



Arizona Commission for Postsecondary Education

... expanding access and increasing success
in postsecondary education for Arizonans

Annual Report for the Arizona Teacher Student Loan Program

Fiscal Year 2020 - 2021

November 30, 2021



Arizona Commission for Postsecondary Education

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November 30, 2021

The Honorable Doug Ducey, Governor
The Honorable Katie Hobbs, Secretary of State
The Honorable Karen Fann, President of the Senate
The Honorable Russell Bowers, Speaker of the House of Representatives

On behalf of the Arizona Commission for Postsecondary Education (ACPE), I respectfully submit the enclosed annual report for the Arizona Teacher Student Loan Program formerly known as the Math, Science, and Special Education Teacher Loan Forgiveness Program (MSSE).

Established in the 2007 legislative session, the MSSE Program was designed to solve two problems: (1) an Arizona teacher shortage in specific areas and (2) novice teachers leaving the profession due to burdensome loan debt and modest pay. During the 2017 Fifty-Third Legislature, First Regular Session, Senate Bill 1040 made significant changes along with renaming the program to the Arizona Teacher Student Loan Program. The program changes described in the report became effective in FY 2018. Furthermore, in the 2021 Fifty-Fifth Legislature, First Regular Session, Senate Bill 1825 redefined a qualifying postsecondary institution to be inclusive of only private postsecondary educational institutions in this state. This change became effective in fiscal year 2022. In addition, Senate Bill 1825 transitions all duties, powers, and responsibilities of the Commission including the Arizona Teacher Student Loan Program to the Arizona Board of Regents effective January 1, 2022.

This report includes a description of the program, the number of applicants, the number of loan recipients, the qualifying institutions they attended, the name of the K-12 school where loan recipients are employed, and the number of good cause exceptions requested/granted.

The Arizona Teacher Student Loan Program is designed to attract quality students into teaching preparation programs who will take on the mission of service in order to repay their obligation. The report outlines the success of the program in attracting and retaining teachers in the fields most needed.

A copy of the annual report and more detailed information about the Arizona Commission for Postsecondary Education, its administrative functions, initiatives and its collaboration and partnerships are available on <https://highered.az.gov> or by contacting our office at 602.542.7230.

Respectfully Submitted,

A handwritten signature in black ink that reads "Daniel Helm". The signature is written in a cursive style.

Daniel Helm, Interim Executive Director
Arizona Commission for Postsecondary Education

cc: Brook White, Senate Senior Policy Advisor
Brendan Foland, House Education Policy Advisor
Kelsey Jahntz, House Majority Policy Advisor
Alexis Pagel, JLBC Fiscal Analyst
Trey Nilles, OSPB Budget Analyst

**The Arizona Commission for Postsecondary Education (ACPE)
Arizona Teacher Student Loan Program
FY 2020-2021 Annual Report**

November 30, 2021
Daniel Helm, Interim Executive Director

Introduction and Description of the Program

The Math, Science, and Special Education Teacher Loan Forgiveness Program (MSSE) was created in 2007. During the 2017 Fifty-Third Legislature, First Regular Session, Senate Bill 1040 made significant changes along with renaming the program to the Arizona Teacher Student Loan Program (ATSLP). Effective FY 2018, the changes were:

1. Elimination of the service area of teaching in elementary schools that are located in geographic areas that are experiencing a shortage of teachers,
2. Inclusion of three additional service areas: low-income schools, rural schools, or schools located on an Indian reservation,
3. Inclusion of students who are pursuing a teaching certificate through an alternative teacher certificate program as eligible students for the forgivable loan,
4. Inclusion of students who have a bachelor's degree and are in an alternative teacher certification program as eligible students for the forgivable loan, and
5. The allocation of forty percent of the annual amount appropriated to students who agree to provide instruction in a low-income school, rural school, or a school located on an Indian reservation.

