



# **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 2015 - 2016**



## Arizona Commission for Postsecondary Education

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December 1, 2016

The Honorable Doug Ducey, Governor

The Honorable Andy Biggs, President of the Senate

The Honorable David Gowan, Sr., Speaker of the House of Representatives

The Honorable Michele Reagan, Secretary of State

Marilyn Howard, 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 of \$562,400.

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. This loan forgiveness program is helping in a small way with these shortages, but the \$176,000 currently provided is inadequate to successfully provide a solution.

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 <https://highered.az.gov> or by contacting our office at 602.258.2435.

Respectfully Submitted,

Dr. April L. Osborn, Executive Director

Arizona Commission for Postsecondary Education

cc: Reed Spangler, Senate Education Research Analyst

Morgan Dorcheus, JLBC Fiscal Analyst

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Sharon Carpenter, House Government and Higher Education Committee Research Analyst

**The Arizona Commission for Postsecondary Education (ACPE)  
Math, Science, and Special Education Teacher  
Loan Forgiveness (MSSE) Program  
FY 2015-2016 Annual Report**

Submitted December 1, 2016  
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. 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 subject areas in a public K-12 school in Arizona for the number of years they received the loan funding plus one year. The selected subject areas are math, science, special education, or elementary education in a geographic area in the state experiencing a shortage of teachers. Students who do not meet the forgiveness criteria must repay the loan funds plus any interest.

**Who Benefited from the Forgivable Loan?**

In FY 2016 MSSE loans were disbursed to 26 students, 13 loans to initial recipients (1<sup>st</sup> time recipients) and 13 loans to continuing recipients (prior recipients). The loan recipients attended both public and private postsecondary institutions for a total disbursement of \$163,625.

The table below provides a student profile for those who received loans in FY 2016.

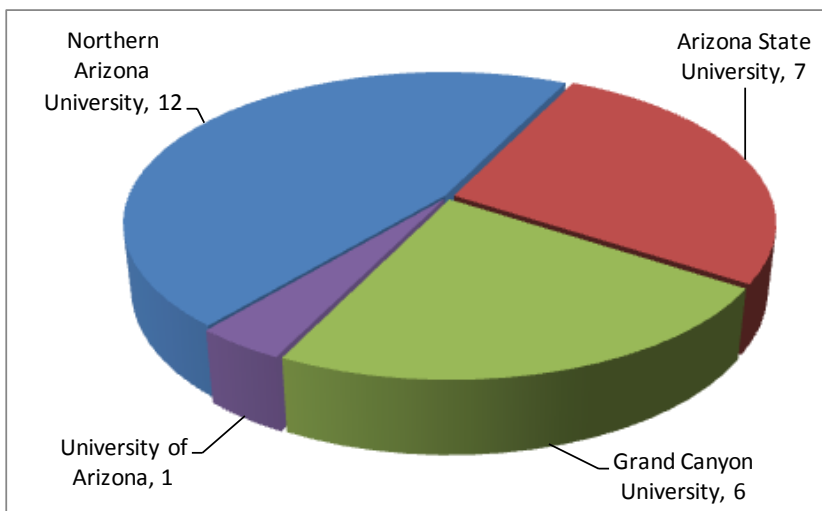
**MSSE FY 2016 Student Profile**

| <b>Total Applicants</b> | <b>Total Recipients</b> | <b>Total Disbursement</b> | <b>Average Loan Amount</b> | <b>Average Age of Recipients</b> | <b>Initial Recipients</b> | <b>Continuing Recipients</b> |
|-------------------------|-------------------------|---------------------------|----------------------------|----------------------------------|---------------------------|------------------------------|
| <b>49</b>               | <b>26</b>               | <b>\$163,625</b>          | <b>\$6,293</b>             | <b>30</b>                        | <b>13</b>                 | <b>13</b>                    |

The difference between the total applicants and the total recipients is comprised of ten applicants who did not meet program requirements and thirteen applicants not awarded due to the lack of funds.

The following pie charts represent a breakout of the institutions the 26 loan recipients attended and the recipient's degree programs.

