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The El Dorado Promise: Impacts on Postsecondary Enrollment and Completion

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This BriefIntroduction **P.1**Past Impacts of Promise Programs **P.2**Impact on Postsecondary Enrollment **P.2**Impact on Degree Completion **P.3**Conclusion **P.4****Summary Points**

- We examine the impact of the El Dorado Promise on **postsecondary enrollment and degree completion**, using information on students who graduated from El Dorado between 2004 and 2016.
- Overall, the El Dorado Promise **increased postsecondary enrollment by 11.4 percentage points**.
- Overall, the El Dorado Promise **increased Bachelor's Degree completion by 10.7 percentage points**.
- The El Dorado Promise had **no significant impact on Associate's Degree completion**.
- The effects of the Promise on postsecondary enrollment and BA completion were **concentrated on students of color**.
- The effects of the Promise on BA completion were **concentrated on students with relatively high academic records in high school**.

The El Dorado Promise:***Impacts on Postsecondary Enrollment and Completion***

The El Dorado Promise has offered scholarships to almost 3,000 students since its creation in 2007. In this brief, we examine the impact of the place-based scholarship on postsecondary enrollment and completion for all students and for certain subgroups. Our results indicate that the Promise has significantly increased overall postsecondary enrollment and BA completion.

Introduction

The share of postsecondary degree holders in Arkansas lags behind the share of college graduates in the rest of the country, raising concerns about the competitiveness of Arkansan workers. Additionally, many Arkansas districts face decreasing enrollments and low academic achievement. In 2007, the El Dorado School District and Murphy Oil announced a bold strategy to address these challenges: the El Dorado Promise.

The El Dorado Promise is a place-based scholarship. The Promise guarantees that every student who graduates from the El Dorado School District and who attended El Dorado schools from at least 9th to 12th grade can receive a college scholarship. There are no GPA requirements, income limits, or competitive application process. Students who have attended El Dorado schools for their entire K-12 experience are eligible for the full cost of tuition and fees at the accredited postsecondary institution of their choice, up to the cost of tuition and fees at the most expensive public uni-

versity in Arkansas. In the 2017-18 school year, this meant that students could receive up to \$9,062 for the year. Students can also receive additional financial aid by completing the FAFSA (for federal financial assistance) or qualifying for other scholarships. Students are able to add other sources of financial aid to their Promise award up to the full cost of attendance at their college or university of choice.

The El Dorado Promise has the potential to have various impacts on students' K-12 educational experience and postsecondary outcomes. By establishing that all students can afford to go to the college, the Promise could encourage both students and teachers to focus on college preparation throughout students' time in K-12 schools. For example,

- Teachers could increase the rigor of their classes,
- Students may be more likely to enroll in AP courses, or
- Students may be more motivated and focused in their classes.

All of these actions could lead students to leave high school more prepared for college. Further, by providing financial aid, the Promise could directly influence students' decision to enroll in col-

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lege, particularly if they were worried about the high cost of college. The Promise could also convince families to stay in El Dorado, or attract new families into the area, and those students may have a positive impact on the learning of students who would have stayed regardless of the Promise. In short, the Promise can be theorized to impact students' academic preparation, postsecondary outcomes, and district enrollment, as summarized in Figure 1.

In this brief, we focus on the impact the Promise has had on postsecondary outcomes—students' enrollment and completion rates from postsecondary institutions. Before presenting our analysis, however, it is helpful to know how Promise programs, including the El Dorado Promise, have impacted students' achievement and district enrollment.

Past Impacts of Promise Programs

Past work on the impacts of Promise programs have generally suggested that the programs are able to affect their intended outcomes. In the case of El Dorado, we have found that the Promise stabilized district enrollment and increased students' academic performance on state standardized tests (Ash & Ritter, 2014). Twenty-one other Promise programs in the country have been found to have had positive impacts on district enrollment or community population (LeGower & Walsh, 2014; Miller, 2011); however, there is less consistent evidence on the impact of Promise programs on academic achievement (Gonzalez et al., 2014). While past literature indicates that Promise programs can have positive impacts on their intended outcomes, the relative newness of the programs means researchers have had less opportunity to study how these programs impacts longer-term outcomes, particularly postsecondary completion.

