



# **Arizona Commission for Postsecondary Education**

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

## **Annual Report for the Arizona Teacher Student Loan Program (formerly the) Math, Science, and Special Education Teacher Loan Forgiveness Program**

**Fiscal Year 2017 - 2018**



# Arizona Commission for Postsecondary Education

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November 29, 2018

The Honorable Doug Ducey, Governor  
The Honorable Steve Yarbrough, President of the Senate  
The Honorable Javan Mesnard, Speaker of the House of Representatives  
The Honorable Michele Reagan, Secretary of State  
Susan Leach-Murray, State Documents Librarian, AZ Library, Archives, and Public Records

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. The ACPE Commissioners and staff remain committed to investing themselves in the work of higher education through their mission of *increasing access and expanding success in postsecondary education for Arizonans*. This report reflects that commitment.

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 a 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 are described in the report and became effective in FY 2018. In addition, 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. Based upon this success, the Commission makes a request for increased funding of \$312,400.

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 602.258.2435.

Respectfully Submitted,

A handwritten signature in cursive script that reads "April L. Osborn".

Dr. April L. Osborn, Executive Director  
Arizona Commission for Postsecondary Education

cc: Brandi Lease, Senate Education Research Analyst  
Elizabeth Dagle, JLBC Fiscal Analyst  
Kwesi Palsey, OSPB Budget Analyst  
Aaron Wonders, House Education Research Analyst

**The Arizona Commission for Postsecondary Education (ACPE)  
Arizona Teacher Student Loan Program  
Formerly the  
Math, Science, and Special Education Teacher  
Loan Forgiveness (MSSE) Program  
FY 2017-2018 Annual Report**

Submitted November 29, 2018  
Dr. April L. Osborn, 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 new changes are:

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.

During FY 2018, 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 2018 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 2018 ATSLP loans were disbursed to 56 students, 49 loans to initial recipients (1<sup>st</sup> time recipients) and 7 loans to continuing recipients (prior recipients). The loan recipients attended both public and private postsecondary institutions for a total disbursement of \$292,717. The table below provides a student profile for those who received loans in FY 2018.

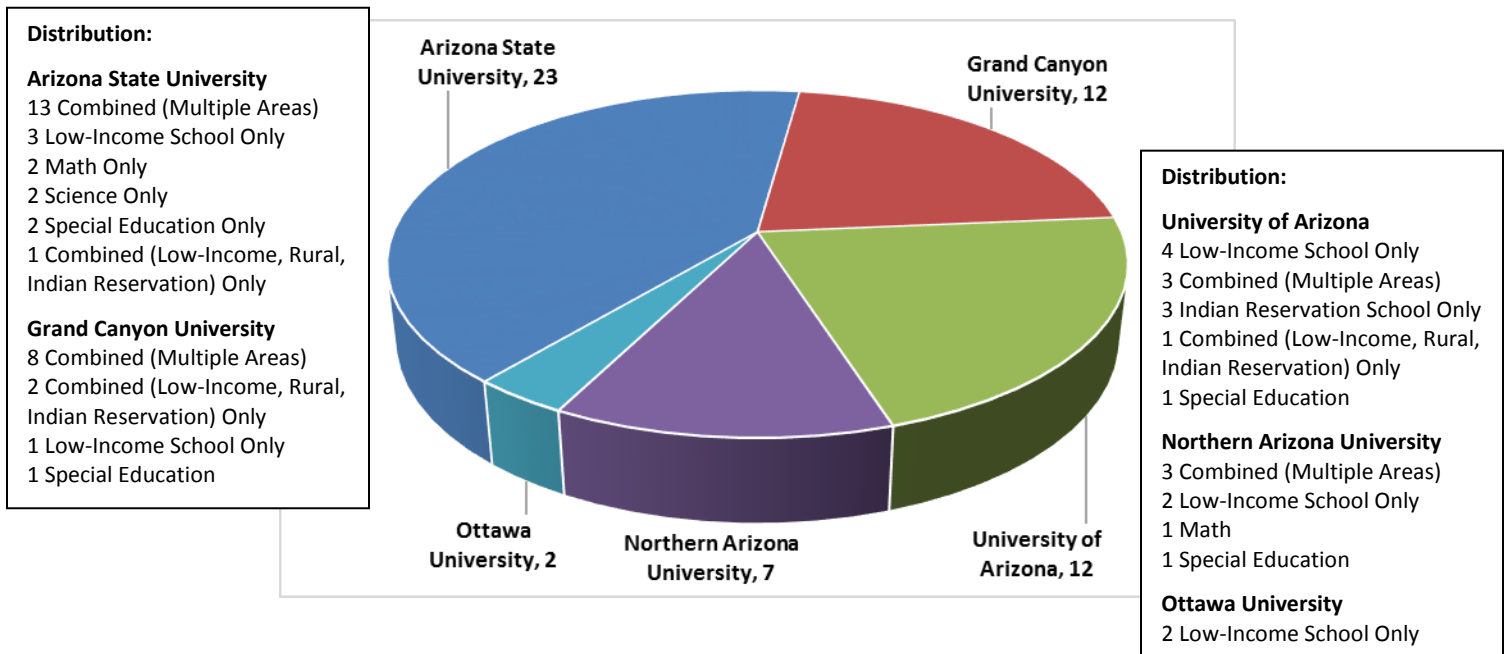
**ATSLP FY 2018 Student Profile**

Total Applicants	Total Recipients	Total Disbursement	Average Loan Amount	Average Age of Recipients	Initial Recipients	Continuing Recipients	Good Cause Exceptions
84	56	\$292,717	\$5,227	29	49	7	0

