program is likely to accomplish. A well-designed, comprehensive, and generous state Promise program is likely to modestly boost postsecondary participation and attainment, shift

students towards eligible and away from ineligible colleges, and boost enrollment at eligible institutions. We do not expect such a program to appreciably close gaps in educational attainment by race, gender, or socioeconomic background, rapidly increase the college educated share of the workforce, retain college educated workers in state, or revitalize economically strug-

gling areas. However, because many of Pennsylvania's public postsecondary institutions are in rural communities and are central to the communities' economic well-being, buttressing these institutions' enrollments will contribute to stabilizing these areas.

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