



Saginaw Promise Zone Authority...

Saginaw Promise Scholarship

Development Plan

Michigan Department of Treasury

December 2025

SAGINAW PROMISE

Michigan Promise Zone Development Plan

Amended and Approved April 29, 2016

Purpose

The purpose of the Saginaw Promise Zone Authority Board (“the board”) is to oversee the implementation of the Saginaw Promise Zone Program in accordance with the Michigan Promise Zone Authority Act, Act 549 of 2008, MCL 390.1161 et seq. (the Promise Zone Act”). It is therefore the goal of “the Board” to provide financial assistance for students to attend an institution within the State of Michigan for the purpose of obtaining an Associate degree, technical/skills training program certificate or equivalent, or bachelor’s degree, for eligible students residing in, attending school and graduating from a high school within the geographic boundaries of the Saginaw Public School District that comprise the Saginaw Promise Zone (the Promise Zone consists of the cities of Saginaw, Zilwaukee, Kochville and that area of Buena Vista that is designated to the Saginaw Public School District). At time of adoption, eligible schools include those listed on page 3. The Saginaw Promise Scholarship is intended to be a “last dollar” scholarship.

Recognizing the role and importance of postsecondary education to impact the economic development of a community, the Saginaw Promise Zone Authority (“the board”) is investing in Saginaw’s future and that of its students through information, programming and a scholarship to assist students to earn a program certificate or degree. The Saginaw Promise is working to provide opportunities for and eliminate barriers to postsecondary education to affect change in Saginaw, its economy and quality of life.

Saginaw Promise Zone Administration

Primary oversight, monitoring, and implementation of the Saginaw Promise Scholarship program will be the responsibility of the Saginaw Promise Zone Authority, “the Board”, Executive Committee and SPZ staff to introduce activities to increase postsecondary education entry, readiness and success via marketing, outreach college and career coaching. In partnership, the Saginaw Public Schools will provide assistance and input to the Saginaw Promise Zone Authority Board as it implements the Saginaw Promise Scholarship program.

Eligibility

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

- **Live** within the geographic boundaries of the Saginaw Promise Zone (the Promise Zone consists of the cities of Saginaw, Zilwaukee, Kochville and that area of Buena Vista that is designated to the Saginaw Public School District).
- **Meet** the Eligibility Criteria (listed below, pages 3 & 4)
- **Graduate** from an Eligible secondary institution (listed below, page 3)

At time of adoption, eligible secondary institutions include, but may not be limited to:

1. Michigan Lutheran Seminary
 2. Saginaw Arts and Sciences Academy
 3. Saginaw Covenant Academy
 4. Saginaw United High School
- Students, their parents and/or their legal guardians, must reside within the boundaries of the School District of the City of Saginaw, which includes the City of Saginaw, the City of Zilwaukee, Kochville Township, and the geographic boundaries of Buena Vista Township that are designated to the Saginaw Public Schools District.
 - Graduate and receive a high school diploma or General Educational Development (“GED”) from an eligible secondary institution within the Saginaw Promise Zone.
 - Attend schools within the Saginaw Promise Zone with the final year being 12th grade.
 - Be admitted to and enrolled at an accredited institution, public or private, postsecondary institution within the State of Michigan; limited to institutions eligible to receive Title IV funding. This would include community colleges, four-year colleges and universities and accredited trade and vocational schools.
 - Must be enrolled in a program leading to a degree or certificate.

- The amount of a Saginaw Promise Scholarship award will be pro-rated based on the length of attendance in schools within the Promise Zone, using the following sliding scale:

K-12	100%
1-12	100%
2-12	100%
3-12	100%
4-12	100%
5-12	100%
6-12	100%
7-12	100%
8-12	100%
9-12	100%
10-12	100%
11-12	50%
12 Only	50%
GED	50%

- Maximum scholarship awards are based on full-time postsecondary attendance as defined by the community colleges, four-year colleges and universities and accredited trade and vocational schools attended. Students who enroll less than full-time during the eligible years will receive pro-rated scholarship awards.
- The Saginaw Promise Scholarship is available for two years (or longer as determined by the Promise board) and must be applied for annually, which also includes annual FAFSA completion.
- If a scholar is unable to use the Saginaw Promise scholarship following high school graduation, scholars will have a maximum of six years from high school graduation or completion of GED to use the Saginaw Promise Scholarship. Length of time allowed to use Scholarship: A scholar will have up to six years from high school graduation to complete utilization of the Saginaw Promise Scholarship.

