# CoPro2.0: Shaping Equitable and Sustainable College Promise Programs

## An Invited Strategy Memo

**Prepared by Laura Perna for The Kresge Foundation**

**December 31, 2020**

**Updated June 25, 2021**

**CoPro2.0**

**THE KRESGE FOUNDATION**

This memo was prepared to inform the Kresge Foundation's development of a Request for Concept Papers for "Shaping Equitable and Sustainable College Promise Programs." Drawing from a review of recent research and news articles, interviews with 12 thought leaders in higher education, and other data[1], the goals were to:

- illuminate the nexus of college promise programs, educational equity, and financial sustainability;
- clarify the viability and relevance of the funding opportunity and provide recommendations for The Kresge Foundation's role in incentivizing the attainment of the opportunity's knowledge and programming needs; and
- advise The Kresge Foundation on how to support multi-level partnerships that increase public financial support for student aid and operational funding to institutions.

This memo begins by describing the college promise landscape and free college movement. The original memo then speculated on implications of the 2020 U.S. presidential election and the opportunities for free college presented by the Biden administration. This section has been updated to summarize the Biden administration's actions to date. The final section discusses the role of philanthropy in enabling opportunities and addressing shortfalls of the free college movement.

## The college promise landscape and the free college movement

Also known as "free tuition" and "free college," college promise programs are emerging across the U.S. as a potential mechanism for improving college access and affordability (Dowd et al., 2020; Perna & Leigh, 2018). As of April 2019, at least 24 states had passed legislation and were in the process of implementing some type of statewide program (College Promise Campaign, 2019). In November 2019, 121 programs were active in California alone (Rauner & Smith, 2020). Most Democratic candidates for the 2020 U.S. presidential election had proposals for free public undergraduate college or free community college (NASFA, 2020).

Enabling all people to gain access to and complete high-quality higher education is critical to the well-being of individuals, communities, states, and our nation (McMahon, 2009; Ma et al., 2019). A high school diploma is not enough for economic well-being; 14 or more years of education are increasingly needed for a "good" job (Carnevale et al., 2018).

Yet opportunity for higher education is unequal, as demonstrated by persisting differences across groups in college-related outcomes (Cahalan et al. 2020). Racial/ethnic and socioeconomic differences in college access and completion will likely increase in the coming years, given the disproportionate negative impacts of COVID-19 on Black and Brown people and communities (Stolberg, 2020). As one example, elementary schools that were providing mostly distance learn-

---

1       To inform this memo, I conducted 30 to 60 minute interviews with each of the following thought leaders: Michelle Cooper, Zakiya Smith Ellis, Denisa Gándara, Emily House, Tiffany Jones, Martha Kanter, MaryEllen McGuire, Jennifer Mishory, Deborah Santiago, Brian Sponsler, Jason Taylor, and Bill Zumeta. Interviews were conducted between November 18, 2020 and December 18, 2020.

ing in October 2020 had higher percentages of racial/ethnic minority students, higher percentages of low SES students, and lower third-grade test scores before the pandemic than elementary schools that were offering in-person classes (Parolin & Lee, 2020).

With their attention to providing a financial award beyond existing federal and state grant aid and place-based eligibility requirements in lieu of or in addition to financial need or academic achievement (Perna & Leigh, 2018), college promise programs may help level the playing field for higher education. Whether they achieve this potential will depend on program design, implementation, and sustainability (Perna & Smith, 2020).

This section considers what is known from research about college promise programs, the opportunities the free college movement creates for creating large-scale reform and structural improvements in equity, and forces that limit the free college movement from reaching its potential.

## What we know from research about college promise and free tuition programs

Although a growing body of research examines college promise programs, in the words of one interviewee: "We are nowhere near saturation." A review of research and insights from interviewees suggests several questions about college promise programs that should be addressed, if college promise programs are to realize their potential.

### WHAT IS A COLLEGE PROMISE PROGRAM?

"College promise" and "free tuition" labels mask considerable variation among programs. In an examination of how college promise programs may be different from longstanding state-sponsored student grant programs, Perna and Leigh (2018) used cluster analysis to define seven overlapping categories of programs: state-sponsored need-based aid programs (e.g., Illinois Monetary Assistance Program); state-based merit-aid programs (e.g., Georgia HOPE); place-based scholarship programs (e.g., Kalamazoo Promise); four-year college programs; last-dollar community college programs; first-dollar community college programs; and universal eligibility programs.

Within each category, programs vary in eligibility requirements, content, and other features (Miller-Adams, 2015; Perna & Leigh, 2018; Perna & Smith, 2020). For example, some programs provide only a financial award, whereas other programs also have non-financial supports. The Tennessee Promise requires participation in "mentoring." The Detroit Promise includes a scholarship as well as required meetings with a coach, summer courses and outreach, and a monthly payment for meeting performance expectations (Ratledge & Vasquez, 2018).

Program variation is not surprising, and may even be beneficial, given differences in the needs and characteristics of students and the state and local context (Perna & Smith, 2020). A "one-size-fits-all" approach is not possible (College Promise Campaign, 2018).

At the same time, this variation can create confusion for policymakers and other stakeholders. Program variation also challenges efforts to communicate information about what programs

are, why they are needed, and how they should be structured and implemented. A program that provides only free tuition focuses on addressing one financial barrier to college attendance (tuition) and implies that a primary benefit of these initiatives is a simple message that tuition is free. But, students from underserved groups also need assistance in overcoming other barriers to college access and success. Providing only free tuition is likely insufficient to achieve the "promise" of a college degree (Perna et al., 2020).