Additionally, in the 2021 Fifty-Fifth Legislature, First Regular Session, Senate Bill 1825 redefined a qualifying postsecondary institution to be inclusive of only private postsecondary educational institutions in this state. This change became effective in fiscal year 2022. In addition, this bill transitions all duties, powers, and responsibilities of the Commission including the Arizona Teacher Student Loan Program to the Arizona Board of Regents effective January 1, 2022.

During FY 2021, this student-centered, need-based forgivable loan was designed to increase the number of teachers in Arizona's public K-12 system in the following areas: math, science, special education, low-income schools, rural schools, or schools located on an Indian reservation. The forgivable loan supports and encourages Arizona resident college students to take on a mission of service in order to repay their obligation by pursuing a teaching career in identified high need areas and to remain in the State after graduation. Forgivable loans to help defray the cost of tuition, fees, and instructional materials were granted to eligible junior or senior undergraduate education majors and students enrolled in an alternative teacher certificate program offered at qualifying postsecondary education institutions in the State. Additionally, students must complete the Free Application for Federal Student Aid (FAFSA). The maximum forgivable loan is \$7,000 per academic year for up to three years. To have the loan forgiven, students must sign a promissory note each year agreeing to teach in select service areas in a public K-12 school in Arizona for the number of years they received the loan funding plus one year. The selected service areas in FY 2021 are math, science, special education, or a low-income school, rural

school, or a school located on an Indian reservation. Students who do not meet the forgiveness criteria must repay the amount borrowed plus any interest.

Who Benefited from the Forgivable Loan?

In FY 2021 ATSLP loans were disbursed to 48 students, 34 loans to initial recipients (1st time recipients) and 14 loans to continuing recipients (prior recipients). The loan recipients attended both public and private postsecondary institutions for a total disbursement of \$250,265.19. The table below provides a student profile for those who received loans in FY 2021.