Saginaw Promise Scholarship Awards

- All students must apply for and accept all federal and state grants and scholarships for which they are eligible before the amount of the Promise will be determined for a given year. The Saginaw Promise Zone Authority board shall establish both the minimum and maximum amounts to be awarded by June of each year, then posted in July on the Saginaw Promise website (reference “Saginaw Promise: The Promise of Financial Assistance...page 6 &7).

- The Promise scholarship may be used to pay for qualified educational expenses as set forth in MCL 390.1663, Sec. 3 (m) (i & ii) at an eligible institution or combination of eligible institutions for an eligible student in a given year. For a listing of qualified costs of attendance, reference “Financial Assistance for Other Costs of Attendance” listed on pages 7 & 8). This allows for a scholarship to be awarded for the students “costs of attendance” as defined by the U.S. Department of Education.
- Eligible will receive funding to help cover qualified education expenses (as defined by the Office of Federal Aid – studentaid.gov) necessary for two years of enrollment toward an associate, or bachelor’s degree or certificate program. When combined with other aid and scholarships, this funding may be applied towards qualified education expenses up to a student’s “cost of attendance,” but cannot exceed the “cost of attendance” calculated by the student’s institution.
- In no case will a student attending an institution of higher education in Michigan be awarded a Promise Zone scholarship that, when added to other grants and scholarships the student receives, be greater than the total cost of attendance at that institution.
- Individual Promise Scholarship awards vary according to the remaining cost of attendance calculated at Michigan’s universities.
- The scholarship is available for two years (or longer if determined by the Promise Zone Authority Board) for postsecondary education schooling.
- Individual Promise Scholarship awards may vary according to the remaining cost of attendance once other federal, state, and institutional grants and scholarships are awarded, state, private, or other grants or scholarships.
- The Saginaw Promise Scholarship is intended to be a “last dollar” scholarship.
- To apply, students must complete the Saginaw Community Foundation Scholarship Application or equivalent application as determined by the Saginaw Promise.
- Students must also complete the Free Application for Federal Students Aid (FAFSA) form, and accept all federal, state grants and scholarships prior to the determination of the amount of the Saginaw Promise Scholarship.
- The Student Aid Index and loan programs do not reduce the amount of the Saginaw Promise Scholarship.
- Scholarship funding will be paid directly to the applicable eligible institutions identified and attended by Saginaw Promise scholars.

Saginaw Promise: The Promise of Financial Assistance...

If sufficient funds are available, and at the discretion of “the Board”, financial assistance shall be provided to eligible students who graduate during their academic school year. The Saginaw Promise Zone Authority board shall establish both the minimum and maximum amounts to be awarded by June of each year, then posted in July on the Saginaw Promise website based upon available funds.

- The minimum shall be equivalent to the cost of 62 credit hours (or 31 credits in one of two academic years) to earn an associate degree at Delta College (a community college) including any applicable fees but shall not exceed the actual cost of the institution that the student is attending. MCL.390.1667(2)(a) “The amount of proposed promise of financial assistance shall, at a minimum, equal or exceed the amount the board determines is sufficient to pay for the qualified educational expenses for an eligible student to obtain an associate degree at a community or junior college in this state.”
- Financial assistance shall be offered for two (2) years of postsecondary education at a community college or junior college in this state, with an objective of funding and assisting the student to earn an associate degree or program certificate.
- Financial assistance is available for two (2) years for students attending a four-year institution to earn a bachelor’s degree at an eligible institution in Michigan, at an award level determined by the Saginaw Promise Zone Authority board in June and posted on the Saginaw Promise website in July.
- *The maximum amount shall not exceed the annual award amount set by the board and will not exceed a student’s cost of attendance in any given academic year. Furthermore, it will also not exceed the average of Michigan public universities as defined by the Act.*
- “The board” shall award financial assistance based on the length of consecutive years of attendance within the Saginaw Promise Zone and graduation from one of the eligible institutions in the Saginaw Promise Zone listed on page 3.
- Notwithstanding anything in this section, for any student to qualify they must receive a diploma or GED from an Eligible Secondary Institution.
- Any student receiving a GED, however, shall be eligible to receive 50% of the maximum benefit of a high school graduate as set forth on page 4.