## DO COLLEGE PROMISE PROGRAMS IMPROVE OUTCOMES FOR STUDENTS FROM UNDERSERVED GROUPS?

Observers question the implications of college promise programs for equity (e.g., Jones & Berger, 2018; Mishory, 2018; Perna, Leigh, & Carroll, 2018; Perna & Smith, 2020; Poutré & Voight, 2018). Most promise programs use a last-dollar approach to provide the financial award (Smith, 2020a). Programs with a last-dollar award may exacerbate inequity by providing no new financial resources to students from the lowest-income families and allocating resources to students from higher-income families who would have enrolled in college without the aid (Perna, Leigh, & Carroll, 2018).

Eligibility requirements determine who is included and excluded from receiving a financial award and other program services. Although some promise programs target adults (e.g., Tennessee Reconnects, MATC Adult Promise), most programs focus on traditional students, especially students who enroll full-time in an eligible college in the fall after graduating from high school. Less is known about how programs could be structured and implemented to improve college access and completion for other populations including adults, undocumented, veterans, and justice-involved (Millett, 2020). Observers note the negative implications for equity when programs limit eligibility to students who enroll full-time or meet minimum academic achievement requirements (Perna et al., 2020).

Programs that provide free tuition to attend a community college have been found to increase enrollment for Black and Hispanic students (Gándara & Li, 2020; Nguyen, 2020). But, the effects on enrollment of students of different gender and racial/ethnic groups appear to vary based on program characteristics (Gándara & Li, 2020). Little is known about the effects of college promise programs on the college-related outcomes of low-income students (Nguyen, 2020). Studies that use quasi-experimental methods to examine the effects of programs on college enrollment typically use institution-level data from IPEDS and IPEDS does not collect enrollment data by students' income (or many other demographic characteristics).

Attention to short-, medium, and long-term effects is also needed, as program outcomes may change over time. Administrators may change eligibility requirements and other program features as programs are implemented (Perna et al., 2020). Using event-study analysis, Gándara & Li (2020) found that the effects of programs that offer free tuition to attend a single community college were larger in the first and fifth years after program establishment than in the second, third, and fourth years.

A growing number of studies use quasi-experimental designs (e.g., difference-in-differences) to identify program effects on student outcomes (see Perna & Smith, 2020). Exploratory case

studies of free tuition programs at four community colleges suggest that a message of "free tuition" could increase enrollment among students who are not eligible to receive free tuition or other program benefits (Perna et al., 2020). Whether a program can have this and other signaling effects depends on awareness and understanding of the program. This understanding may depend on a program's recruitment and communication strategies, as well as perceptions of the community college among prospective students and other stakeholders (Perna et al., 2020, 2021). The effectiveness of a free college message may also depend on whether students, counselors, and parents believe students can meet eligibility requirements (Harris et al., 2020).

As noted by others (e.g., Gándara & Li, 2020), little is known about how students understand and experience a promise program or whether a promise program can increase aspirations and preparation for college. Also of value is understanding how the message of free college may influence students' college enrollment, as well as expectations for college enrollment among students, parents, high school teachers and counselors, and other stakeholders. Suggesting the benefits of clear, targeted messaging, Dynarski and colleagues (2018) found large positive effects of sending a personalized message of four years of free tuition to attend the University of Michigan to high-achieving, low-income, rising seniors attending Michigan public schools. This information-intervention increased enrollment among some students who would not have otherwise enrolled in any college and encouraged other students to shift enrollment from a community college or less selective four-year institution to the University of Michigan and other highly-selective universities (Dynarski et al., 2018).

Interviewees stress the potential value to student outcomes of signaling that "college is possible" and "you are college material." Few have considered how to effectively communicate a free tuition message to different groups, including adult learners, first-to-college students, racial/ethnic minoritized students, and people living in communities where college-going and completion rates are low. Also unknown is how the effects of a simple "free tuition" message may be diminished by eligibility requirements and non-tuition costs of attendance.

Emerging research points to the importance of considering the implications of college promise programs for different populations and in different institutional, local, and state contexts. Some (Perna et al., 2021) posit that program implementation, outcomes, and consequences for equity are influenced by recruitment and outreach, synergistic programs, and institutional capacity for data collection and evaluation. Implementation and outcomes may also depend on buy-in from high school and college staff, as well as parents and other members of the community (Perna et al., 2021). Interviewees and others (e.g., Carnevale et al., 2020; Ratledge & Vasquez, 2018) argue that programs should provide more than a financial award, but more research is needed to understand how the inclusion of different supports (e.g., the "mentoring" component of the Tennessee Promise) improves outcomes for different students.

Also important for equity are the effects of a college promise program on the sponsoring college. The process of implementing a free tuition program could catalyze other institutional reforms that serve to improve outcomes for all enrolled students (Perna et al., 2020). Alternatively, program implementation may divert resources to those eligible for the program and away from other enrolled students. Also important is further probing the implications for equity of programs

implemented in particular contexts. For example, promise programs may allocate resources to students who are relatively more advantaged but in a community with high poverty and low college going rates. If these programs increase college enrollment, they may provide the community college with revenues needed to stay open and continue to serve students and the community (Perna et al., 2021).

## HOW CAN A PROGRAM BE IMPLEMENTED TO BOTH PROMOTE EQUITY AND BE SUSTAINABLE?

Observers note that, to improve equity, a promise program should provide a first-dollar award, include non-traditional students, allow use of the award at two-year and four-year institutions, and minimize eligibility requirements (Jones & Berger, 2018; Mishory, 2018; Perna et al., 2018; Poutré & Voight, 2018). But, relatively few programs have these features.