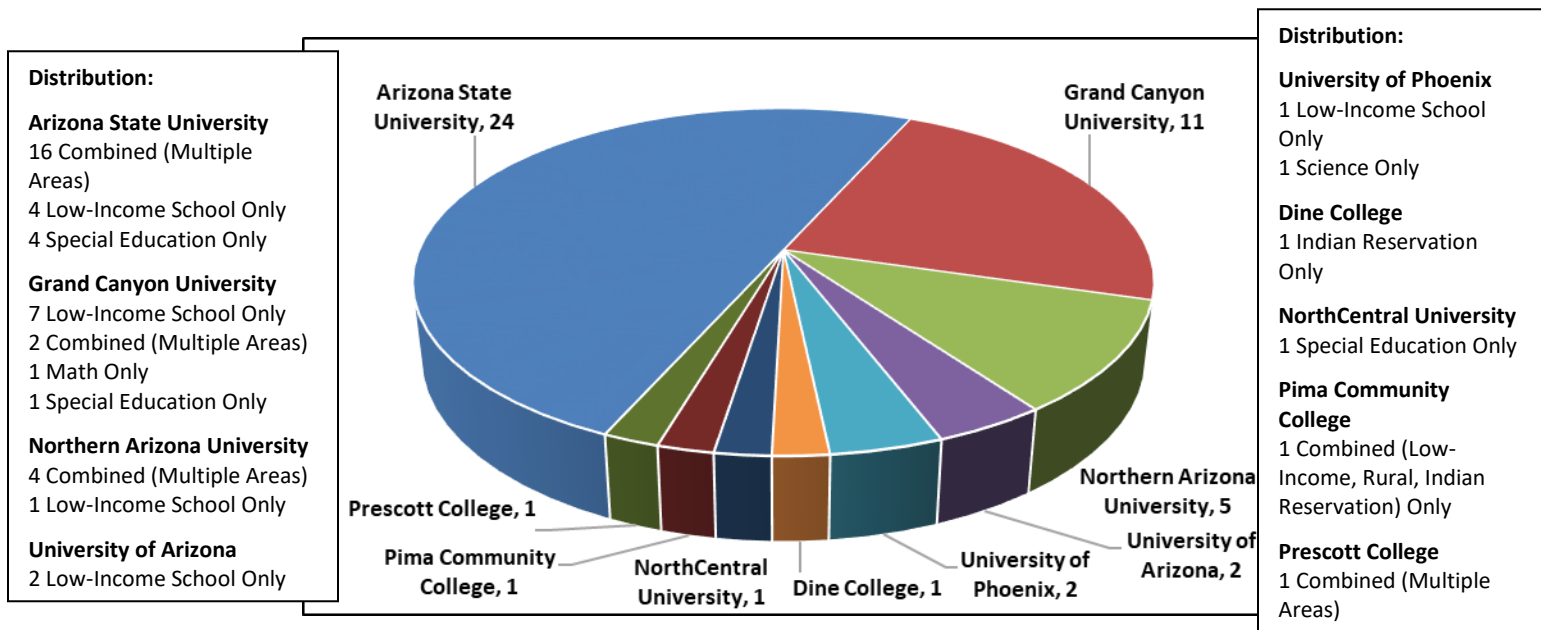
ATSLP FY 2021 Student Profile

Total Applicants	Total Recipients	Total Disbursement	Average Loan Amount	Average Age of Recipients	Initial Recipients	Continuing Recipients	Good Cause Exceptions
63	48	\$250,265.19	\$5,214	32	34	14	0

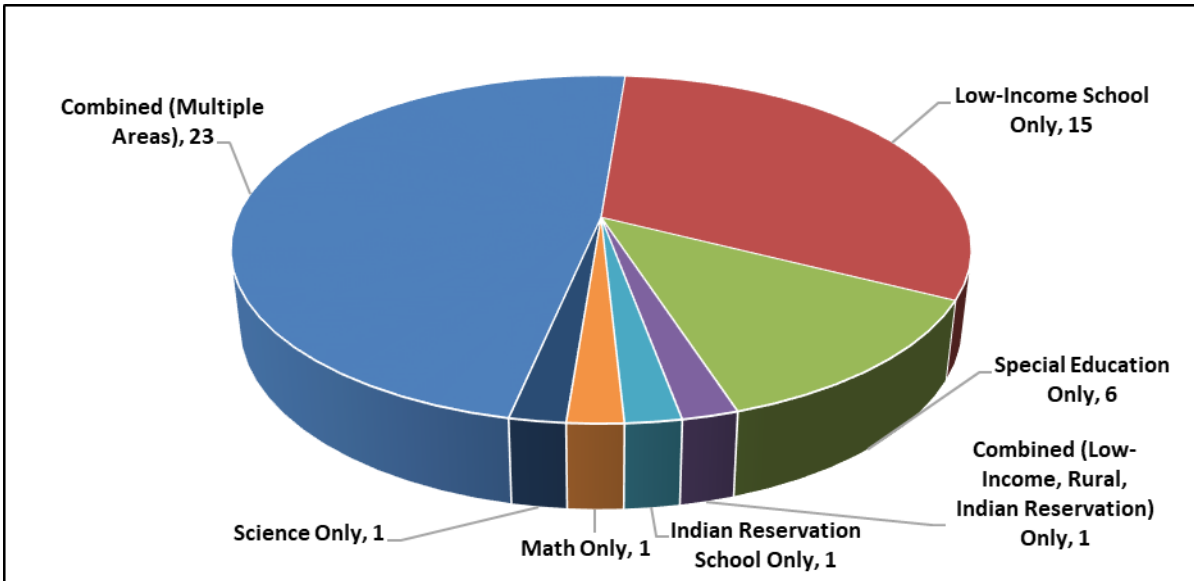
The difference between the total applicants and the total recipients is comprised of fifteen applicants who did not meet program requirements.

The following pie charts represent a breakout of the institutions the 48 loan recipients attended and the areas recipients indicated that they would be teaching.

