

Chairs' Corner – October 2006
Husky Promise

TO: UW Foundation, Campaign Cabinet, Deans, Development & Alumni Staff
FROM: William H. Gates, Campaign Chair
Orin C. Smith, Chair, UW Foundation
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Dear Friends,

Usually, in these messages, we try to show you some piece of the University that you might otherwise never see. This time, however, our subject is one that is already in the news: the Husky Promise, introduced by President Emmert as the climax of his annual address on October 11th and covered by both papers the next day.

In case you missed it, the Promise is a pledge that the UW will henceforth forgive all tuition and fees for Washington students from low- and moderate-income families. Right now, that amounts to about a \$6000 automatic scholarship (current UW tuition plus fees) for any state resident who qualifies for admission and whose family meets the current federal and state definition of need—for example, an income of \$46,500 or less for a family of four.

A burst of applause greeted the president's announcement of this pledge. For those of us who care about the UW's public mission and its overall contributions to the state, it was a moment of deep satisfaction and celebration.

But, remarkably, when the program begins next year, it will have very little immediate effect on the UW student body. This is because the University is already among the national leaders in providing access to low-income students. About a third of current UW students, Mark told us, are from the first generation in their families to attend college. Some 30 percent come from families with incomes below the state median. About 25 percent receive federal Pell Grants for needy students, a percentage that is third highest among all the UW's public peers. In fact, all current UW students who would be eligible for the Husky Promise are already attending tuition-free, thanks to a combination of Pell Grants, State Need Grants, and UW scholarships. This is the same combination of resources that will fund the Husky Promise.

The real impact and significance of the pledge are long term.

First, the University is committing itself absolutely to future educational opportunity for the state's least-privileged students, however high tuition may climb. You all know the subtext here. The UW has long suffered from a funding gap when compared with other public universities of comparable quality and ambition. The administration has worked hard in Olympia to increase state funding, and those efforts have recently borne some

fruit. But tuition has also had to go up and will likely continue to do so. By way of the Husky Promise, the UW has declared that it will not let higher tuitions turn it into a different kind of university.

Second, the UW's public promise can help raise the sights of low-income K-12 students and their families. How many qualified but needy high-school seniors do not even apply to college because they assume it is unaffordable? And how many more students, starting in middle school, give up on preparing themselves for college because it looks financially impossible? How might the Husky Promise change those calculations?

We can't answer these questions precisely for the state of Washington. But a recent report called "Mortgaging Our Future: How Financial Barriers to College Undercut America's Global Competitiveness" provides some national data. The report, prepared by a Congressional advisory committee, is based on official federal statistics. Of low-income students who were eighth-graders in 1988, says the report, only 16 percent had earned a bachelor's degree by the year 2000, as against 65 percent of their high-income classmates. There are similar discrepancies at every point: high-school graduation, college preparation (measured by completion of upper-level math courses), and college enrollment and completion.

"During the 1990s," says the report, "between nearly 1 million and 1.6 million bachelor's degrees were lost among college-qualified high school graduates from low- and moderate-income families." It projects a loss in this decade of 1.4 million to 2.4 million. And that is not even counting the low-income students who either drop out of high school or graduate without college preparation.

We will not know for several years whether the Husky Promise can help change incentives and success rates for low-income students in Washington. Here is a tantalizing story from Indiana. More than 15 years ago, that state created a 21st Century Scholars Program for low-income middle-school students. Students who enrolled in the program (which also involved academic support) were promised free tuition at any public college or university in Indiana, if they graduated from high school with at least a 2.0 GPA and stayed out of trouble. A recent study, controlling for many other factors, found that students enrolled in the program were up to 6.4 times more likely to go on to post-secondary education than those who were not enrolled.

For the Husky Promise program, success will mean an increased cost to the UW of between \$1.6 million and \$2.8 million by the sixth year. Much of this increased cost will be covered by privately funded scholarships—which will be a focus of our Creating Futures campaign during its final phase.

The Board of Regents has already signed on. At its October 19th meeting, the Board approved both the Husky Promise program and the new Students First campaign initiative, which will seek scholarship funds for needy undergraduates and graduate students. Under Students First, any scholarship contribution of \$100,000 or more will be matched by the UW at fifty cents to the dollar, up to a total of \$75 million in donations.

We cannot think of a better investment. As college costs rise, as the economic health of our society depends more and more on widespread knowledge and innovation, and as worries about inequality grow, the Husky Promise is a promise to the state of Washington even more than to individual students.

Bill, Orin and Dan

Looking Back

- As of September 30, 2006, our **total Campaign giving since July 1, 2000, reached \$1,866,397,092** toward our Campaign goal of \$2 billion.
- The September Report of Contributions Notes is attached and contains fundraising details.

Looking Ahead

- **Friday, January 26, 2007**, Foundation Board & Campaign Cabinet Meeting, 8:30 a.m. coffee; 9:00-11:00 a.m. meeting.
- **Friday, April 27, 2007**, Foundation Board & Campaign Cabinet Meeting, 8:30 a.m. coffee; 9:00-11:00 a.m. meeting. Washington Weekend April 26-28, 2007.
- **Friday, September 7, 2007**, Foundation Board & Campaign Cabinet Meeting, 8:00 a.m. coffee, 8:30-11:30 a.m. meeting.
- **Friday, September 7, 2007**, Sixth Annual Recognition Gala, Suzzallo Library.