

NEWS RELEASE

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Contact: Mark Stevens

Phone number: 303-495-8699 (mobile)

Email: mstevens@ecentral.com

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NEW ANALYSIS DETAILS DENVER SCHOLARSHIP FOUNDATION'S "IMPRESSIVE" RETURN ON INVESTMENT

Every dollar invested in a student who graduates with support of the Denver Scholarship Foundation yields more than 9 times that amount in the form of federal, state, and local taxes returned to the community.

A new study, conducted jointly by The Pell Institute for the Study of Opportunity in Higher Education (Washington, D.C.) and Development Research Partners (Jefferson County, Colorado), reveals that the Denver Scholarship Foundation's work adds \$6-8 million in additional earnings to the region annually.

The study, released today, lauds the foundation for its role in improving the graduation rate in Denver Public Schools and urges ongoing investment to ensure that the foundation's work continues.

The foundation seeks to award 520 new, needs-based scholarships each year. Assuming that 85 percent of the 520 students complete a certificate program or earn a degree—a rate that is consistent with the foundation's experience to date—the study finds that scholarship recipients will end up earning and spending an additional combined \$6-\$8 million in Metro Denver each year.

"The return on investment for DSF scholarship recipients is impressive," the study concludes. (Read the full executive summary here: <http://www.denverscholarship.org/about#studies>).

"Those who have invested in the Denver Scholarship Foundation have known intuitively and anecdotally that the concept works and now this study delivers the hard data to show the widespread impact on both individual lives and the community as a whole," says Patty Silverstein of Development Research Partners (DRP). Silverstein also serves as the consulting chief economist for the Metro Denver Economic Development Corporation and the Denver Metro Chamber of Commerce. "This study provides the solid evidence that demonstrates that the foundation's approach is valid and pays significant dividends in the form of higher degrees, better jobs, a more skilled workforce and a brighter economic future for the city."

The study was conducted by Silverstein from DRP and Khadish O. Franklin from Pell.

Cathey Finlon, chair of the Denver Scholarship Foundations board of directors, says the study validates the efficacy of the foundation's work.

"More graduates heading to college, more individuals pursuing meaningful careers, more citizens who strengthen our community and a stronger, more talented workforce that meets the needs of the Denver business community—all upbeat trends," said Finlon. "We now have ample proof that the foundation is moving the dial. The results are powerful and they demonstrate that it is possible for the community, if organized and intentional about its work, can forge relationships with every student, show them new possibilities for education and careers, and help them piece together the resources that will help brighten their future."

Since the inception of Denver Scholarship Foundation in 2006, the study notes, "many important and encouraging changes have taken place in the Denver Public Schools. Graduation rates have risen continuously over the past seven years. The district's four-year on-time graduation rate improved overall by 2.5 percentage points between 2012 and 2013, to 61.3 percent, amassing a 22 percentage point improvement since 2006-2007."

"Most notably," the study adds, "the number of students pursuing college immediately after graduation has increased by nearly 30 percent." In addition, DPS has experienced an increase of 14.5 percentage points in the number of DPS graduates either retained in college or completing a postsecondary credential."

The study suggests DSF "presents a model for collective impact" and urges that the DSF approach be replicated in districts across the nation.

The study notes that "fiscal constraints" at DSF have led to a reduction in the number of students who can receive the "crucial" support that DSF provides. "Now, more than ever, it is important for continued investment in organizations like DSF whose support has such a strong impact on the most vulnerable high school graduates," the study concludes.

Denver Scholarship Foundation takes a three-prong approach:

1. Full-time college advisors in Future Centers, located inside DPS high schools, guide students through the college application and financial aid processes. In all, 17,000 students and their families are reached each year.
2. Scholarships are awarded to DPS graduates attending college or technical school in Colorado. To date, DSF has awarded \$23 million in scholarships to nearly 4,500 students.
3. DSF partners with 33 colleges to provide scholarship recipients with extra financial aid and ongoing support. For every \$1 awarded by DSF, partner colleges award an average of \$2 in additional financial aid. They also provide critical support services, such as mentors, special seminars and tutors to help our scholars succeed.

The study also notes that the benefits of DSF investment correlates to improvements in quality of life such as decreased crime and incarceration rates. One study estimates that a 5

percentage point increase in the national high school graduation rate for male students alone would save the nation \$19.7 billion annually (\$217 million in Colorado). The DPS male graduation rate rose from 33 percent in 2007 to 57 percent in 2014.

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About The Pell Institute

The Pell Institute for the Study of Opportunity in Higher Education conducts and disseminates research and policy analysis to encourage policymakers, educators, and the public to improve educational opportunities and outcomes for low-income, first-generation, and disabled college students. The Pell Institute is the first research institute to specifically address the issues impacting educational opportunity for this growing population. To examine these issues, the Pell Institute conducts independent research in three areas — access, success, and innovation. www.thepellinstitute.org

About Development Research Partners

Development Research Partners specializes in economic research and analysis for local and state government and private-sector businesses. Founded in 1994, Development Research Partners combines extensive experience in real estate economics and economic development to provide clients with reliable consulting services. <http://www.developmentresearch.net/>

About the Denver Scholarship Foundation

The Denver Scholarship Foundation is a 501(c)(3) public charity whose mission is to inspire and empower Denver Public School students to achieve their postsecondary goals. A direct service provider, DSF provides college and financial-aid advice to Denver students and families and offers a renewable, need-based scholarship to support scholars throughout their college careers. DSF also partners with colleges across Colorado on retention strategies to help Denver students complete their postsecondary education. DSF aims to create a community-wide movement to prepare Denver's youth to succeed in the sophisticated workforce of today and tomorrow!