Recipients by Institution in FY 2021



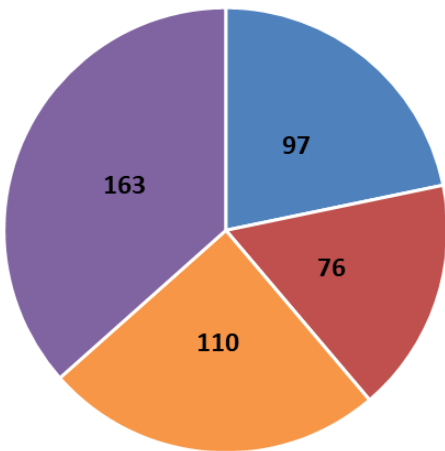
Recipients by Subject/Location in FY 2021



Status of Recipients in ATSLP from Inception through FY 2021

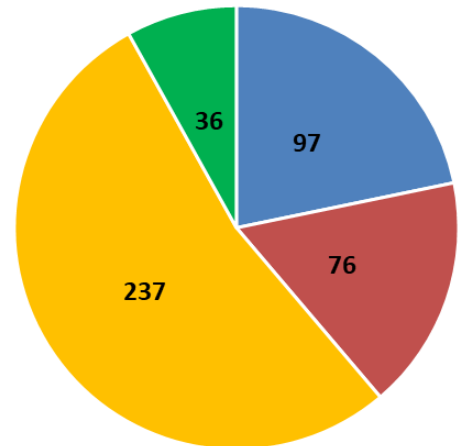
Tracking responsibilities are significant for ATSLP as each loan recipient is required to be tracked between seven to eleven years, depending on the number of years each student received funding. For students who enter into repayment, the relationship can increase up to 15 years. With the conclusion of FY 2021, 446 students have participated in ATSLP since its inception in 2007.

History of ATSLP Loan Recipients



Teaching Status

- Student Teacher or in a 1 Year Grace Period
- Recipients Who Are or Have Been in Repayment
- Forgiven Teachers No Longer Teaching
- Teachers Who Are Teaching
- Loan Forgiven
- Finishing Out Loan Obligation



Loan Status

In the graphs above 273 (61.2%) loan recipients are or have been teachers. Of those 273 teachers 237 (53.1%) have had their loan forgiven, while 36 (8.1%) are still working on loan forgiveness, with the prospect of an additional 97 (21.7%) loan recipients becoming teachers.

In FY 2022 the collecting of the five-year teacher retention data for the 84 individuals whose loans have been forgiven through teaching will continue.

The following is a list of the public K-12 schools in Arizona at which the 36 currently teaching loan recipients are employed.

**K-12 Schools where ATSLP (MSSE) Graduates Served
their Teaching Obligation in FY 2021**

School	School City	Subject Taught
La Joya Community High School	Avondale	Low Income School
West Point High School	Avondale	Science
Buckeye Elementary School	Buckeye	Special Education
Liberty Elementary School	Buckeye	Special Education
Rainbow Valley Elementary School	Buckeye	Special Education
Pomeroy Elementary School	Chandler	Special Education
Liberty Traditional Saddleback School	Douglas	Low Income School
Elfrida Elementary School	Elfrida	Rural School
Eva Marshall Magnet Elementary School	Flagstaff	Special Education
STAR School	Flagstaff	Low Income School
American Leadership Academy	Gilbert	Science
Perry High School	Gilbert	Science
Deer Valley High School	Glendale	Science
Desert Sky Middle School	Glendale	Special Education
Continental Elementary School	Green Valley	Science
Desert Meadows Elementary School	Laveen	Special Education
Holmes Elementary School	Mesa	Low Income School
Peoria High School	Peoria	Special Education
Chaparral Elementary School	Phoenix	Special Education
Esperanza Elementary School	Phoenix	Special Education
John F Kennedy Elementary School	Phoenix	Low Income School
Manzanita Elementary School	Phoenix	Low Income School

