



Muskegon Area Promise Scholarship

Michigan Department of Treasury - Development Plan

Amendment March 2024

PURPOSE

The Muskegon Area Promise (the “Promise”) makes a unique commitment to the young people of our community - if they work hard they will be able to earn at least a two-year college degree tuition free. The Muskegon Area Promise Scholarship (the “Promise Scholarship”) is an award promised to resident graduates of high schools within the Muskegon Area Intermediate School District (“the MAISD”) boundaries. It provides the financial assistance necessary to obtain a two-year degree or its equivalent at an Eligible Institution when used in conjunction with federal, state and institutional grants. The Promise Scholarship will promote post-secondary education and prepare students for future success in college and career choices.

MUSKEGON AREA PROMISE SCHOLARSHIP AWARDS

The Promise model serves students in our rural, urban and suburban communities. Students countywide, from traditional and non-traditional public and nonpublic high schools, earn eligibility via their academic status, graduation from an Eligible School and their residence history. Eligible students will receive a Promise Scholarship for any qualified educational expense as identified by Michigan Promise Zone Authority Act, MCL 390.1661 et seq. as amended (the “Promise Zone Act”), up to the cost of obtaining an associate’s degree or its equivalent at the prevailing rate at an Eligible Institution. Each Eligible Institution’s varied cost of attendance will be covered by the Promise Scholarship.

ELIGIBILITY

In the Spring of each year, the Muskegon Area Promise Zone Authority (the “MAPZA”) will approve the Promise’s annual academic eligibility criteria (the “Eligibility Criteria”) which includes required GPA and/or class rank and publish the Eligibility Criteria so students can determine & understand their eligibility. Sources of publishing include communication materials shared with all Eligible Schools and families, the [MAPZA’s webpage](#) and [social media](#).

To qualify for the Promise Scholarship, students must meet the following criteria:

- **Live** within the boundaries of the MAISD.
- Meet the Eligibility Criteria.
- **Graduate** from an Eligible School.

Eligible Schools include any of the following:

- 1) A Public High School located within the boundaries of the MAISD including - (Fruitport, Holton, Mona Shores, Montague, Muskegon, Muskegon Heights Public School Academy, North Muskegon, Oakridge, Orchard View, Ravenna, Reeths-Puffer and Whitehall)
- 2) A Non-Public High School located within the boundaries of the MAISD including – (Calvary Christian, Muskegon Catholic Central, Muskegon Covenant Academy and Western Michigan Christian)
- 3) A Homeschool located within the boundaries of the MAISD that is (i) registered with the MAISD; and (ii) can provide externally moderated academic eligibility (GPA or college ready test score) to the satisfaction of the MAPZA.
- 4) Muskegon Area Career Tech Center that can provide academic eligibility (GPA) in CTC course sequence and home district to the satisfaction of the MAPZA.

- **Apply** for federal student aid using the Free Application for Federal Student Aid (FAFSA) each year. Note: An exception will be approved for summer guest students. No FAFSA application will be required for eligible students enrolling as a summer guest during a Summer term.
- **Enroll** at an Eligible Institution.

TERMS OF THE PROMISE SCHOLARSHIP

Promise Scholarships will fund educational opportunities at Eligible Institutions.

Students must accept/apply for a Promise Scholarship annually. Students are eligible for open and year-round enrollment.

Eligible students will receive a Promise Scholarship for any qualified educational expense as identified by the Promise Zone Act, up to the cost of obtaining an associate's degree or its equivalent at the prevailing rate at an Eligible Institution. Each Eligible Institution's varied cost of attendance will be covered by the Promise Scholarship. Note: Any MAISD student enrolled in college under dual enrollment contracts are not eligible for Promise Scholarships.

Promise Scholarships will be for an amount up to the cost of attendance for full time enrollment over three terms (Fall, Winter and Summer) per year. Subject to that maximum, a student's Promise Scholarship amount will be the balance remaining for the qualified educational expenses after the student has applied for and accepted all federal, state and institutional grants for a given year.

Promise Scholarships will be funded at full value for all students who have confirmed enrollment and residency within the MAISD boundaries for grades 9-12. A prorated amount of the award will be available for all other cases, at 25% each year enrolled.