Exploratory case studies begin to shed light on how programmatic, institutional, and other contextual forces influence the design and implementation of promise programs (Perna et al., 2020, 2021; Smith, 2020b). This research points, in particular, to the role of funding. In response to actual and perceived funding constraints, program administrators may establish eligibility requirements that ration participation and limit the duration and availability of the financial award and other support services. Programs may also not limit eligibility for a program to students from low-income families in order to increase the perceived attractiveness of the program to donors and taxpayers (Perna, 2021; Skocpol, 1995).

College Promise (2020) recommends that programs establish "a large, stable, commitment revenue source such as a trust, dedicated appropriation, or tax-increment stream, or gift offered in perpetuity." Policymakers and institutional leaders would benefit from knowing more about how to create durable and sustainable funding streams.

## IS AN INVESTMENT IN A COLLEGE PROMISE PROGRAM A WORTHWHILE USE OF RESOURCES?

Although opinion polls suggest enthusiasm for free tuition programs (Hartig, 2020), policymakers and institutional leaders should consider more than political popularity. Investing resources in a college promise program has opportunity costs; resources invested in a college promise program cannot be used for other purposes (Levin & Belfield, 2015; Perna et al., 2020).

Research shows that the benefits of some college promise programs exceed the costs (Miller-Adams, 2015). Bartik et al. (2016) found net benefits for the Kalamazoo Promise, with higher benefit-cost ratios for non-Whites and lower benefit-cost ratios for lower-income students. A "back-of-the-envelope" calculation for the Pittsburgh Promise showed that future benefits to individuals and taxpayers would exceed the $25 million spent on financial awards (Page et al., 2019a). The contributions of these programs may be even higher, as many of the benefits of higher education to individuals and society cannot be monetized (e.g., increased civic engagement; McMahon, 2009).

Noting the limited transferability of benefit-cost calculations to other programs given differences in program design and context, Perna and colleagues (2020) offer a conceptual model for identi-

fying the costs of the financial award and other resources used to deliver the program and the benefits that may be realized from programs with different designs. The costs of the financial award will depend on the number and characteristics of eligible students (as determined by eligibility requirements), characteristics of institutions at which the award may be used, approach to disbursing the award (e.g., first dollar, last dollar, middle dollar), and duration of the award (e.g., one semester, one year, two years). Other costs may include staff for program administration and services, facilities and meeting space, and marketing and recruitment.

The costs and benefits of a college promise program will vary based on the target population, as different groups may need different outreach and support strategies. Little is known about approaches for recruiting adult learners, undocumented/DACA students, part-time students, and other students who do not follow a traditional path to higher education (Carlson et al., 2016).

Determinations of a program's merits should also consider the effects of a program for stakeholders in addition to students. Although a growing body of research estimates the effects of different college promise programs on student enrollment and completion, less is known about middle- and longer-term student outcomes or the benefits and costs of a college promise program for K12 schools, higher education institutions, communities, and states (Perna, 2016).

## Opportunities of the free college movement

The free college movement has the potential to catalyze large-scale reform and create substantive and structural changes that improve outcomes for underserved groups and communities. College promise programs provide an opportunity to improve the capacity of community colleges to serve historically underserved students and encourage partnerships that maximize the benefits and minimize the shortfalls of these programs.

### STRENGTHEN THE CAPACITY OF COMMUNITY COLLEGES TO SERVE UNDERSERVED STUDENTS

Programs that offer free tuition to attend a community college are an especially common type of promise program (Perna & Leigh, 2018). Moreover, as discussed in the next section, President Biden has identified "free community college" a national priority and proposed additional resources that would also benefit community college students. As such, the free college movement provides an opportunity to strengthen the capacity of community colleges.

With their open-access mission, community colleges play an important role in providing higher education for students from underserved populations (Cohen et al., 2014). While completion is not the only valued outcome, completion rates are low at many community colleges. Only 27% of first-time, full-time students who first enrolled in a community college in 2015 completed a certificate or associate degree within three years of first enrolling (National Center for Education Statistics, 2019). Moreover, community colleges are facing severe resource constraints (Smith, 2020a).

Although an economic downturn is typically associated with increased enrollment (Gardner, 2020), enrollment declined at many community colleges in fall 2020 (National Student Clearinghouse Research Center, 2020). Average enrollment declines were greater at community colleges

than other sectors. Compared with fall 2019, fall 2020 total enrollment was 10% lower at community colleges (compared with 2% lower at public 4-year colleges). Enrollment of first-time freshmen was 19% lower at community colleges (and 11% lower at public four-year colleges). These declines extend a longer trend of enrollment declines at broad access institutions over the past decade (Hillman, 2020). Fall 2020 enrollment declines were larger among students from racial/ethnic minoritized groups and low-income families, suggesting the disproportionate negative effects of COVID-19 on historically underserved people and communities (Gardner, 2020).

When enrollment declines, tuition revenue and government funding that is based on enrollment also declines (Gardner, 2020). Even before the pandemic, community colleges spent less per student on instruction, student services, and related expenses than other institutions (Hillman, 2020).

A college promise program that provides free tuition to attend a community college could strengthen community colleges if these programs increase enrollment and thereby increase institutional revenue. But, these programs may also further stretch institutional resources over more students. And, free community college may increase institutional costs, especially if these programs encourage enrollment among students who are less academically prepared for college and who require additional supports to persist (Perna et al., 2020). Wrap-around services can improve student outcomes but require resources (Page et al., 2019b).

