



Arizona Commission for Postsecondary Education

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

Annual Report for Math, Science, and Special Education Teacher Loan Forgiveness Program (MSSE)

Fiscal Year 2012 - 2013



Arizona Commission for Postsecondary Education

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December 1, 2013

The Honorable Janice K. Brewer, Governor
The Honorable Andy Biggs, President of the Senate
The Honorable Andy Tobin, Speaker of the House of Representatives
The Honorable Ken Bennett, Secretary of State
Mr. Vincent Alascia, State Documents Librarian, AZ Library, Archives, and Public Records

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

Elements of this report include 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 MSSE graduates are employed and the number of good cause exceptions requested/granted. In the conclusion the Commission makes a request for increased funding.

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.

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 is available from the website www.azhighered.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: Reed Spangler, Senate Education Research Analyst
Tom Ritland, JLBC Fiscal Analyst
Brandon Nee, OSPB Budget Analyst
Jeanine Jones, House Education Committee Research Analyst

**The Arizona Commission for Postsecondary Education (ACPE)
Math, Science, and Special Education Teacher
Loan Forgiveness (MSSE) Program
FY 2012-2013 Annual Report**

Submitted December 1, 2013
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. This student-centered, need-based forgivable loan was designed to increase the number of math, science and special education teachers in the public K-12 system in Arizona by financially supporting and encouraging Arizona resident college students to pursue a teaching career in these identified high need fields and to remain in the State after graduation.

Forgivable loans are granted to eligible junior or senior students attending a qualifying public university or private college/university in the State to help defray the cost of tuition, fees and instructional materials. 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 these subject areas (math, science, special education, or elementary education in a geographic area in the state experiencing a shortage of teachers) in a public K-12 school in Arizona for the number of years they received the loan funding plus one year. Students who do not meet the forgiveness criteria must repay the loan funds plus any interest.

Who Benefited from the Forgivable Loan?

In FY 2013 forty-six MSSE loans were disbursed, 34 loans to initial recipients (1st time recipients) and 12 loans to continuing recipients (prior recipients). The loan recipients attended both public and private postsecondary institutions for a total disbursement of \$277,045.

The table below provides a student profile for those who received loans in FY 2013.

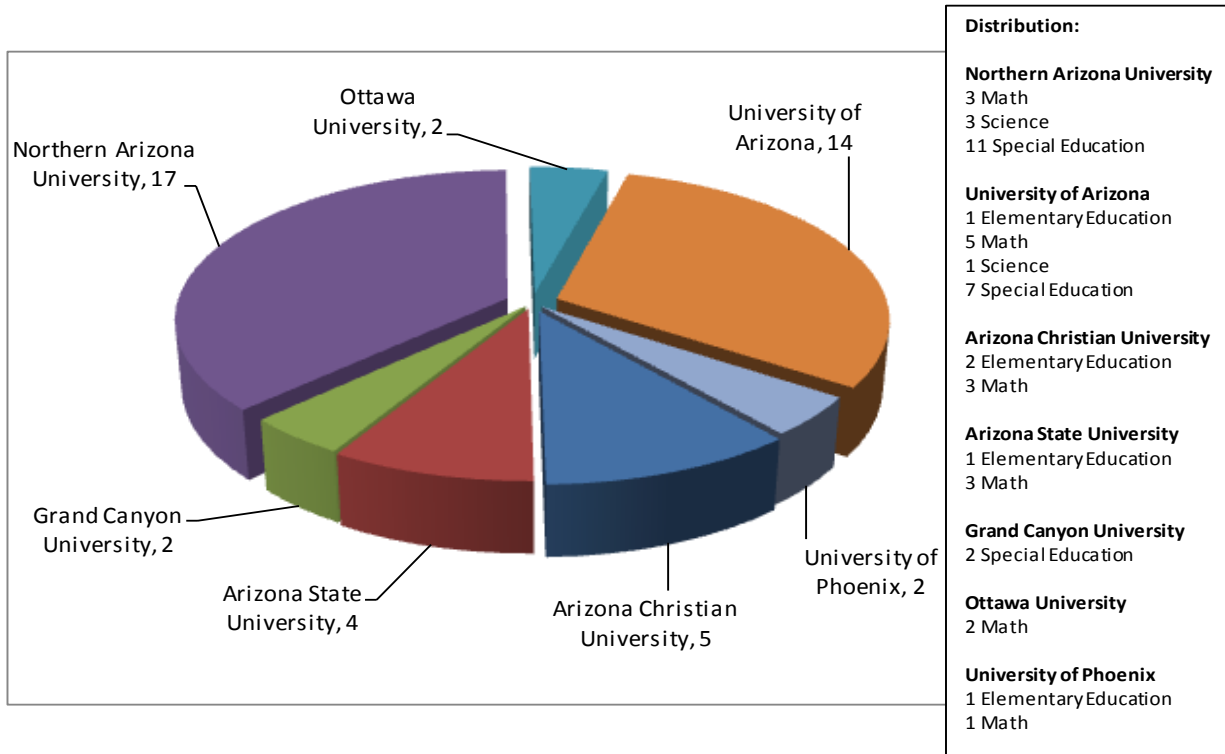
MSSE FY 2013 Student Profile

Total Applicants	Total Recipients	Total Disbursement	Average Loan Amount	Average Age of Recipients	Initial Recipients	Continuing Recipients
63	46	\$277,045	\$6,023	29	34	12

The difference between the total applicants and the total recipients is comprised of applicants who did not qualify, but the majority of those not awarded were due to the lack of funds.