Monies will be paid directly to the applicable Eligible Institution following an institutional invoice process.

Eligible students must comply with the Eligible Institution's standards for satisfactory academic progress (SAP) and must declare themselves as either degree-seeking; or a summer guest student.

The Promise Scholarship will pay up to a maximum of 72 credits for degree-seeking students and 12 credits for summer guest students.

Eligible students can be enrolled as full time or less and will have a maximum of five years from their respective high school graduation to use the Promise Scholarship award. All Promise Scholarship awards will expire, and be forfeited, five years after the eligible student's recorded high school graduation date.

ELIGIBLE INSTITUTIONS

The Promise Scholarship may only be used at the following institutions:

- 1) Muskegon Community College
- 2) Baker College of Muskegon

EXTENT OF BENEFITS

For eligible students, the amount of Promise Scholarship that will be awarded will be based on length of the eligible student's consecutive attendance at an Eligible School as follows:

- Grade attended and enrolled, 9-12: 100% qualified educational expenses funded
- Grade attended and enrolled, 10-12: 75% qualified educational expenses funded
- Grade attended and enrolled, 11-12: 50% qualified educational expenses funded
- Grade attended and enrolled, 12 only: 25% qualified educational expenses funded

APPEALS

Students may appeal to the MAPZA Board to defer use of the Promise Scholarship; or to seek review of the denial of eligibility. Appeals must be made in writing to the MAPZA Board in a manner and form prescribed by the Board. At a minimum, the appeal shall contain the student's name, address, date of birth, phone number; the basis for the appeal; and any other supporting documents. When all required materials are received, the MAPZA Director or Chairman will place the appeal on the next board meeting agenda and share copies of the appeal and all supporting documents to each board member. The Board shall issue a written decision within 60 days of the date of the meeting at which the appeal was first considered. An appeal will be granted if the student seeking the appeal demonstrates good cause to the satisfaction of three-fourths of the board members serving.

CONTINUATION THROUGHOUT COLLEGE

Students receiving the Promise Scholarship must apply for its continuation each year and demonstrate their continued eligibility. Students must comply with the Eligible Institution's standards of SAP.

ADMINISTRATION

The MAISD and the MAPZA staff, in partnership with the Eligible Institutions, will provide ongoing monitoring, oversight, and assistance to the MAPZA Board as it plans and implements the funding of Promise Scholarships or other educational improvement activities therein. Activities designed to increase the readiness or success of students for post-secondary education will be the responsibility of the Promise and include but are not limited to implementing career and college readiness web-based software platforms within the MAISD, adequate staffing, robust marketing and career coaching.

FINANCIAL SUPPORT FOR MUSKEGON AREA PROMISE SCHOLARSHIP AWARDS

Promise Scholarships are financially supported through a combination of broad-based community support, major gifts from private donors, corporate and foundation investments and through public dollars earned by SET growth from the State of Michigan Treasury.

MUSKEGON AREA PROMISE SCHOLARSHIP FUNDRAISING PLAN (2015-Current)

Throughout our history the MAPZA has engaged in a fundraising approach with help from an investment steering committee as detailed below:

1. Community Campaign – Based upon traditional campaigns, this approach targeted large and small donors, utilized visible signs of campaign progress, and depended upon personal contacts and participation by prominent members of the community. The campaign included any Muskegon County resident with vested interest, area district alumni, small local businesses, and local community efforts. A *Go Fund Me* account was created in 2015 under the non-profit affiliate of the Community Foundation for Muskegon County, however has since been disabled. Having internet appeal, donations are now presently made directly through the Community Foundation for Muskegon County's website.

2. Major Gift Donors – The Major Gift Campaign is a directed campaign that centers on prominent individuals with the capability of making contributions of \$1,000 or greater and uses a highly-personalized approach to raise significant funds within a short period of time. Our goal is to tell the organization's story to the community's most influential people and quickly raise awareness.

3. Corporations/Foundations: Local corporations and foundations have been approached centering on a social and economic investment in our students. Current targets will be several key corporations that impact Muskegon area residents for employment opportunities.

