

NEWS RELEASE

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Pittsburgh Promise Adjusts Program to Benefit More Pittsburgh Students
Promise Award Scholarship Changes Assure Long-term Sustainability

PITTSBURGH, July 14, 2015 – To ensure that scholarships serve more students for a longer period of time, the Board of Directors of The Pittsburgh Promise has approved a plan to refine its scholarship structure and maximize its impact.

Since its inception in 2008, The Promise has continued to evaluate and modify its programs to better serve students and improve their likelihood to receive a scholarship. These programs included a mentoring initiative (We Promise), networking for jobs (Career Launch), and dual enrollment opportunities for career and technical education. After an extensive assessment, The Promise will, for the second time, make an adjustment in the scholarship amount, and collaborate in forming a plan to provide more support services to increase the levels of Promise-eligibility among students.

Starting with the class of 2017, The Promise will return to its original structure of paying only for tuition and fees (not room and board), and adjusting the annual maximum scholarship award to \$7,500, or \$30,000 over four years. These actions, along with the intended successful completion of a \$250 million fundraising campaign, will ensure that scholarships can reach as many students as possible (at minimum through the class of 2028) and assure long-term sustainability.

Furthermore, in order to ensure that more students qualify for a Promise scholarship, our region's educational, governmental, civic, business and philanthropic leaders have assembled a team to design a system for coordinating and delivering a range of services to the students who need them most. This collaborative outreach, currently in development, will target the needs of the city's most vulnerable students so that "Promise-Readiness" does not elude any child who wishes to pursue post-secondary education with a Promise scholarship.

In the planning phase before The Promise was launched, professionals were engaged to create a theoretical model of the program's financial structure. For the first four years (2008 through 2011), the maximum scholarship offered was \$5,000 per year. In 2012, and for the subsequent four years, The Promise doubled the annual maximum to \$10,000, which could be used to cover the cost of room, board, and books.

With eight years of real experience, data, and outcomes to evaluate, The Promise is more clearly able to assess its sustainability, as well as its impact on the lives of children and the workforce of the region.

Adjusting Scholarship Structure Beginning with the Class of 2017

Beginning with the class of 2017, The Promise will make the following adjustments to its scholarship structure (scholarships for students in the graduating classes of 2008 through 2016 will not be affected by these changes):

- Establish a new annual maximum scholarship of \$7,500 (or a \$30,000 maximum over four years);
- Eliminate the minimum scholarship generally awarded to students who are otherwise receiving ample scholarship support;
- Fund only tuition and fees (not room, board, and books);

- Fund post-secondary education for only four years; and,
- Adjust the residency and enrollment scale to encourage longer investments in public education:
 - Enroll in Kindergarten and receive 100% of maximum scholarship;
 - Enroll in 1st through 5th grade and receive 90% of maximum scholarship;
 - Enroll in 6th through 8th grade and receive 70% of maximum scholarship;
 - Enroll in 9th grade and receive 50% of maximum scholarship.

Success Factors To-Date

As of June 2015, The Promise has provided \$64 million in scholarships to more than 5,600 students to attend four-year colleges, two-year colleges, and trade or technical schools. To achieve this, The Promise has raised \$176 million of the \$250 million fundraising goal. The Promise has also:

- Delivered higher than anticipated college retention and persistence rates;
- Supported the graduation of nearly 1,100 students with post-secondary degrees, many of whom joined the Pittsburgh workforce;
- Contributed to city school reform efforts that have resulted in a 13% increase in high school graduation rates; and,
- Increased college-going rates by 17%.

The Promise scholarship was always intended to relieve the financial burden for families of Pittsburgh Public Schools students seeking a post-secondary education at any accredited Pennsylvania institution, including public and private colleges and universities, community colleges, and trade and technical schools. The Pittsburgh Promise scholarships are calculated into a student's financial aid after federal and state grants as well as other scholarships, but before student loans. In most cases, Promise scholarships are the final piece of the financial puzzle to ensure that students have the appropriate level of funding to start their post-secondary education or training.

According to Saleem Ghubril, Executive Director of The Pittsburgh Promise, "The City of Pittsburgh remains as one of a small number of cities in the United States that supports its young people with this extraordinary level of care. The Promise is committed to thoughtfully stewarding that care by delivering the most impactful scholarship possible, to the most students possible, for the longest period of time possible. The Promise continues to move forward with resolute commitment to Pittsburgh's kids and enhanced stewardship of scholarship funds. This commitment is rooted in our belief that educational equity is critical to transforming the lives of our city's children and ensuring the preparedness and diversity of our workforce and vitality of our region."

Maxwell King, president and CEO of The Pittsburgh Foundation, which includes The Pittsburgh Promise as a supporting organization, added, "Now, more than ever, The Promise needs the support of the region's foundations, businesses and individuals to deliver on the compact that this city made to all its students in public school systems. The critical need right now is making the final push to the goal line for the \$250 million fundraising campaign. We are 70 percent of the way to the finish, and this presents an immediate opportunity for the community to ensure the long-term viability of a program that has proved its worth."

About The Pittsburgh Promise

The Pittsburgh Promise, a scholarship program for Pittsburgh Public Schools students, advocates for improving the quality of education and increasing the preparedness and diversity of the region's workforce. It is one of the region's largest fund-raising campaigns and one of the nation's largest Promise programs of its kind. For more information, visit www.pittsburghpromise.org.