The first Promise program began in Kalamazoo, MI, in 2005. Like the El Dorado Promise, the Kalamazoo Promise offers all Kalamazoo graduates who attended the district for a set number of years a full college scholarship. Unlike the El Dorado Promise, the Kalamazoo Promise can only be used at in-state postsecondary institutions. In a series

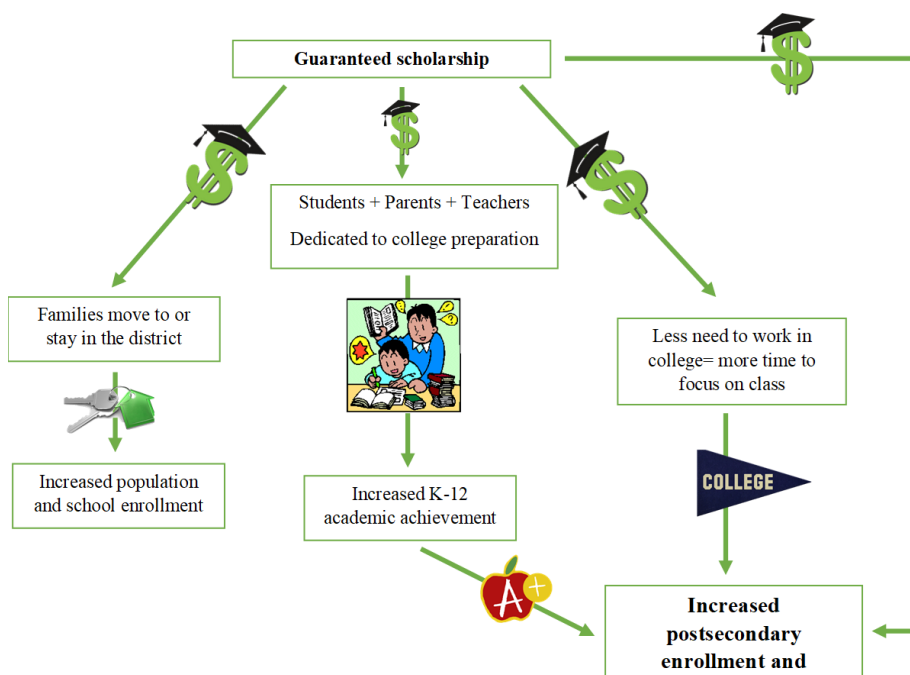
of analyses of the impacts of the Kalamazoo Promise, researchers have found that the Kalamazoo Promise increased the share of students who applied to a postsecondary institution (Andrews, Desjardins, & Ranchold, 2010), increased the share of students who enrolled in postsecondary institutions, and increased the share of students who completed a postsecondary degree within 6 years (Bartik, Hershbein, & Lachowska, 2017). Positive impacts of Promise programs on postsecondary enrollment have also been found for a Promise program restricted to community colleges in Knox County, TN (Carruthers & Fox, 2016) and a Promise program with academic requirements in New Haven, CT (Gonzalez et al., 2014). Researchers have reached different conclusions on the impact of a Promise program in Pittsburgh, PA, on whether the Promise increased postsecondary enrollment (Bozick, Engberg, & Gonzalez (2015) find no statistically significant impact, while Page et al. (2018) find a statistically significant and positive impact), but agree that that the program did improve postsecondary persistence.

Given the past research on Promise programs generally and the El Dorado Promise specifically, it is likely that the El Dorado Promise will have a positive impact on postsecondary enrollment, but it is less clear whether the Promise will have an impact on postsecondary degree completion. We turn now to the results of our analysis, beginning with the impact of the El Dorado Promise on postsecondary enrollment.