MUSKEGON AREA PROMISE SCHOLARSHIP EVALUATION

The MAPZA is currently focused on developing an evaluation plan to measure the extent to which the Promise Scholarship and program services are impacting college matriculation and success among graduates from the Promise Zone (e.g., total number of eligible students per year, the number of students applying, the total annual awards, and number of students matriculating, disqualified, and graduating). This involves: (1) establishing and implementing a strategic plan accompanied by benchmarks against which annual progress can be measured; (2) developing the capacity to keep and track relevant student data; (3) conducting an analysis of college attendance and persistence behaviors among MAISD graduates; and (4) establishing data-sharing partnerships with partnering post-secondary institutions or community organizations; including participation in the Michigan Promise Zones State Association National Student Clearinghouse (the "NSC") comprehensive reporting.

Reporting on Student Success in PostSecondary Education -

The MAPZA is committed to the success of its students when they seek education and training after high school. To that end, the MAPZA will prepare an annual report that will comply with the reporting requirements of the Promise Zone Act. This report will be submitted to the State of Michigan Treasury using a partnership with the Center for Educational Performance (CEPI) by October 31 annually, and be cross referenced to the success data found within the NSC reporting noted above.

At a minimum, and pursuant to the Public Act 549 of 2008 - as amended, success reporting will include and confirm the following:

1. The number of students who received financial assistance from the Promise during the prior academic year.
2. The number of these students who successfully completed a certificate program, an associate degree or a bachelor's degree during the prior academic year.
3. The number of the students included in item 1 above who withdrew from their classes during the prior academic year.
4. For those students included in item 1 above and who have completed 23 or more semester credits during the prior academic year, the average time required to complete the equivalent of 24 semester credits.
5. The six year post-secondary graduation rate for those students who received financial assistance from the Promise subsequent to the adoption of the Promise Zone Act.

This annual report may include additional information relevant to the post-secondary outcomes of students who graduate from Eligible Schools as requested to meet the satisfaction of the MAPZA.

Beginning with the 2016-2017 academic year, students who receive a Promise Scholarship will be required to provide the MAPZA with access to the information needed to comply with the requirements of the Promise Zone Act. Access and permission to obtain such information is confirmed using the annual acceptance process.

FINANCIAL ANALYSIS FOR MUSKEGON AREA PROMISE SCHOLARSHIP AWARDS

The MAPZA Board estimates that Promise Scholarship Awards will require no additional private funding for scholarships within the next five years. The Board believes there is adequate revenue (public and private) to cover the costs as proposed.

The MAPZA provides an annual scholarship based on prevailing rates to attend either Muskegon Community College or Baker College of Muskegon. The model now assumes 36% of MAISD students will graduate with an eligible GPA or class rank, and greater than 40% of those graduates plan to attend an Eligible Institution upon graduation from high school. Additionally, an average of 62% of MAISD students are identified as economically disadvantaged and would likely qualify for Federal Pell, state TIP or MI Achievement grants and amazingly 80% are expected to persist in college more than one year.

If, as projected, future SET growth results in revenues that exceed the cost of the Promise Scholarship described in this plan, the MAPZA Board may consider additional modifications to the Promise Scholarship as it strives for quality implementation. The MAPZA is committed to annual financial stability while ensuring talent demand, equity, growth and progress of the program remain a priority.

BOARD APPROVAL OF THE PLAN

The MAPZA voted on **February 13, 2024** to accept recommendations of growth inclusive of ideas requiring amendments within the Promise Zone Development Plan. Seven (7) yes votes for approval were noted, and Zero (0) no votes were noted.

The MAPZA voted on **March 22, 2024** to accept the revised Promise Zone Development Plan as presented. Eight (8) yes votes for approval were noted, and Zero (0) no votes were noted.

ATTACHMENTS

1. Muskegon Area PZA Board Meeting Minutes for adopting the MAPZA recommendations for expansion, growth and eligibility (February 13, 2024)
2. Muskegon Area PZA Board Meeting Minutes for adopting the MAPZA revised Promise Zone Development Plan as presented. (March Special 2024)
3. Promise Scholarship Terms at a Glance (2024) as posted on the MAPZA webpage - Annual Eligibility Criteria for 2024 has been approved and published