**ENCOURAGE PARTNERSHIPS FOR IMPROVING EQUITY IN HIGHER EDUCATION ATTAINMENT**

Programs that provide free tuition at community colleges are also an opportunity to reconsider the roles and responsibilities of stakeholders at the federal, state, and local levels in providing high-quality, affordable, equitable, and accessible public higher education in local communities. These programs could catalyze a range of stakeholders in a local community to consider how to create a norm of "12 + 2" years of education.

Partnerships are expected to be an element of successful college promise programs (College Promise Campaign, 2018). In their "Playbook" for city and county officials who seek to establish a college promise program, the College Promise Campaign (2018) notes that partnerships may include elected officials, community colleges, universities, K12 schools and districts, non-profit and community-based organizations, and corporations. In their template for state-sponsored adult promise programs, Carlson et al. (2016) stress that "successful implementation requires buy-in from and collaboration with postsecondary institutions as well as other state agencies and key policymakers." They also advise state policymakers to consider resources available from other sources (SNAP, TANF, Medicaid, workforce training, etc.) as they develop programs to meet the needs and circumstances of adult learners.

While these and other resources provide general guidance, few have considered how to develop and sustain partnerships or the benefits that can be achieved through partnerships. "Place-based scholarships" like the Kalamazoo Promise, Pittsburgh Promise, and El Dorado Promise seek to not only increase college enrollment but also improve the college-going culture in K-12 schools and economic development of the local community (Miller-Adams, 2015). Achieving these goals requires engagement of a range of stakeholders.

The field also lacks research-based guidance for how programs at multiple levels (e.g., federal, state, local, institutional) might best work together. A descriptive exploratory study suggests that, in response to the implementation of the statewide California College Promise (AB19), some community colleges that already had a college promise program used the additional funds to extend the duration of the financial award (e.g., from one year to two) and expand the nonfinancial support provided to students (Smith & Rauner, 2020).

Even with this emerging work, questions remain. For example, which funds should be applied first and last? What should be the financial contributions of different entities? How can different organizations coordinate and collaborate to ensure that students have the supports they need? How should a college promise program be structured, funded, implemented, and administered to productively build on other state policy initiatives, current and future local college promise programs, or a potential federal program?

## Forces that may limit the free college movement from reaching its potential

At least four forces may limit the free college movement from reaching its potential: systemic inequality in K12 academic preparation; barriers to transferring credits from one college to another; insufficient labor market returns; and insufficient funding.

### SYSTEMIC INEQUALITY IN K12 ACADEMIC PREPARATION

The free college movement will not realize its potential if it does not address the systemic inequality in academic preparation that is provided by K12 schools that serve different groups and are located in different places (Chetty et al., 2018; Perna, 2006; Reardon, 2013). Some assert that free college programs should be assessed, at least in part, on their effectiveness in improving academic readiness for college (Dannenberg & Mugglestone, 2017).

### BARRIERS TO TRANSFER

Also important is recognizing the potential of the free college movement to further segregate students from low-income families and racial/ethnic minoritized groups in community colleges. To counteract this possibility, more must be done to ensure that students who enroll in community colleges can transfer to a four-year institution without loss of credit (Perna & Finney, 2014). Research shows that programs that offer free tuition to attend a community college divert at least some students from a four-year institution to the community college (Nguyen, 2020).

### INSUFFICIENT LABOR MARKET RETURNS

The success of the free college movement also depends on students' post-college outcomes, including employment, earnings, and other workforce-related outcomes. Higher education is associated with many benefits for individual participants, but the benefits (e.g., employment rates, earnings) are lower, on average, for people from racial/ethnic minoritized groups than for Whites (Elliott & Nielsen, 2020). To realize its potential, the free college movement must ensure that participants, especially those from historically underserved groups, are prepared for employment and transition to good jobs (Goger, 2019).

**COSTS AND FUNDING**

The free college movement will also not realize its potential without sustainable and durable funding. While a college promise may provide "free tuition" or other benefit to at least some students, the costs must be paid by some entity. Although they provide no new financial assistance to low-income students, programs that provide a last-dollar award leverage the availability of Federal Pell Grants and state grants (Perna et al., 2020). Carnevale et al. (2020) estimate that a national program that provides a first-dollar award to attend a public college tuition free would require $58.2 billion in the first year; a program that provides a last-dollar award would require $27.8 billion. Programs restrict program participation (by adding eligibility requirements) and reduce the financial and non-financial program components in response to funding constraints (Perna et al., 2021; Smith, 2020b).

One interviewee called for "more imagination" in approaches to funding college promise programs. Data from a survey of 134 college promise programs suggest a diversity of approaches, with one third of programs reporting public funding sources, one third reporting private, and a third reporting a combination (College Promise, 2020). Potential innovations that could be further explored include children's savings accounts (Elliott & Nielsen, 2020), tax policies (Smith, 2020b), and combinations of public and private sources, including corporations, college foundations, and other philanthropic organizations (College Promise Campaign, 2018).

Ensuring sustainable funding also requires attention to future growth in tuition and other college costs. While scholars consider "adequacy" in K12 spending (e.g., Steinberg & Quinn, 2014) and document differences in spending across different sectors of higher education (Hillman, 2020), few have considered how much it costs to deliver a unit of higher education or the optimal level of investment in higher education by federal, state, and local governments (see, for example, Melguizo et al., 2017).