Impact on Postsecondary Enrollment

For this analysis, we looked at students who graduated from the El Dorado School District between 2004 and 2016. We have information on 3,473 students for our enrollment analysis. Students who graduated between 2007 and 2016 and attended the district for at least their 9th-12th grade years were eligible to receive the Promise. Students who graduated between 2004 and 2006 and attended the district for at least their 9th-12th grade years would have been eligible to receive the Promise, had they graduated from the district in later years, while students in any year who were not enrolled for at least their 9th-12th grade years would never have qualified for the

Figure 1: Potential Channels for Change and Impacts of the El Dorado Promise



Promise. Our analysis has three steps: first, we compare the outcomes of students who would have been and would not have been eligible for the Promise before its announcement, then we compare the outcomes of students who were and were not eligible for the Promise after its announcement, then, finally, we compare those differences. This type of analysis is known as a difference-in-differences analysis. We also control for student characteristics in the analysis, including high school GPA, gender, and race/ethnicity. For a full description of the methods, please see Swanson and Ritter, 2018.

We find that the El Dorado Promise had a significant and positive impact on students' postsecondary enrollment. Descriptively, we find that the Promise was associated with a 16.5 percentage point increase in enrollment, as illustrated in Figure 2. When we control for student characteristics, we find that the Promise led to an 11.4 percentage point increase in postsecondary enrollment for all students. We also looked at the impact of the Promise on specific subgroups of students, finding that the impact of the Promise was concentrated on students of color (13.4 percentage points), but benefitted students from across the distribution of prior achievement, increasing enrollment among students in the top half of achievement by 11.3 percentage points and enrollment among students in the bottom half of the achievement distribution by 21.5 percentage points.

Our analyses indicate that the El Dorado did indeed have a positive impact on students' postsecondary enrollment. The direction and magnitude of these effects are in line with past research, giving us further confidence in our results. We turn now to the impacts of the El Dorado Promise on postsecondary degree completion.