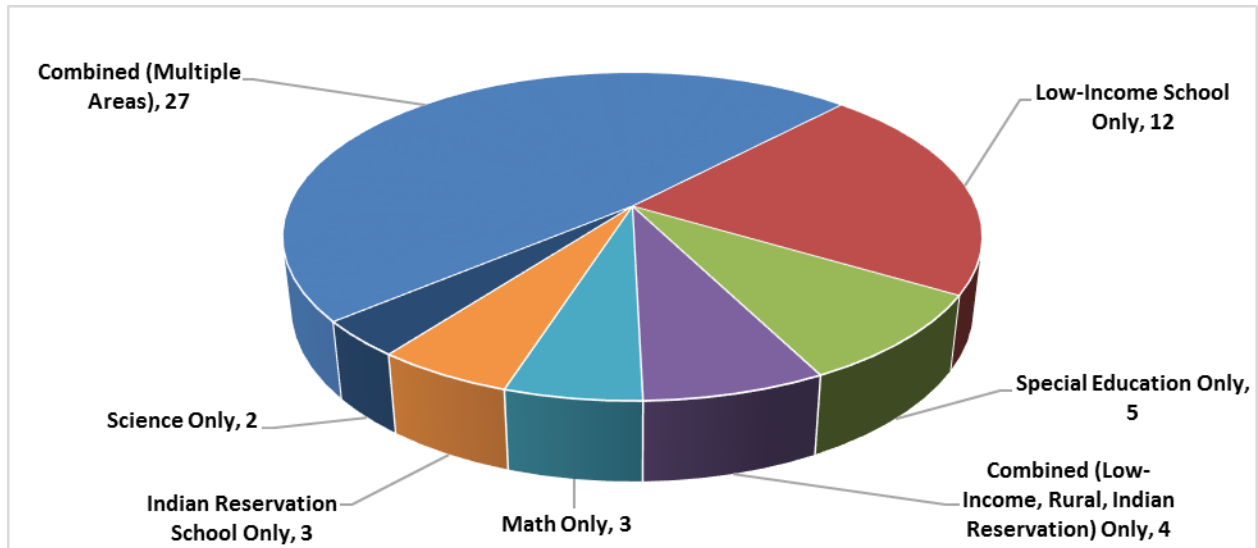
The difference between the total applicants and the total recipients is comprised of twenty-eight applicants who did not meet program requirements.

The following pie charts represent a breakout of the institutions the 56 loan recipients attended and the areas recipients indicated that they would be teaching.

**Recipients by Institution in FY 2018**



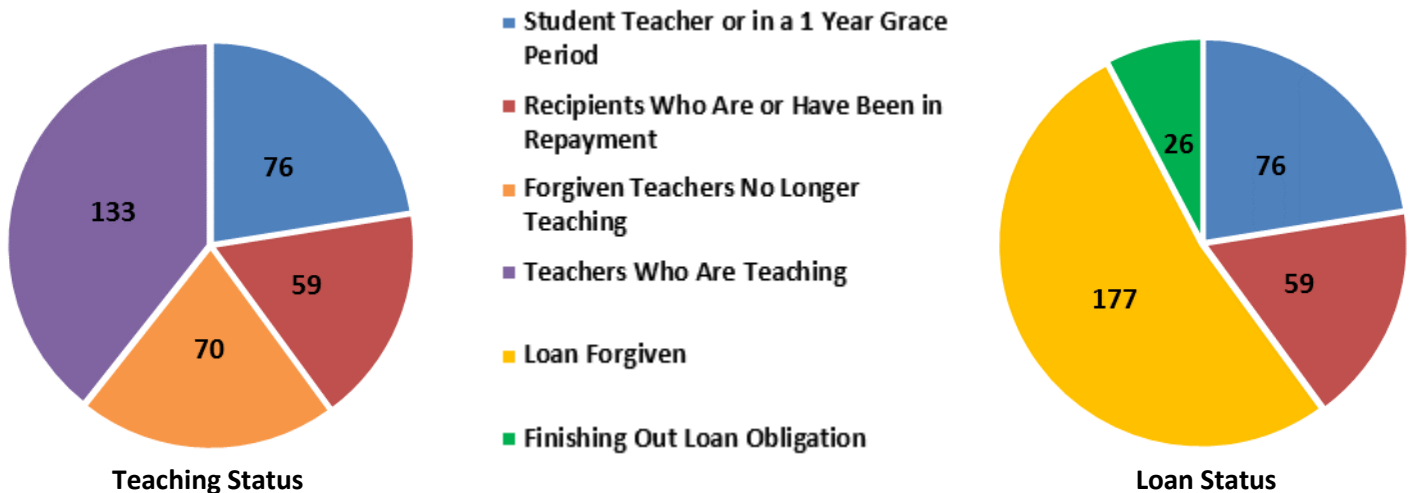
### Recipients by Subject/Location in FY 2018



### Status of Recipients in ATSLP (MSSE) Program from Inception through FY 2018

Tracking responsibilities are significant for the ATSLP (MSSE) Program 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 2018, 338 students have participated in the ATSLP (MSSE) Program since its inception in 2007.