FINANCIAL ASSISTANCE FOR OTHER COSTS OF ATTENDANCE

Students enrolled as Saginaw Promise scholars and attending eligible institutions criteria outlined in the Act and meet the “Criteria” (referenced on pages 3 & 4) of this Promise Zone Plan are eligible to receive assistance for qualified educational expenses included within a student’s total Cost of Attendance (COA) as defined by the Office of Federal Student Aid. If funds are available, and at the discretion of the Promise Zone Authority, awards for other costs of attendance may be awarded, considering the total cost of attendance and the amount of other financial aid already received. Qualified needs must fall within the guidelines for Cost of Attendance (COA) as defined by the Office of Federal Student Aid and may include:

- a. Tuition and fees
 - b. Books, course materials, supplies, and equipment
 - c. Housing and food
 - d. Transportation expenses
 - e. Childcare or other dependent care
 - f. Miscellaneous expenses
2. The maximum amount of financial assistance per student shall be determined annually by the Promise Zone Authority, in consultation with the Eligible Institutions.
3. Funds for other eligible costs of attendance will be distributed directly to the Eligible Institution on behalf of the student as determined by the Authority.
4. The Authority will coordinate with local universities, community colleges, and trade schools to ensure seamless disbursement of financial assistance and promote awareness of available funding.
5. The Authority will submit an annual report to the State of Michigan and other relevant stakeholders detailing the allocation and impact of funds for other costs of attendance.
6. All expenditures granted by the Authority are limited to and shall not exceed the designated financial allocation set by the Authority.

Continuation of Saginaw Promise scholarship

Students receiving the Saginaw Promise Scholarship must apply for its continuation each year and demonstrate their continued eligibility. Students must comply with the Eligible Institution’s academic standards and make progress toward a degree or certification. Students will have a maximum of six years from high school graduation or GED completion to use their Saginaw Promise scholarship.

To renew the Scholarship, the student must:

- Maintain satisfactory academic progress as defined by the institution attended.
- Complete the Saginaw Community Foundation Scholarship Application or equivalent application as determined by the Saginaw Promise Authority Board.

- Complete FAFSA and must accept all federal and state scholarships and grant awards.
- Supply a copy of their transcript with the application and report any financial aid awards for the next year of college attendance.

The amount of the Saginaw Promise Scholarship may be adjusted and determined by the Promise Zone Authority board each year based on available funds and any revised financial information provided.

Report on Student Success in Postsecondary Education

The Saginaw Promise Zone is committed to the success of its students when they seek education and training after high school. To that end, the Saginaw Promise Zone will prepare an annual report that will comply with the reporting requirements of Public Act 9 of 2016. This report will be submitted to the Michigan Department of Treasury by October 31 of each year beginning with a report on the 2016-17 academic year that will be submitted by October 31, 2017.

At minimum, this report will include the following:

1. The number of students who received financial assistance from the Saginaw Promise Zone 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 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 twenty-four 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 postsecondary graduation rate for those students who received financial assistance from the Saginaw Promise Zone subsequent to the adoption of Public Act 9 of 2016.

This annual report may include additional information relevant to the post-secondary outcomes of students who graduate from eligible high schools in the Saginaw Promise Zone.

Beginning with the 2016-2017 academic year, students who receive financial assistance from the Saginaw Promise Zone will be required to provide the Promise Zone with access to the information needed to comply with the requirements of Public Act 9 of 2016.

Allowable Use of Funds within Promise Zone Authority

In addition to applying funds to cover costs of tuition, mandatory fees and other qualified educational expenditures for postsecondary education, funding may be used for educational improvement activities designed to increase student readiness for postsecondary education at schools located in the promise zone or success programming designed to increase student degree or certificate attainment at postsecondary partner institutions and their entry into the workforce. Reasonable expenses could include a salary for a “Success Coach”, Success Coaching Programming or similar programming to work directly with student scholars.

Annual Funding Amounts

After reviewing funding availability and projected applicant pool, the board will decide the amount of the award; defined annually by the Authority board in June and posted on the Saginaw Promise Zone website by July 1.

Approved Saginaw Promise Post-Secondary Institutions

The Saginaw Promise Scholarship may be used at a public or private post-secondary institution in Michigan, subject to limitations authorized under Section 7 of the Michigan Promise Zone Authority Act of 2009, Public Act 549.