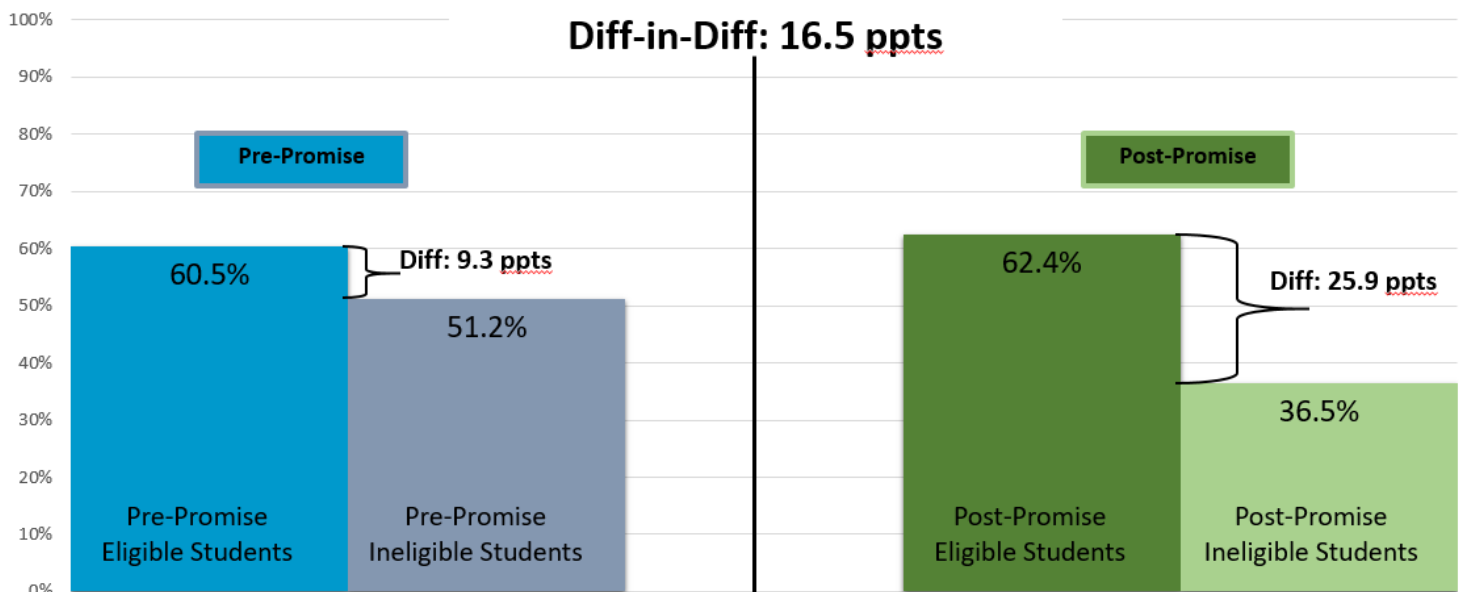
Impact on Degree Completion

We conducted the same type of difference-in-differences analysis to estimate the impact of the El Dorado Promise on degree completion as we did to estimate the impact of the program on postsecondary enrollment. Again, we compare the outcomes of students eligible and ineligible for the Promise before and after the Promise was announced, while controlling for relevant student characteristics. However, since we look at 3 year completion for Associate's Degrees and 6 year completion for Bachelor's Degrees, we have slightly smaller samples than for our enrollment analyses. We include information on 3,289 students for our analysis of the impact of the Promise on AA completion and 2,740 students for our analysis of the impact of the Promise on BA completion.

We find no impact of the Promise on AA completion within 3 years of high school graduation. However, the share of students who received an Associate's Degree at any time in our analysis is quite small, so the lack of a significant result could just be due to the limited variation in the percentage of students earning an AA over time. Overall, we estimate that the Promise was associated with a 4.0 percentage point increase in AA completion within 3 years, but the estimate is not statistically significant.

We find positive and significant impacts of the Promise on BA completion within 6 years of high school graduation. Specifically, we find that overall the Promise led to a 10.7 percentage point increase in 6-year BA completion rates. Again, the effect was larger for students of color (12.5 percentage points) than for white students (9.1 percentage points, and statistically

Figure 2: Descriptive Analysis of the Impact of the El Dorado Promise on Postsecondary Enrollment, 2004-2016 Cohorts



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insignificant). We also see that the positive impact was concentrated on students with higher academic performance in high school: we see a 12.7 percentage point increase in BA completion for students whose GPA was in the top 50% of their class, and no statistically significant impact of the Promise on BA completion for students whose GPA was in the bottom 50% of their class. Our descriptive findings are summarized in Figure 3.

Conclusion

The El Dorado Promise had a positive impact on students' postsecondary outcomes, leading to increases in postsecondary enrollment and BA completion. These effects were large—an 11.4 percentage point increase in enrollment overall and a 10.7 percentage point increase in BA completion overall. We find no impact of the Promise on AA completion. These results are robust across samples, as discussed in Swanson and Ritter, 2018. The positive impacts of the Promise are observed for all student subgroups, but appear to be concentrated on students of color and, for degree completion, students with higher high school GPAs. This evidence, together with past evidence on the impacts of the El Dorado Promise, suggest that the program is having a positive and meaningful impact on the El Dorado community.

Figure 3: Descriptive Analysis of the Impact of the El Dorado Promise on BA Completion, 2004-2011 Cohorts

	Pre-Promise Eligible	Pre-Promise Ineligible	Post-Promise Eligible	Post-Promise Ineligible	Diff-in-Diff
Overall	31.7%	23.3%	25.8%	7.0%	10.4 ppts
Students of Color	17.4%	6.1%	15.3%	6.1%	-2.2 ppts
White students	47.1%	38.9%	38.0%	7.9%	22.0 ppts
Above Average GPA	53.8%	40.6%	43.7%	13.6%	16.9 ppts
Below Average GPA	10.2%	6.2%	5.5%	2.2%	-0.7 ppts

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