



Muskegon Area Promise Scholarship

Michigan Department of Treasury - Development Plan

Amendment March 2025

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. 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 at a minimum a two-year degree or its equivalent at an Eligible Institution (as defined below) when used in conjunction with federal, state and institutional grants. The Promise Scholarship aims to promote post-secondary education and prepare students for future success in college and career choices.

MUSKEGON AREA PROMISE SCHOLARSHIP AWARDS

As of July 2024 new state flagship scholarships like the Michigan Achievement Scholarships that are inclusive of three pathway options for students (the Community College Guarantee (CCG) award, a Public & Private University award and a Career Training award) all meet the minimum requirement for Promise Zone law as pathways to an associate’s degree. Additionally, as of October 2024, Promise Zones are no longer restricted to offering financial assistance for just tuition and fees. Promise Zones now have the ability to offer scholarships that provide financial assistance for any cost of attendance as defined and noted within the Michigan Promise Zone Authority Act, MCL 390.1661 et seq. as amended (the “Promise Zone Act”). Annually, local Promise Zone Authorities approve and disperse Promise Scholarships valued at set amounts indicative of student and community needs. Our 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 qualified educational expenses as identified by the Promise Zone Act and this Promise Zone Development Plan.

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 along with any terms pertinent to the Promise Scholarship. The MAPZA will publish the Eligibility Criteria so students can determine & understand their eligibility and opportunities. 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.
- **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 or those pursuing vocational career training at an Eligible Institution. Summer guest students are those students who are enrolled as degree seeking at an educational institution other than an Eligible Institution, but have enrolled at an Eligible Institution as a guest student with the intent to transfer their summer earned credits back to their chosen institution. Vocational career training students are those students enrolled at an Eligible Institution under the same rules identified within the Michigan Achievement Skills Scholarship and the Michigan Reconnect Short-Term Training Program. No FAFSA application will be required for eligible students enrolling as a summer guest or in eligible career training during their eligibility time frame.

- **Enroll** at an Eligible Institution. Please see the Eligible Institutions section of this plan for specific named institutions.

TERMS, LIMITATIONS AND ALLOWANCES OF THE PROMISE SCHOLARSHIP

Promise Scholarships may only be used to fund educational opportunities at an Eligible Institution.

Students must accept/apply for a Promise Scholarship annually. Students are eligible for open and year-round enrollment, however Promise Scholarships may not begin before the Fall term immediately following a Promise Scholarship recipient's high school graduation without the approval of the MAPZA.

Eligible students will receive a Promise Scholarship for financial assistance of **qualified educational expenses** as identified by the Promise Zone Act and this Promise Zone Development Plan. At a minimum, scholarships will provide assistance for the cost of obtaining up to an Associate degree at an Eligible Institution, and at a maximum must not exceed the cost of obtaining a Bachelor's degree at an Eligible Institution. The MAPZA considers qualified educational expenses to include a variety of expenses. Allowable costs may be inclusive of one or more of the following: tuition and fees required for the enrollment or attendance, expenses for books, supplies, or equipment required for courses of instruction, other costs of attendance barriers including: the cost of housing and food, transportation expenses, miscellaneous expenses including a reasonable amount for the documented cost of a personal computer, allowance for child care or other dependent care, costs related to a disability, costs of obtaining a license, certification, or a first professional credential and reasonable costs for study abroad programs. Promise Scholarships that are awarded to eligible students pursuing any path or credential will include limitations defined below.

Promise Scholarships will be valued at an amount the MAPZA determines is sufficient to pay for qualified educational expenses for full time enrollment over three terms (Fall, Winter and Summer) per school year. Subject to that maximum, a student's Promise Scholarship amount may be used to support a full range of qualified educational expenses (as defined above) after the student has applied for and accepted all federal, state and institutional grants for a given year. Note: Some Promise Scholarships may be limited to a maximum dollar threshold approved annually by the MAPZA, and proof of some expenses may require an MAPZA Appeal Application.

An allowance for books, supplies, or equipment required for courses of instruction will be offered to all Promise Scholarship recipients. The value of the allowance will be determined and approved by the MAPZA annually and may be subject to change. Allowances that are not used by eligible and enrolled students, may be refunded to the student directly by their chosen Eligible Institution allowing students the opportunity to successfully pay for other cost of attendance barriers as identified above. Note: Distribution of combined awards earned by eligible students for similar non restricted aid - may not exceed the student's Cost of Attendance (COA).

