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Merit Scholarships and Incentives for Academic Performance

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COLLEGE *of* EDUCATION

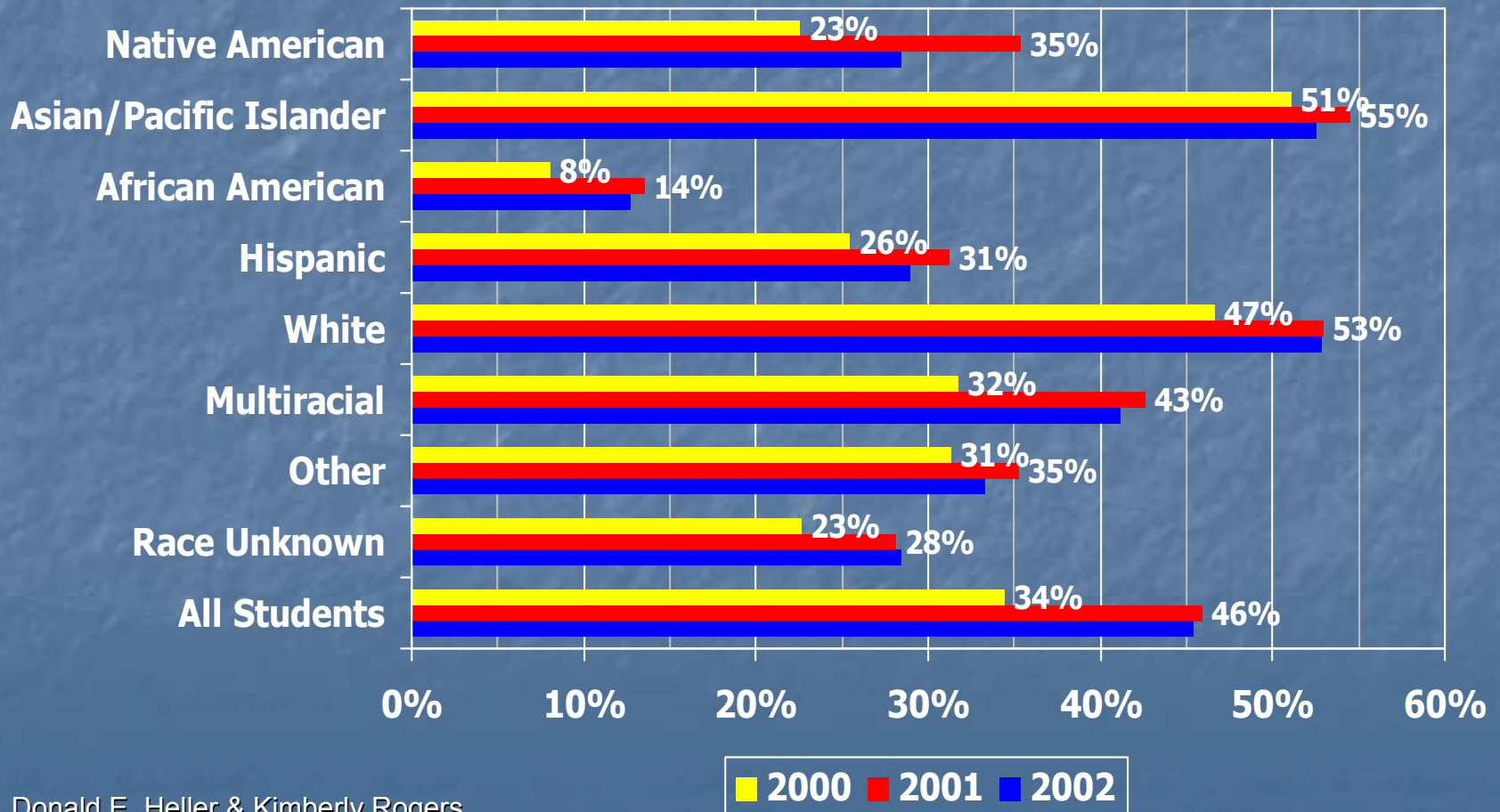
CENTER FOR THE STUDY OF HIGHER EDUCATION

Michigan Merit Award

- Created in 1999; first awarded to graduating class of 2000
- Funded by tobacco settlement revenues
- One-time scholarship - \$2,500 for in-state school, \$1,000 out-of-state
- Award based on students' scores on the MEAP, the state's 11th grade curriculum frameworks test (four areas: reading, writing, math, science)
- Can discount effect of grade inflation (unlike research on Georgia HOPE Scholarship)