BEGINNING OF SAGINAW PROMISE SCHOLARSHIP AWARD

Saginaw Promise Scholarships were first awarded to the high school graduates in 2012 and have annually been awarded thereafter. The base year for capture of state education tax was 2011 and subsequently amended to 2014.

FINANCIAL SUPPORT FOR SAGINAW PROMISE SCHOLARSHIP AWARDS... “Sustaining the Promise.”

Since its formation, the Saginaw Promise (board and staff) has executed plans and vigorously worked to raise the required funding to support operations, programming and scholarship commitments through a variety of community outreach efforts:

- Community and Yearend campaigns
- Grant request outreach to national and area foundations
- Major gifts
- Leadership Giving Program “Visionary Leaders Club”
- Organizational and corporate support
- Special events and sponsorships

- Public dollars earned by (SET) State Education Tax; growth from the Michigan Treasury
- Throughout the years, the organization has cultivated and nurtured partnerships with educators, school leadership, community, and corporate supporters to sustain the vision, and work of the Saginaw Promise to impact a community, its economy and quality of life through postsecondary education.

FUND DEVELOPMENT PLAN

The Saginaw Promise Zone Authority has and will continue to raise funding required to sustain and support its work, goals and objectives as outlined in the Development Plan through community outreach as listed below:

1. **Community-wide Campaigns** – Based upon traditional campaigns, this approach has and will conduct outreach to donors and prospective donors within and around the Saginaw Promise Zone, utilizing digital and mail outreach, such as email blasts, Giving Day Campaign, website donations, Year-end Mail appeals, etc.
2. **Visionary Leaders Club** - The Visionary Leaders Campaign centers on prominent individuals with the capability of making contributions of \$1,000.00 or more and has and will use a highly personalized approach to raise significant funds within a limited time period to tell the Saginaw Promise story to the community's most influential people to raise awareness.
3. **Planned Giving Program** – This campaign will be designed to reach donors who wish to leave a legacy i.e., Charitable Remainder Trust.
4. **Special Events and Sponsorships Appeal** - Saginaw Promise has conducted and will continue to conduct special events that have become known events in the community and have raised funding from ticket sales and organizational and corporate sponsorships to support Saginaw Promise programming and scholarships.
5. **Major Gifts and Foundations**—The Saginaw Promise has and will continue to conduct outreach appeals for Major Gifts and Foundation support.
6. **Memorial Donations**—With visibility and community awareness for the organization, donors have and will honor the memories of deceased family and friends with a memorial to the Saginaw Promise.
7. **Internet Appeal**—This appeal will target giving of \$50.00 or less through innovative approaches designed to tap into donors to maximize donor involvement.

FINANCIAL ANALYSIS OF SUPPORT FOR SAGINAW PROMISE SCHOLARSHIP AWARDS

Under the leadership of its Finance Committee, the Board and Promise Zone staff continue to follow established budgeting procedures to ensure that awards offered and other financial obligations will be met in current and future years. Based on past, current and projected program costs, Saginaw Promise has met and will meet all scholarship obligations.

Since 2012 (the awarding of the first Saginaw Promise scholarships) Saginaw Promise has raised the funding necessary for programming and scholarships through fundraising efforts, such as direct outreach, special events, sponsorships and grants. To plan and project for funding needs, the Board monitors actual participation rates, financial aid offsets and program costs, and will consider adjustments as needed.

The Board with staff, will continue to conduct private fundraising efforts to support scholarships and to keep its “promise” to students and the community, to impact the future of the community, its economy and quality of life through “place-based” scholarships to assist Saginaw Promise scholars achieve their postsecondary education goals.

SAGINAW PROMISE ZONE AUTHORITY
ACTUARIAL FOR FUNDING COLLEGE TUITION FOR SAGINAW STUDENTS
UPDATED JANUARY 2014
BASE YEAR: 2012