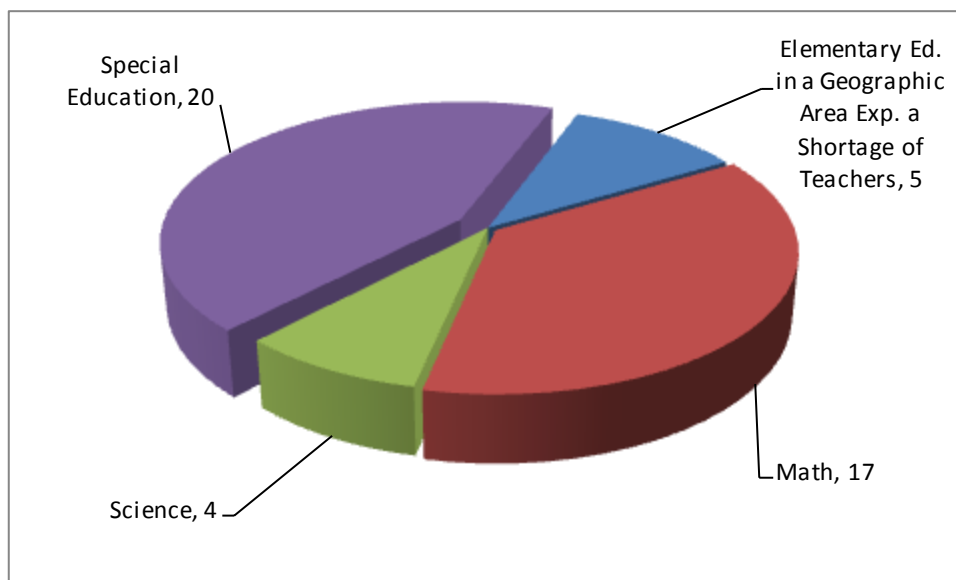
The following pie charts represent a breakout of the institutions the 46 loan recipients attended and the recipient's degree programs.

Recipients by Institution



In FY 2013 nearly a quarter of the MSSE recipients attended private postsecondary institutions, depicting the importance of the private postsecondary sector to the program.

Recipients by Degree Program



Status of Recipients in MSSE Program from Inception Through FY 2013

Tracking responsibilities are significant for the MSSE Program for each loan recipient is required to be tracked between seven to eleven years. For students who enter into repayment, the relationship can increase to 15 years. With the conclusion of FY 2013, 229 students have participated in the MSSE Program since inception in 2007. Below is a listing of the current status of the recipients.

- 35 are still enrolled in a postsecondary institution
- 14 are in their twelve month grace period (allowed by statute)
- 55 are currently teaching in a public K-12 school in Arizona
- 65 have had their loan forgiven for completing their teaching service
- 16 are currently in repayment
- 3 have paid their loan balance in full
- 41 may potentially be placed in repayment

Although allowed by statute, in FY 2013 the Commission did not receive any requests for good cause exceptions to student loan repayments; therefore, none were granted. The Commission will continue collecting the five year teacher retention data for the 65 individuals whose loans have been forgiven through teaching.

The following is a list of the public K-12 schools at which the 55 loan recipients were employed.

K-12 Schools where MSSE Graduates Served their Teaching Obligation in FY 2013

Apache Junction High School	Flowing Wells Junior High School	Palo Verde High Magnet School
Ashland Elementary	Frank Borman School	Patterson Elementary
Barry Goldwater High School	Gateway Pointe Elementary	Peach Springs School
Brichta Elementary School	Gila Ridge High School	Primavera Technical Learning Center
Buckeye Union High School	Greenway High School	Queen Creek High School
Campo Verde High School	Hamilton High School	Rancho Gabriela
Deer Valley High School	Higley Traditional Academy	Riverside Traditional School
Desert Ridge High	Islands Elementary School	Santan Junior High School
Desert Star	J.O. Combs Middle School	Scales Technology Academy
Desert View High School	Jane D. Hull Elementary	Sirrine Elementary School
Dobson High School	Kingman Academy of Learning	Sonoma Ranch Elementary
Dos Rios Elementary	Liberty Traditional Charter School	Sundance Elementary
Dysart Elementary School	Maricopa High School	Sunnyside High School
Dysart High School	Mayer High School	Taylor Elementary School
EDUPRIZE School	Montessori Charter School of Flagstaff	Val Vista Lakes Elementary School
Flora Thew Elementary School	Mountain View Elementary	
Flowing Wells High School	North High School	

The limited annual appropriation for the MSSE program has caused the Commission to consider an automated application in AZ Grants System and companion tracking and repayment software. The program is new to the ACPE and staff are assessing the cost and benefits of an automated system. However, such a system would undoubtedly allow the small ACPE staff to better handle the granting, tracking, and repayment processes.

Conclusion

The Commission believes the MSSE program provides a vehicle to shape student choices in order to meet Arizona's needs in teacher shortage areas. Additionally, the Commission is enthused to provide financial aid to this cadre of teachers who are critical to the success of Arizona's College and Career Ready Standards and Arizona's focus on Science, Technology, Engineering and Math (STEM) programs.

Unfortunately, the current level of appropriations for the MSSE program will not solve the shortage nor is it sufficient to support the Arizona Ready Education Reform Plan goals. Therefore, the Commission has requested the increase of \$500,000 to total \$676,000 in FY 2015 for the MSSE program. Increased funding will allow 60-70 students to be supported through four years of their teaching education.

The Commissioners and staff look forward to helping increase the number of teachers in Arizona. The increase in funding for this program will aid the State meet both the goals of the Arizona Ready Education Reform Plan and Arizona's College and Career Ready Standards.