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Medical Center to Support Tuition Fund in Pittsburgh

By SEAN D. HAMILL

PITTSBURGH, Dec. 4 — The University of Pittsburgh Medical Center will contribute up to \$100 million to help pay college tuition for eligible high school seniors who graduate from the city's public schools, medical center officials said Tuesday.

Besides bolstering its civic image, the medical center, a nonprofit system of 19 hospitals that dominates health care in Western Pennsylvania, is seeking to help stem six decades of population loss from Pittsburgh, which was once a dominant industrial hub.

"If it's something that can improve the region and the city, it's something that appeals to us," said Jeffrey Romoff, president and chief executive of the medical center, which this year reported an annual "excess margin" of \$618 million on \$6.8 billion in revenue.

The medical center will make an immediate \$10 million contribution to Pittsburgh Promise, a fund created a year ago by the public school district that was based on a similar program created in 2005 in Kalamazoo, Mich.

An additional \$90 million will act as a challenge grant, with the medical center contributing \$2 for every \$3 the district raises from other sources.

Pittsburgh Promise, whose endowment goal is \$250 million, was criticized throughout the city because Mayor Luke Ravenstahl and the schools superintendent, Mark Roosevelt, announced it a year ago with

great fanfare but without pledges from any donors. The only pledge forthcoming was for \$10,000, from the teachers' union.

As if to drive home the lack of commitment, the district lost more than 1,100 students this year, dropping to 28,000.

“This is just what the program needed to make it a reality,” Mr. Ravenstahl said of the medical center's contribution. “It's an economic development tool and one we'll use in trying to transform our neighborhoods.”

Beginning next spring, any of the district's 2,000 seniors, regardless of family income, who have attended public school here for at least the last four years, graduate with a 2.0 grade point average, and attend a public or private college in Pennsylvania will be eligible for \$5,000 from the fund to pay for any tuition expenses not covered by other aid.

The district estimates the program could cost \$3 million the first year, and more in future years as more students take advantage of it. The program is also seen as a way to retain middle-class families who have been leaving the district when their children reach high school.

Starting next school year, graduating seniors must achieve a 2.5 grade point average to qualify. By 2012, as the fund matures, the scholarship amount will grow to \$10,000, and students will have to pass a graduation exam to be eligible for the maximum award.

A critical difference between the programs here and in Kalamazoo is that Pittsburgh will require students to apply first for any other aid for which they are eligible. And to help drive more students into the program, Pittsburgh will begin counseling students about their college financial opportunities in sixth grade — changes the medical center proposed after Mr. Roosevelt and Mr. Ravenstahl first approached the organization six months ago.

“We know this will require a fundamental change between schools and families and kids if it's going to work,” Mr. Roosevelt said.

In Kalamazoo, a city of 72,000 that lost nearly 5,000 residents from 2000 to 2005, the program, with an anonymous group of donors, has already reaped benefits in just two years.

The school district of about 10,000, which was losing about 350 students a year, gained 1,000 new students in the 2006-7 school year, the first full year after the program was created, and added 200 more this school year, said Bob Jorth, executive administrator of Kalamazoo Promise.

Home values in the economically struggling city also increased in the first year, Mr. Jorth said, rising 7 percent in the first year, at a time when home values fell 7 percent across Michigan — further proof that the “all carrot, no stick” program is working, he said.

“People understand that education is the way out,” Mr. Jorth said, “and they kind of feel like this is their chance.”

Mr. Roosevelt said he decided in late 2005 that he needed something like Kalamazoo’s program, after he oversaw the closing of 22 schools because of declining enrollment.

“We were looking at the demographics, and I realized without an intervening event, this was going to happen again in eight years,” Mr. Roosevelt said. “I didn’t want to do that again.”