## Potential Implications of the Biden Administration for the Free College Movement

The Biden-Harris Administration has made tuition-free community college a national priority, arguing that, while free and universal high school was needed to meet our nation's needs in the last century, two years of free postsecondary education is required in this century.

Announced by President Biden on April 28, 2021, the American Families Plan proposes to make community college tuition free. Recognizing that tuition is not the only hurdle to completing a college degree, the Plan also includes $62 billion for student retention and degree completion strategies and $80 billion to increase the size of Pell Grants. The Plan also calls for other investments that would benefit community college students, including reducing childcare costs, expanding nutrition assistance, and establishing a national paid family and medical leave program.

Interviewees and other observers predicted that the Biden-Harris administration would advance initiatives focused on community colleges. The campaign platform included attention to commu-

nity colleges and interviewees and others (e.g., Gardner, 2020; Murakami, 2020b) noted the First Lady's well-known role as a community college professor. Dr. Jill Biden served as Honorary Chair of the College Promise National Advisory Board and has been a vocal proponent of college promise, especially free community college. Observers hope that she will use her position to encourage transformative leadership and innovation at community colleges and create the "policy changes and real financial supports to enable this change" (Soo, 2020).

Some have noted less political traction for free college now than a year ago (when Senator Sanders and other democratic candidates for president were campaigning on free college). In a February 2020 poll by Pew, most (63%) U.S. adults supported making public colleges and universities tuition-free. Support was more common among Democrats than Republicans (83% versus 39%; Hartig, 2020). In a June 2020 national poll, about two-thirds (63%) of adults viewed "making higher education affordable and ensuring it provides a good value to students" as a top policy priority for Congress. But, fewer than half of respondents reported that "making higher education free at public institutions" was a top policy priority (Hiler, 2020).

If and when free community college and other components of Biden's proposed American Families Plan advance is not yet known.  To advance these initiatives the Biden administration will need to negotiate and compromise with Senate Republicans. Concessions will likely be required (Murakami, 2020b; Vasquez, 2020). Democrats (especially in the Senate) must also be united to advance free tuition.

Also relevant to the free college movement is how the federal government addresses other higher education policy issues. Observers do not expect Congress to take up the long overdue reauthorization of the Higher Education Act of 1965 any time soon (Murakami, 2020a). The $1.4 trillion budget deal (which included the COVID relief) passed by the Senate in December 2020 unexpectedly included some changes that would help to improve equity in higher education opportunity – and influence the implementation and outcomes of free community college. These changes include simplifying the FAFSA from 108 to 36 questions, allowing incarcerated prisons to receive Federal Pell Grants, and changing eligibility criteria to enable more low-income students to receive the maximum Federal Pell Grant (Kelderman, 2020; Murakami, 2020a).

## Potential unintended consequences of the Biden Administration for free college

A national plan for tuition-free community college would likely involve a federal-state partnership (e.g., $3 federal dollars for every $1 state dollar). While the implications will depend on the characteristics of the adopted program, potential unintended consequences could arise from the funding formula, strategies states use to meet the match, and decisions about how to target program benefits.

Observers (e.g., Carey, 2019) note the challenges of creating a funding formula that rewards states for their investment in higher education, compensates for differences in state wealth and other resources, and recognizes differences in state higher education systems. Community

colleges play different roles in different states (Carey, 2019; Perna & Finney, 2014). Tuition-setting policies also vary across and within states (Carnevale et al., 2020).

A federal-state partnership for higher education could also encourage states to divert dollars from state sponsored grant aid and other programs to meet the federal matching requirement. These actions could reduce access and affordability for students from low-income families. Also important is considering implications for college quality when tuition and fees are linked to a federal or state funding formula. As Carey (2019) argues: a free college program should ensure "that college is good as well as free."

Creating free tuition at community colleges could also have negative implications for other sectors of higher education. Enrollment may decline at for-profit institutions, as well as public and private four-year institutions (Carnevale et al., 2020; Nguyen, 2020). Enrollment declines may exacerbate current financial stress, especially at small and less selective public and private four-year colleges including HBCUs and other MSIs.

## Philanthropy's role in enabling opportunities and addressing shortfalls

A review of the opportunities and potential shortfalls of the free college movement suggests several opportunities for philanthropy. Drawing on insights from interviews with thought leaders, this section humbly offers general guidance to the Kresge Foundation.

The Kresge Foundation should consider which potential opportunities and shortfalls it wants most to influence. Focusing on a relatively narrow set of issues may yield greater insights than a more diffuse approach. Kresge's approach should recognize the federal and state policy context but should not be too closely linked. The Kresge Foundation should maintain its independence and avoid the perception that it is in collusion with the Department of Education or other government entities.

The funding opportunity should also be aligned with The Kresge Foundation's organizational values (creativity, opportunity, partnership, respect, stewardship, equity) and its emphasis on providing "flexible grantmaking and social investing tools" (Kresge, 2020).

A funding opportunity pertaining to college promise would align with other goals and priorities of The Kresge Foundation. For example, Kresge's American Cities Program seeks to address systemic inequality and "ensure shared prosperity" for all people "at scale" in a particular place. The education program seeks to ensure that all students in the U.S. (and South Africa) have the opportunity to enroll and succeed in college.