Estimated Annual Payment Per Promise Recipient for Comm College		\$1,000				
Estimated Annual Payment Per Promise Recipient for 4-Year University		\$2,000				
% Federal Free Lunch Eligible (FFLE)		80%				
100% Allotment of Federal Pell Grant		\$5,550				
COLLEGE ENROLLMENT PROJECTIONS FOR PROMISE + NON-PROMISE STUDENTS						
BEGINNING HIGH SCHOOL	# OF HIGH SCHOOL GRADUATES ELIGIBLE	# OF H.S. GRADS EXPECTED TO GO TO COLLEGE	# OF H.S. GRADS EXPECTED TO APPLY FOR THE PROMISE	# OF PROMISE APPLICANTS EXPECTED TO RECEIVE THE PROMISE	# ELIGIBLE APPLICANTS NOT IN NEED OF THE PROMISE/ 2 COHORTS	
GRAD CLASS	FRESHMAN YEAR	FOR COLLEGE	GO TO COLLEGE	FOR THE PROMISE	RECEIVE THE PROMISE	PROMISE/ 2 COHORTS
CLASS OF 2012	2012-2013	430	421	176	90	59
CLASS OF 2013	2013-2014	350	320	121	41	34
CLASS OF 2014	2014-2015	350	320	125	75	40
CLASS OF 2015	2015-2016	350	320	130	80	45
CLASS OF 2016	2016-2017	350	330	135	85	35
ESTIMATED VS ACTUAL SCHOLARSHIP COSTS BY COHORT						
PROMISE SCHOLARSHIP	# OF RECIPIENTS IN CURRENT COHORT	# OF RECIPIENTS RETURNING FROM THE PREVIOUS YEAR	TOTAL # OF PROMISE RECIPIENTS FOR THE YEAR	# OF PROMISE RECIPIENTS AT 2-YR COLLEGE	# OF PROMISE RECIPIENTS AT 4-YR COLLEGE	ESTIMATED PAYMENT TO MICHIGAN COLLEGES PER COHORT
AWARD YEAR	COHORT	THE PREVIOUS YEAR	FOR THE YEAR	2-YR COLLEGE	4-YR COLLEGE	PER COHORT
2012-2013	90	0	90	17	73	\$136,887.95
2013-2014	41	65	106	10	96	\$175,120.91
2014-2015	75	34	109	12	97	\$181,100.00
2015-2016	80	59	139	25	114	\$230,000.00
2016-2017	85	62	147	31	116	\$262,000.00
PROJECTED STATE EDUCATION TAX CAPTURE						
YEAR	TOTAL ESTIMATED S.E.T. REVENUE	GROWTH IN S.E.T. ABOVE 2012 BASELINE	S.E.T. CAPTURE TRANSFERRED TO PROMISE ZONE	ESTIMATED SPZA PAYMENT TO MICHIGAN COLLEGES	DIFFERENCE IN S.E.T. CAPTURE VS. EST. PAYMENTS TO MICH. COLLEGES	FUNDING NEEDED TO SUPPORT SCHOLARSHIPS, OPERATIONS & ADMINSTRATIVE COSTS
2012	\$4,091,926.00	N/A	N/A	\$136,887.95	N/A	\$241,266.95
2013	\$4,051,007.00	\$40,919.00	N/A	\$175,120.91	N/A	\$279,499.91
2014	\$4,152,282.00	\$60,356.00	\$30,178.00	\$181,100.00	\$150,922.00	\$260,922.00
2015	\$4,276,850.00	\$184,924.00	\$92,462.00	\$230,000.00	\$137,538.00	\$247,538.00
2016	\$4,426,540.00	\$334,614.00	\$167,307.00	\$262,000.00	\$94,693.00	\$204,693.00

Changes in the community, changes in Promise Legislation and \$100 million dollar Bond investment are changes that present many opportunities but also necessitate the need for new actuarial. In 2022, Saginaw Promise had an analysis completed for projecting number of students and scholars and to consider funding needs and award levels. Changes have occurred since 2022. An actuarial will be completed in 2026 to factor in and consider impact from some of the following changes:

- \$100 million dollar Bond: Saginaw's investment in Education--a \$100 million dollar bond; the community's investment in education for its children and the community.
- A new high school built and located in downtown Saginaw
- A "Gifted and Talented" campus for students, which features a new elementary school along with middle and high school.
- A new middle school (located on the east side of Saginaw in the building of a former high school). A more convenient location within the neighborhood.
- New legislation that allows Promise Zones to have greater funding flexibility, the ability to fund in addition to tuition/mandatory fees, other "Costs of Attendance" when local Development Plan has been amended and approved.

Board Approval of the Plan

The Saginaw Promise Board voted to adopt the amended Saginaw Promise Development Plan for submission to the State Treasury for their review and approval during its Board meeting, dated December 10, 2025.