Award values for Promise Scholarships used at Eligible Institutions for the purpose of obtaining a credential beyond an Associate Degree, will be limited to a maximum dollar threshold each year. Such awards shall not exceed the dollar value approved annually by the MAPZA.

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. Please see the Extent of Benefits section of this plan for specific funding percentages.

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 vocational career training or Associate degree-seeking students, 12 credits for summer guest students and 120 credits for Bachelor's degree-seeking students.

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

Primary communication with Promise Scholarship recipients will be in electronic format once they have enrolled at an Eligible Institution. At the discretion of the MAPZA, email, text and social media may be used. Promise Scholarship recipients are required to provide the MAPZA with a valid email address.

Any MAISD student enrolled in colleges under the definition of high school dual enrollment are not eligible for Promise Scholarships.

ELIGIBLE INSTITUTIONS

The Promise Scholarship may only be used at the following institutions (each, an "Eligible Institution"):

Local Colleges:

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

Local Vocational Career Training Programs:

- 3) Nuvo College of Cosmetology Muskegon
- 4) Prosperous Healthcare Training Muskegon
- 5) Other Muskegon County eligible [Career Training Programs](#) which qualify to receive scholarship funds under the Michigan Achievement Skills Scholarship and the Michigan Reconnect Short-Term Training Program.

EXTENT OF BENEFITS

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. Prorated amounts and values are as follows:

- Enrollment and residency grades 9-12: 100% qualified educational expenses funded
- Enrollment and residency grades 10-12: 75% qualified educational expenses funded
- Enrollment and residency grades 11-12: 50% qualified educational expenses funded
- Enrollment and residency grade 12 only: 25% qualified educational expenses funded

APPEALS

Students may submit an appeal to the MAPZA Board regarding (1) the use of the Promise Scholarship, (2) review of the denial of the student's eligibility for the Promise Scholarship, or (3) a review of a denial of the student's qualified educational expense request. Appeals must be made in writing electronically to the MAPZA 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 MAPZA members serving.

CONTINUATION THROUGHOUT COLLEGE

Promise Scholarship recipients must renew its continuation each year and demonstrate their continued eligibility. Students must comply with the Eligible Institutions SAP.

ADMINISTRATION

The MAISD and the MAPZA staff, in partnership with the Eligible Institutions, will provide ongoing monitoring, oversight, and assistance to the MAPZA 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 and implementing 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 use, and number of students matriculating, disqualified, and graduating). This involves: (1) establishing and implementing a strategic plan accompanied by policy and 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 MAPZA believes there is adequate revenue (public and private) to cover the costs as proposed.

The MAPZA provides minimally an annual scholarship based on the cost of attendance for a community college in the state. The model now assumes 50% of MAISD students will graduate with an eligible GPA or class rank, and nearly 50% 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 74% are expected to persist in college more than one year.

If state flagship scholarship awards like the Michigan Achievement Scholarships (and its three pathways for students) are no longer available through state appropriations, or if as projected; future SET growth results in revenues that are more (or less) than the cost of the Promise Scholarship described in this plan, the MAPZA may consider additional modifications or amendments to the Promise Scholarship as it strives for quality and equitable implementation. The MAPZA is committed to annual financial stability while ensuring talent demand, growth, and progress of the program remain a priority.

BOARD APPROVAL OF THE PLAN

The MAPZA voted on **March 22, 2024** to accept a revised Promise Zone Development Plan, receiving state approval.

After significant legislative changes in 2024, and a new state budget including state flagship awards for students, the MAPZA voted on **November 12, 2024** to accept recommendations of additional modifications requiring an updated amendment of the Promise Zone Development Plan.

The Michigan Department of Treasury provided feedback and compliance review of the additional modifications to the Promise Zone Development Plan on **November 15, 2024 and again on February 28, 2025**

The MAPZA voted on **January 14, 2025** to accept this revised Promise Zone Development Plan and reviewed further updates/clarification on **March 11, 2025**.

ATTACHMENTS

1. Muskegon Area PZA Board Meeting Minutes approving the MAPZA Development Plan as presented. (January 14, 2025)
2. Muskegon Area PZA Board Meeting Minutes approving the updates/clarifications of MAPZA Development Plan as presented. (March 11, 2025)
3. REVISED Promise Scholarship Eligibility Criteria - WEB (Spring 2025)