**Recipients by Institution**



**Distribution:**

**Northern Arizona University**

1 Elementary Education  
11 Special Education

**Arizona State University**

3 Math  
1 Science  
3 Special Education

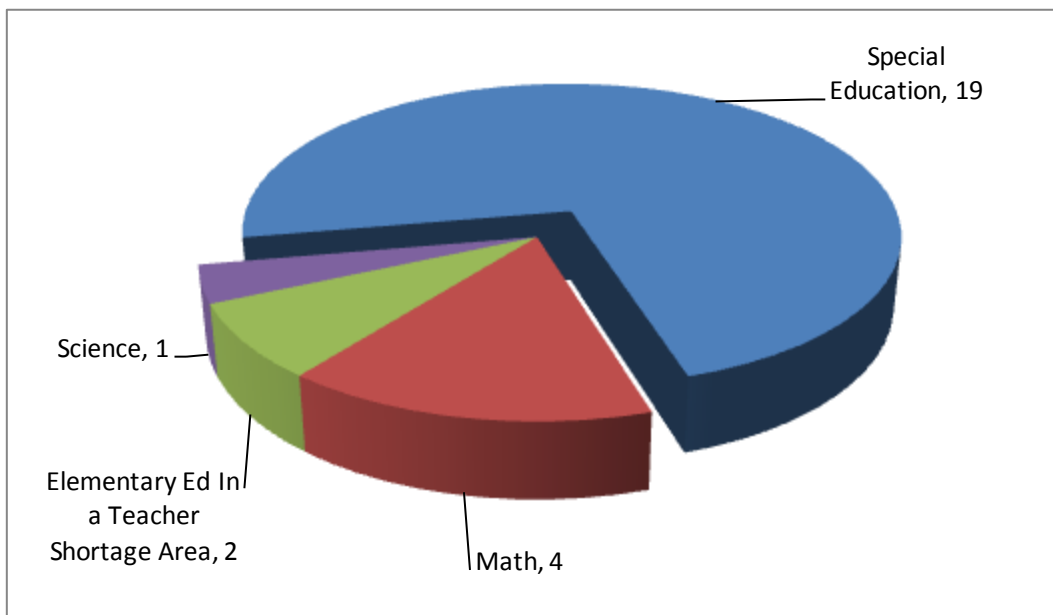
**Grand Canyon University**

1 Elementary Education  
1 Math  
4 Special Education

**University of Arizona**

1 Special Education

**Recipients by Degree Program**



### **Status of Recipients in MSSE Program from Inception Through FY 2016**

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 2016, 275 students have participated in the MSSE Program since inception in 2007. Below is a listing of the current status of the recipients.

- 26 are still enrolled in a postsecondary institution
- 14 are in their twelve month grace period (allowed by statute)
- 22 are currently teaching in a public K-12 school in Arizona
- 72 have had their loan forgiven for completing their teaching service and are teaching in Arizona
- 6 have had their loan forgiven for completing their teaching service and are teaching outside of Arizona
- 37 have had their loan forgiven for completing their teaching service and are no longer teaching
- 41 are currently in repayment
- 16 have had their loan repayments referred to the Attorney General
- 10 have paid their loan balance in full
- 31 have completed the retention tracking cycle

In FY 2017 the Commission will continue collecting the five year teacher retention data for the 115 individuals whose loans have been forgiven through teaching.

The following is a list of the public K-12 schools in Arizona at which the 22 currently teaching loan recipients are employed.

#### **K-12 Schools where MSSE Graduates Served their Teaching Obligation in FY 2016**

| <b>School</b>                  | <b>City</b> | <b>Subject Taught</b>       |
|--------------------------------|-------------|-----------------------------|
| Dobson High School             | Mesa        | Special Education - Eng SLD |
| Sahurita High School           | Sahuarita   | Special Education           |
| Buckeye Union High School      | Buckeye     | Science                     |
| Mesa View Elementary           | Chinle      | Special Education           |
| Peoria Accelerated High School | Peoria      | Math                        |
| Coconino High School           | Flagstaff   | Math-Science                |
| Vista Grande High School       | Casa Grande | Special Education           |
| Thunderbird High School        | Phoenix     | Special Education           |
| Patterson Elementary School    | Mesa        | Special Education           |
| Show Low Jr High               | Show Low    | Math                        |
| Mountain View High School      | Mesa        | Science                     |

The list of public K-12 schools continues on the following page.

| School                            | City     | Subject Taught      |
|-----------------------------------|----------|---------------------|
| Primavera Online High School      | Chandler | Math Resource       |
| TG Barr                           | Phoenix  | Special Education   |
| Centennial Elementary             | Tucson   | Math/Science        |
| Montebello                        | Phoenix  | Science             |
| Alta Loma Elementary              | Peoria   | Special Education   |
| Sunnyslope High School            | Phoenix  | Biology             |
| Cholla High Magnet School         | Tucson   | Science             |
| Academia Del Pueblo               | Phoenix  | Elementary Subjects |
| Sunrise Mountain High School      | Peoria   | Math                |
| Esperanza Elementary School       | Tucson   | Special Education   |
| Vista Del Sur Accelerated Academy | Laveen   | Math                |

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 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. Additionally, due to the limited annual appropriation no advertising or promotion for the program has been undertaken yet the number of applications submitted annually consistently exceeds the number of applications that can be funded.

### **Conclusion**

The Commission staff believes the MSSE program provides a vehicle to shape student choices in order to meet Arizona's needs in teacher shortage areas. Additionally, the Commissioners and staff are enthused to provide financial aid to this cadre of teachers who are critical to the success of Achieve60AZ goals. Achieve60AZ is focused on generating greater awareness of the importance of increasing Arizona's level of educational attainment while building support to improve college entry and completion; boost adult education and training; and fuel a pipeline of competitive talent for Arizona's employers.

Unfortunately, the current level of appropriations for the MSSE program will not solve the shortage. According to surveys conducted in August 2015, 82% of 108 reporting districts noted openings compared to 62% in August 2014. Additionally, 24% of first year and 20% of second year teachers left the profession in Arizona. The future may be even more challenging with 24% of Arizona's educational workforce being eligible to retire within the next four years.<sup>1</sup>

Therefore, the Commission has requested the increase of \$562,400 to a total of \$738,400 in FY 2018 for the MSSE program. This includes one full time employee \$60,900 and one computer for \$1,500. Increased funding will allow an additional 57-67 recipients to receive an award. Additionally, if the program termination date of July 1, 2017 is not extended the State will lose another important financial aid program.

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 in meeting Achieve60AZ goals.

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<sup>1</sup> Johnson, C., 2016. *ADE Educator Retention and Recruitment Taskforce* [PDF document]. Retrieved from <http://www.azed.gov/highly-effective-teachers-leaders/files/2016/05/err-taskforce-abec-1.29.16.pdf>