Race and Cohort Effects

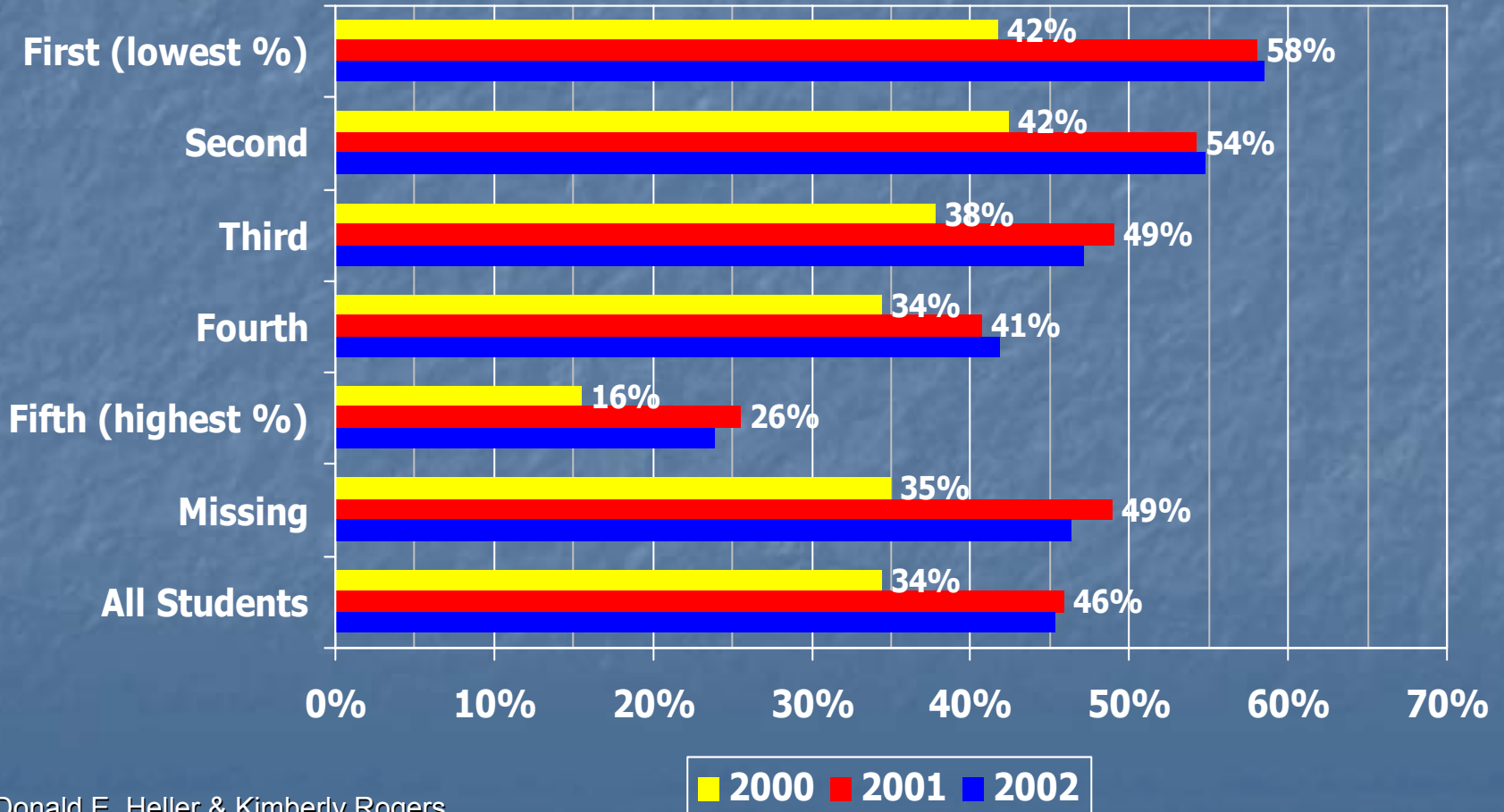
% of Students Qualifying for Scholarship



School Income and Cohort Effects

% of Students Qualifying for Scholarship

School free/reduced lunch quintile



Conclusions

- Initial gains, as program became more known
- Quick ceiling effect, however
- Limitations
 - Award may be too small to create much of an incentive effect
 - MEAP is designed to measure cumulative high school curricular knowledge; two years may not have been enough time to increase learning behavior