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## News

# UPMC gives huge grant for tuitions

## \$100 million to city schools' college scholarship program

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By Joe Smydo, Pittsburgh Post-Gazette

The University of Pittsburgh Medical Center will contribute as much as \$100 million over 10 years to the Pittsburgh Promise scholarship program for Pittsburgh Public Schools students, the first major infusion of cash into an initiative touted as a way to help revitalize the city and the school district.

The Oakland health care giant will give \$10 million outright to provide college and trade school scholarships to 2008 graduates, then contribute up to \$90 million more through a 10-year "challenge grant," city school Superintendent Mark Roosevelt said yesterday.

Under the challenge, UPMC will contribute \$1 for every \$1.50 raised from other sources. If successful, Mr. Roosevelt said, the challenge will yield a pool of \$225 million, with the interest used to fund scholarships in perpetuity.

Each 2008 graduate with a grade-point average of 2.0 or better will be eligible for up to \$20,000 in college aid over four years. Because Mr. Roosevelt wants the program to drive schools and students to higher performance, he supports tougher requirements and higher levels of aid for following classes.

By 2012, the program may offer each graduate as much as \$40,000 in aid over four years. To qualify for that much, the student likely will have to pass a graduation exam the district is considering implementing, Mr. Roosevelt said.

The money may be used at nearly 100 schools in Pennsylvania -- a list that includes major universities, community colleges, private schools and trade schools. If school district graduates go to colleges near home, they may be more likely to return to Pittsburgh to work, raise families and contribute to the city's future, Mr. Roosevelt said.

Until now, the Pittsburgh Promise had received only one donation, \$10,000 from the Pittsburgh Federation of Teachers. The slow start had brought criticism to Mr. Roosevelt and Mayor Luke Ravenstahl, who jointly announced the program last December and promised it would be in place for 2008 seniors.

Mr. Roosevelt and Mr. Ravenstahl have predicted the Pittsburgh Promise will lure families to the city and help keep those already here.

"The only way to get Pittsburgh back to its glory days is by dreaming big and working hard," Mr. Roosevelt said, praising UPMC for "latching onto a big idea and giving a magnificent grant."

Mr. Ravenstahl said he's "very thankful" for UPMC's commitment.

Mr. Roosevelt, Mr. Ravenstahl, UPMC President and Chief Executive Officer Jeffrey A. Romoff and officials of the Pittsburgh Foundation will announce the contribution at 1:30 p.m. today at the Pittsburgh High School for the Creative and Performing Arts, Downtown.

The Pittsburgh Foundation, Downtown, will administer the scholarship program and provide investment expertise.

A UPMC official did not return a telephone call yesterday. In a statement, Mr. Romoff said:

"This investment in our city and in our students is the right thing to do and lays the foundation for the creation of an enduring legacy so every child in Pittsburgh has a better future."

UPMC's commitment is a political boon for Mr. Ravenstahl and Mr. Roosevelt, coming as the latter faces criticism for his proposal to close the popular Pittsburgh Schenley High School in Oakland in a bid to remake district high schools. Repeatedly yesterday, Mr. Roosevelt called big changes in thinking a prerequisite for overhauling the troubled school district.

The announcement also comes as UPMC, Highmark Blue Cross Blue Shield and other nonprofit organizations are under fire for accumulating large fund balances without paying what critics consider adequate taxes to the city, Allegheny County and the school district.

That controversy faded to the background yesterday as Mr. Ravenstahl called UPMC "a great civic partner" and said executives there "stepped up, obviously, when they didn't have to."

"We started pretty active discussions with UPMC probably about six months ago," Mr. Ravenstahl said.

Mr. Roosevelt said the Pittsburgh Promise will usher in a new role for the school guidance counselor.

He said counselors will begin meeting with students in sixth grade to develop personal education plans to get them college-ready. In high school, he said, students will get help completing financial aid forms.

Mr. Roosevelt said he wants to exceed the UPMC challenge and build an endowment of \$250 million. Donations will be collected by the Pittsburgh Foundation, and contributions may be made by credit card at [www.pittsburghfoundation.org](http://www.pittsburghfoundation.org).

The Pittsburgh Promise will be operated as a component of the foundation, with a staff of three or four and a seven-member board to oversee investments and scholarship allocation. The foundation will appoint four board members; Mr. Roosevelt also will have a seat.

The program will pay its own operating costs, including rent at foundation offices. But Richard W. Reed, foundation executive vice president, said the foundation won't levy the usual administrative fee -- about \$1 million annually on a fund of \$250 million.

The foundation has assets of \$724 million and reported a 12 percent return on investments last year. Officials said a 6 percent annual return on a Pittsburgh Promise endowment of \$250 million would generate \$15 million for scholarships each year.

The school district has about 2,000 seniors at 10 high schools this school year. Each 2008 graduate with a grade-point average of 2.0 or better will be eligible for up to \$20,000 in scholarship aid over four years, with the exact amount based on how much aid the student leverages from federal, state and other sources, Mr. Roosevelt said.

Mr. Roosevelt said the Pittsburgh Promise will be "last-dollar" money, designed to close gaps in a student's aid package. But school district Chief of Staff Lisa Fischetti said even students who receive full-tuition scholarships from colleges or other sources will be eligible for up to \$4,000 in Pittsburgh Promise money over four years for books or living expenses.

To qualify, students must have lived in the school district and attended a district high school from at least ninth grade. Members of the class of 2009 must post a GPA of 2.5 and have an 85 percent attendance rate to be eligible for money; graduates in 2010 must have a 2.5 GPA and 90 percent attendance.

Mr. Roosevelt said he envisions doubling the aid to \$40,000 over four years and implementing the graduation exam for the class of 2012. He said a student who doesn't pass the exam but meets other requirements still could get \$20,000 over four years.

Joe Smydo can be reached at [jsmydo@post-gazette.com](mailto:jsmydo@post-gazette.com) or 412-263-1548.

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