School	School City	Subject Taught
Mirage Elementary School	Phoenix	Special Education
Paradise Valley High School	Phoenix	Special Education
Pendergast Elementary School	Phoenix	Math
William Sullivan Elementary School	Phoenix	Low Income School
Coyote Springs Elementary School	Prescott Valley	Low Income School
Combs High School	San Tan Valley	Math
Second Mesa Day School	Second Mesa	Tribal School
Sonoran Heights Elementary School	Surprise	Special Education
Curry Elementary School	Tempe	Special Education
Booth-Fickett Magnet School	Tucson	Low Income School
Keeling Elementary School	Tucson	General
LM Prince Elementary School	Tucson	Low Income School
Bonnie Brennan Elementary School	Winslow	Low Income/Rural School
G W Carver Elementary School	Yuma	Low Income School

Conclusion

ATSLP provides an important vehicle to shape student choices and bring new teachers to the profession in order to meet Arizona’s teacher shortage needs. The program is designed to contribute to the teacher pipeline by financially assisting quality students already in teaching preparation programs. Service can be accomplished in one of four ways:

- Teach in a low-income public school (sixty percent or more of the students are eligible for free or reduced price lunches),
- Teach in a rural county public school (a public school in this state that is located in a county with a population of less than three hundred thousand persons),
- Teach in an Arizona public school on an Indian reservation, or
- Teach in the fields of Math, Science, or Special Education in a public school in Arizona.

Teacher recruitment and retention contributes significantly to school success and Arizona is struggling in this area. For example, the September 10, 2021 Human Resources Professionals in Arizona Schools Survey¹ data clearly defined critical issues related to teacher shortages and

¹ September 2021. “*Human Resources Professionals in Arizona Schools Survey.*” Arizona School Personnel Administrators Association.

retention. First, 25.9% or 1,699 teacher positions remained vacant a few weeks into the 2021-2022 school year. Even more astonishing, the survey reported that 55.4%, or 3,634 teacher positions were filled by individuals who did not meet standard teaching requirements. Furthermore, the survey indicates that 730 teachers severed their employment as of September 10th.

Additionally, the U.S. Department of Education’s nationwide Teacher Shortage Areas² report indicates that for the 2021-2022 school year Arizona is experiencing a shortage of teachers in the following areas.

Subject Matter	Discipline	Grades
English as a Second Language	Bilingual Education	Pre-K, K, 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12
English as a Second Language	English as a Second Language	Pre-K, K, 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12
Language Arts	English	6, 7, 8
Mathematics	Basic and Advanced Mathematics	6, 7, 8
Science	Physics	6, 7, 8, 9, 10, 11, 12
Science	Biological Sciences	6, 7, 8, 9, 10, 11, 12
Science	Physical Science	6, 7, 8, 9, 10, 11, 12
Social Studies	History	6, 7, 8
Special Education	Cross Categorical	Pre-K, K, 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12
Special Education	Early Childhood	Pre-K, K, 1, 2, 3
Special Education	Emotional Disabilities	Pre-K, K, 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12
Special Education	Severely and Profoundly Handicapped	Pre-K, K, 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12
Special Education	Hearing Impairment	Pre-K, K, 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12
Special Education	Intense Intervention	Pre-K, K, 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12
Special Education	Cognitive Disabilities	Pre-K, K, 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12

The severity of the teacher shortage is clearly illustrated in this data. The shortage of qualified teachers in Arizona’s workforce pipeline negatively affects Arizona’s K-12 students every day. This program aids the State in meeting the Governor’s education goals and contributes to the overall goal of 60% of Arizona working adults holding a degree or certificate. This report is the final report from the Commission for Postsecondary Education on the Arizona Teacher Student Loan Program. With the transition of the program to the Arizona Board of Regents, the Commissioners and staff know the future of the program is in good hands and are honored to have provided financial aid to this cadre of teachers who are critical to the success of the Governor’s goal of addressing the teacher shortage in our State.

² “Teacher Shortage Areas.” U.S. Department of Education. <https://tsa.ed.gov/#/home/>