### History of ATSLP Loan Recipients



In the graphs above 203 (60.1%) loan recipients are or have been teachers. Of those 203 teachers 177 (52.4%) have had their loan forgiven, while 26 (7.7%) are still working on loan forgiveness, with the prospect of an additional 76 (22.5%) loan recipients becoming teachers.

In FY 2019 the Commission will continue collecting the five-year teacher retention data for the 76 individuals whose loans have been forgiven through teaching.

The following is a list of the public K-12 schools in Arizona at which the 26 currently teaching loan recipients are employed.

**K-12 Schools where ATSLP (MSSE) Graduates Served  
their Teaching Obligation in FY 2018**

School	City	Subject Taught
Camp Verde School	Camp Verde	Elem Education - Geo Shortage
Perry High School	Chandler	Math
Cottonwood Elementary School	Cottonwood	Elem Education - Geo Shortage
Coconino High School	Flagstaff	Math-Science
WF Killip Elementary School	Flagstaff	Special Education
Williams Field High School	Gilbert	Math
Apollo High School	Glendale	Science
Glendale Success Academy	Glendale	Math
Legend Springs Elementary	Glendale	Special Education
Paseo Pointe Elementary School	Laveen	Elem Education - Geo Shortage
Trailside Point School	Laveen	Special Education
Emerson Elementary	Mesa	Elem Education - Geo Shortage
Noah Webster Schools	Mesa	Elem Education - Geo Shortage
Peoria Accelerated High School	Peoria	Math
Academia Del Pueblo	Phoenix	Elem Education - Geo Shortage
Amy Houston Academy	Phoenix	Special Education
Catalina Ventura	Phoenix	Special Education
Phoenix Advantage Charter School	Phoenix	Elem Education - Geo Shortage
Cocopah Middle School	Scottsdale	Science
Desert Sun Academy	Scottsdale	Math
Show Low Jr High School	Show Low	Math
Tempe High School	Tempe	Special Education
Centennial Elementary	Tucson	Science
Pima Prevention Partnership	Tucson	Special Education
Rincon High School	Tucson	Math
Senita Valley	Tucson	Elem Education - Geo Shortage

Due to the level of appropriation in FY 2018 limited advertising or promotion of the program was undertaken. The ACPE and staff are assessing different avenues of advertising, like 1) individual letters to K-12 principals promoting the program among the school's student teachers, aids, or other personnel, and 2) promotional material readily available at educational conferences throughout the state.

## 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. Furthermore, ATSLP provides those students not eligible for the Arizona Teachers Academy a pathway to financial assistance. This also includes students who attend private postsecondary institutions and students pursuing a teaching certificate through an alternative teacher certificate program. Additionally, the staff believes that ATSLP will support the recruitment of teachers in public schools and support the Governor's investment in education. The Commissioners and staff are honored to provide financial aid to this cadre of teachers who are critical to the success of the Governor's goal of addressing the growing teacher shortage in our State.

Teacher retention contributes significantly to school success and Arizona is struggling in this area. Evidence of this problem is found in Arizona Department of Education's January 2015 *Arizona Education Retention and Recruitment Report*<sup>1</sup> where it is reported that 24% of first year teachers and 20% of second year teachers left their positions and were not teaching in the 2013-2014 school year. Moreover, the August 31, 2018 *Human Resources Professionals in Arizona Schools Survey*<sup>2</sup> found that 24.8% or 1,547 teacher positions remained vacant a few weeks into the school year and 47.9% or 2,980 teacher positions were filled by individuals not meeting standard teaching requirements.

Unfortunately, the FY 2018 level of appropriations for the ATSLP program will not solve the shortage. In FY 2019, the Commission has requested the increase of \$312,400 for a total of \$738,400 in FY 2020. This includes one full time employee at \$60,900 and one computer for \$1,500. The increase in funding will reach an additional 30-40 teachers in-training annually.

The increase in funding for this program will aid the State in meeting the Governor's education goals and will contribute to the Achieve60AZ overall goal of 60% of Arizona working adults holding a degree or certificate.

<sup>1</sup> January 2015. "Educator Retention and Recruitment Report." *Arizona Department of Education*.

<sup>2</sup> August 2018. "Human Resources Professionals in Arizona Schools Survey." *Arizona School Personnel Administrators Association*.