The Kresge Foundation might also consider how a funding opportunity would complement approaches of other philanthropic organizations. Other philanthropic organizations have provided support for college promise, including the Bill & Melinda Gates Foundation, Ford Foundation, W.K. Kellogg Foundation, JP Morgan Chase Foundation, Joyce Foundation, and Ascendium Education Group. With its attention to improving college affordability for low-income students and improving workforce readiness, Lumina Foundation's (2020) state policy priorities also align with the

goals of college promise. Conversations with program officers at other foundations may reveal related funding opportunities that are planned and in progress.

With support from The Kresge Foundation and other sources, several organizations are working to improve the capacity of the field to advance equity-oriented college promise programs. College Promise (formerly the College Promise Campaign, 2020) seeks to advance a national network of college promise programs, administrators, and scholars and advance research-based knowledge of best practices. Launched in 2017, the MDRC College Promise Success Initiative provides technical assistance to programs. MDRC helps programs assess student needs and refine services to improve student outcomes and helps programs communicate information to students and other stakeholders (Vasquez & Price, 2019; Willard, Vasquez, & Lepe, 2019). SHEEO has developed guidance to advance state-sponsored adult promise programs (Carlson et al., 2016). The UpJohn Institute's "Promise: Investing in Community" focuses on building research-based knowledge of place-based scholarship programs. Other organizations (e.g., Penn AHEAD) and scholars (some of whom are cited in this memo) are also working to inform college promise programs at the state and local levels.

The Kresge Foundation should also engage in efforts to maximize learning from its investment for grantees and the field. These insights may come from requiring grantees to share data and participate in convenings to discuss funded projects. The Kresge Foundation may also encourage production of briefing papers and reports targeted to public policymakers and institutional leaders. Public policy and institutional practice should be informed by the expertise of researchers and research-based insights (McCann, 2020). With turnover in federal, state, and local policymakers and leaders, ongoing educational efforts are needed, as new leaders may have limited related prior knowledge.

## Conclusion

With enthusiasm for free community college at the federal, state, and local levels, the free college movement provides opportunities for addressing the systemic inequity that is embedded in our nation's educational structures and practices and improving higher education attainment for students from historically underserved groups. But, important challenges must also be addressed if the free college movement is to realize this potential. Philanthropic funding that advances programming, research, and community development could help advance the opportunities, and mitigate the potential shortfalls and unintended consequences, of the free college movement. Especially needed is support for efforts that:

- advance equity and help dismantle and address systemic racism;
- improve postsecondary outcomes for people from historically underserved populations;
- build the capacity of community colleges to provide high-quality postsecondary education and improve the well-being of individual students and local communities; and
- partner with other organizations to maximize program contributions.

# References

Bartik, T. J., Hershbein, B., & Lachowska, M. (2016). The merits of universal scholarships: Benefit-cost evidence from the Kalamazoo promise. *Journal of Benefit Cost Analysis*, 7, 400-433.

Biden, J. (2020). The Biden plan for education beyond high school. https://joebiden.com/beyondhs/?utm_source=Iterable&utm_medium=email&utm_campaign=campaign_1698335_nl_Daily-Briefing_date_20201109&cid=db&source=ams&sourceId=39618#

Cahalan, M., Perna, L.W., Addison, M., Murray, C., Patel, P. & Jiang, N. (2020, May). *Indicators of higher education equity in the United States: 2020 historic trend report*. Washington, DC:  The Pell Institute of the Council for Opportunity in Education and the Alliance for Higher Education and Democracy.  http://pellinstitute.org/indicators/

Carey, K. (2019, December 9). The free college fantasy. *Chronicle Review*.

Carlson, A., Laderman, S., Pearson, D., & Whitfield, C. (2016, December). *Adult promise program: A pilot design template for states*. State Higher Education Executive Officers. https://sheeo.org/wp-content/uploads/2019/02/Adult-Promise-Design-Template.pdf

Carnevale, A.P., Strohl, J., Ridley, N., & Gulish, A. (2018). Three educational pathways to good jobs. Georgetown University Center on Education and the Workforce. https://1gyhoq479ufd3yna29x7ubjn-wpengine.netdna-ssl.com/wp-content/uploads/3ways-FR.pdf

Carnevale, A.P., Sablan, J.R., Gulish, A., Quinn, M.C., & Cinquegrani, G. (2020). T*he dollars and sense of free college*. Georgetown University Center on Education and the Workforce.

Chetty, R., Friedman, J.N., Hendren, N., et al. (2018). *The opportunity atlas: Mapping the childhood roots of social mobility*. National Bureau of Economic Research, Working Paper Series No. 25147.

Cohen, A. M., Brawer, F. B., & Kisker, C. B. (2014). *The American community college* (6th edition). Jossey-Bass.

College Promise (2020). College promises to keep: A playbook for achieving college promise financial sustainability.

College Promise Campaign. (2018). Playbook: How to build a promise. https://static1.squarespace.com/static/5e44327a52b88927aaaecabd/t/5e5ea97ea1a74e5544394170/1583262096995/City+College-Promise-Playbook.pdf

College Promise Campaign. (2019, April). Statewide promise status update. https://collegepromise.org/news/april-24-2019-statewide-promise-status-update

Dannenberg, M., & Mugglestone, K. (2017). Making promises: Designing promise plans worth keeping. Education Reform Now. https://edreformnow.org/wp-content/uploads/2017/11/ERN-Making-Promises-Final.pdf

Dougherty, K., Jones, S.M., Lahr, H., Natow, R.S., Pheatt, L., & Reddy, V. (2016). *Performance funding for higher education*. Johns Hopkins University Press.

Dowd, A., Rosinger, K.O., & Castro, M.F. (2020). Trends and perspectives on finance equity and the promise of community colleges. *Higher Education: Handbook of Theory and Research, Vol. 35*. Springer, pp. 517-588.

Dynarski, S., Libassi, C.J., Michemore, K., & Owen, S. (2018). Closing the gap: The effect of a targeted, tuition-free promise on college choices of high-achieving, low-income students. (NBER Working Paper No. 25349). National Bureau of Economic Research.

Elliott, W., & Nielsen, S. (2020, December). Reimaging college promise programs: A wealth perspective. College Promise Research Brief. https://static1.squarespace.com/static/5e44327a52b88927aaaecab-d/t/5fced34357846c5b834474f5/1607390022635/Willie+Elliott+CP-CSA+Policy+Brief.pdf

Gándara, D., & Li, A. (2020). Promise for whom? "free-college" programs and enrollments by race and gender classifications at public, 2-year colleges. *Educational Evaluation and Policy Analysis, 42*, 603-627.

Gardner, L. (2020, December 9). How the pandemic worsened – and highlighted – community colleges chronic challenges. *Chronicle of Higher Education*.

Goger, A. (2019, October 15). Free college won't be enough to prepare Americans for the future of work. Brookings Institution.

Harris, D., Farmer-Hinton, R., Kim, D.H., Diamond, J.B., Reavis, T.B., Rifelj, K.K., Lustick, H.A., & Carl, B. (2020). The promise of free college and its potential pitfalls: Evidence from a randomized controlled trial of a performance-based aid program. In L.W. Perna & E.J. Smith (Eds.), *Improving research-based knowledge of college promise programs* (pp. 119-150). American Educational Research Association,

Hartig, H. (2020, February 21). Democrats overwhelmingly favor free college tuition, while Republicans are divided by age, education. Pew Research Center. https://www.pewresearch.org/fact-tank/2020/02/21/democrats-overwhelmingly-favor-free-college-tuition-while-republicans-are-divided-by-age-education/

Hiler, T. (2020, August 6). A crisis of oversight: How coronavirus deepened voters' desires for account-ability in higher education. Third Way. https://www.thirdway.org/memo/a-crisis-of-oversight-how-coronavi-rus-deepened-voters-desires-for-accountability-in-higher-ed

Hillman, N. (2020). *Why rich colleges get rich and poor colleges get poorer: The case for equity-based funding in higher education.* Third Way.

Jones, T., & Berger, K. (2018). A promise fulfilled: A framework for equitable free college. Education Trust.

Kelderman, E. (2020, December 21). Congress will give colleges $20 billion in relief – and surprise! – some long-awaited policy reforms. *Chronicle of Higher Education*. https://www.chronicle.com/article/congress-will-give-colleges-20-billion-in-relief-and-surprise-some-long-awaited-policy-reforms?utm_source=Iterable&utm_medium=email&utm_campaign=campaign_1843156_nl_Breaking-News_date_20201221&cid=bn&source=ams&sourceId=39618

Kresge Foundation (2020). Inside out & outside in: Equity: Organic to our mission. 2019 annual report. https://kresge.org/wp-content/uploads/2019-Kresge-AR-Inside-Out-Outside-In.pdf

Levin, H. M., & Belfield, C. (2015). Guiding the development and use of cost-effectiveness analysis in educa-tion. *Journal of Research on Educational Effectiveness*, 8(3), 400-418.

Lumina Foundation (2020, November). *Higher ed policy in the COVID era: Equitable funding and financing*. https://www.luminafoundation.org/wp-content/uploads/2020/11/equity-funding-and-financing.pdf

Ma, J., Pender, M., & Welch, M. (2019). Education pays 2019. College Board. https://research.collegeboard.org/pdf/education-pays-2019-full-report.pdf

McCann, C. (2020). Designing a rigorous postsecondary learning agenda. New America. https://www.newamerica.org/education-policy/reports/guide-biden-harris-administration-ensure-student-success-higher-education/design-a-rigorous-postsecondary-learning-agenda/

McMahon, W. W. (2009). *Higher learning, greater good: The private and social benefits of higher education*. Johns Hopkins University Press

Melguizo, T., Witham, K., Fong, K., & Chi, E. (2017). Understanding the relationship between equity and efficiency. Journal of Education Finance, 43, 195-216.

Millett, C. (2020). *Depicting the ecosystems of support and financial sustainability for five college promise populations*. https://onlinelibrary.wiley.com/doi/epdf/10.1002/ets2.12299

Miller-Adams, M. (2015). Promise nation: Transforming communities through place-based scholarship. W.E. Upjohn Institute for Employment Research.

Mishory, J. (2018). *The future of statewide college promise programs: A state guide to free college*. The Century Foundation.

Murakami, K. (2020a, December 22). Congressional deal would give higher ed $23b. Inside HigherEd.

Murakami, K. (2020b, November 9). Biden's victory could be transformative. Inside HigherEd.

National Association of Student Financial Aid Administrators [NASFA]. (2020, January). *2020 presidential candidates' higher education proposals*. https://www.nasfaa.org/2020

National Center for Education Statistics. (2019). *Digest of Education Statistics*, Table 326.20. https://nces.ed.gov/programs/digest/d19/tables/dt19_326.20.asp?current=yes

National Student Clearinghouse (2020, December). *High school benchmarks 2020 with a COVID-19 special analysis: National college progression rates*.

Nguyen, H. (2020). Free college? Assessing enrollment responses to the Tennessee Promise program. *Labour Economics, 66*, 101882.

Page, L.C., Iriti, J., Lowry, D., & Anthony, A. (2019a). The promise of place-based investment in college access and success: Investigating the impact of the Pittsburgh Promise. *Education Finance and Policy, 14*, 572-600.

Page, L. C., Kehoe, S. S., Castleman, B. L., & Sahadewo, G. A. (2019b). More than dollars for scholars: The impact of the Dell Scholars Program on college access, persistence, and degree attainment. *Journal of Human Resources, 54*, 683-725.

Parolin, Z., & Lee, E. (2020). Socio-economic, geographic, and demographic disparities exist in exposure to school closures and distance learning. https://osf.io/cr6gq/

Perna, L.W. (2006). Studying college choice: A proposed conceptual model.  In J. C. Smart (Ed.), *Higher Education:  Handbook of theory and research*, Vol. XXI (pp. 99-157). Springer.

Perna, L.W. (2016, October). Delivering on the promise: Structuring college promise programs to promote higher education attainment for students from underserved groups. Penn AHEAD.

Perna, L.W., & Finney, J. (2014).  *The attainment agenda: State policy leadership in higher education*. Baltimore, MD:  Johns Hopkins University Press.

Perna, L.W., & Leigh, E. (2018). Understanding the promise: A typology of state and local college promise programs. *Educational Researcher, 47*, 155-180.

Perna, L.W., Leigh, E., & Carroll, S. (2018). "Free college:" A new and improved state approach to increasing educational attainment? *American Behavioral Scientist, 61*, 1740-1757.

Perna, L.W., & Smith, E. (Eds., 2020). *Improving Research-Based Knowledge of College Promise Programs.* Washington, DC: American Educational Research Association.

Perna, L.W., Wright-Kim, J., & Leigh, E. (2020). Is a college promise program an effective use of resources? Understanding the implications of program design and resource investments for equity and efficiency. AERA Open, 6(4), 1-15. https://journals.sagepub.com/doi/full/10.1177/2332858420967633

Perna, L.W., Wright-Kim, J., & Leigh, E. (under review). Will college promise programs improve or reduce equity? Understanding the contextual conditions that influence program implementation.

Poutré, A., & Voight, M. (2018). *The state of free college: Tennessee Promise and New York's Excelsior Scholarship*. Institute for Higher Education Policy.

powell, j.a., Menendian, S., & Ake, W. (2019). *Targeted universalism: Policy & practice*. Haas Institute For a Fair and Inclusive Society, University of California, Berkeley. https://belonging.berkeley.edu/targeteduniversalism

Ratledge, A., & Vasquez, A. (2018). Learning from success: The Detroit Promise path. MDRC.

Rauner, M., & Smith, A. (2020, February). *College promise programs: A description of the California landscape*. WestEd.org.

Reardon, S. (2013). The widening income achievement gap. *Educational Leadership*, 70, 10-16.

Skocpol, T. (1995). *Social policy in the United States: Future possibilities in historical perspective*. Princeton University Press.

Smith, A., & Rauner, M. (2020, October). *California College Promise: The relationship between state policy and local programs*. Brief #3. WestEd.

Smith, E. (2020a). PROPSER – Promises for strength in partnerships, equity, and results in postsecondary education: A proposed education team funding opportunity.

Smith, E. J. (2020b). *A promise in motion: An exploration of Michigan's promise zones with implications for program design and college choice*. Unpublished dissertation.

Soo, D. (2020, December 22). Jill Biden can spur transformation at community colleges. Inside HigherEd. https://www.insidehighered.com/views/2020/12/22/how-jill-biden-can-spur-transformation-community-colleges-opinion?utm_source=Inside+Higher+Ed&utm_campaign=c0b7ac40de-DNU_2020_COPY_02&utm_medium=email&utm_term=0_1fcbc04421-c0b7ac40de-197499329&mc_cid=c0b7ac-40de&mc_eid=fd9b55993b

Steinberg, M., & Quinn, R. (2014). An urban myth? New evidence of equity, adequacy and the efficiency of educational resources. Consortium for Policy Research in Education. https://repository.upenn.edu/cpre_workingpapers/1/

Stolberg, S.G. (2020, June 7). 'Pandemic within a pandemic': Coronavirus and policy brutality role Black communities. *New York Times*. https://www.nytimes.com/2020/06/07/us/politics/blacks-coronavirus-police-brutality.html

U.S. Department of Education. (2009, March 7). The American Recovery and Reinvestment Act of 2009: Saving and creating jobs and reforming education. https://www2.ed.gov/policy/gen/leg/recovery/implementation.html#:~:text=The%20American%20Recovery%20and%20Reinvestment%20Act%20of%202009%20(ARRA)%20provides,for%20our%20students%20and%20our

Vasquez, M. (2020, November 7). Joe Biden won. Here's what higher ed can expect. *Chronicle of Higher Education*. https://www.chronicle.com/article/joe-biden-won-heres-what-higher-ed-can-expect?utm_source=Iterable&utm_medium=email&utm_campaign=campaign_1696605_nl_Academe-Today_date_20201109&cid=at&source=ams&sourceId=39618&cid2=gen_login_refresh

Vasquez, A., & Price, M. (2019). Improving programs using students' voices: Lessons from the Los Angeles promise program. MDRC. https://www.mdrc.org/publication/improving-programs-using-students-voices

Willard, J., Vasquez, A., & Lepe, M. (2019). *Designing for success: The early implementation of college promise programs*. MDRC. https://www.mdrc.org/sites/default/files/CPSI_Policy_Brief-Final_0.pdf