



# SC Teacher Loan Program *Annual Report Summary 2022-23*



# SC Teacher Loan Program

## Annual Report Summary 2022-23



### Overview of the South Carolina Teacher Loan Program:

The **South Carolina Teacher Loan Program (TLP)**, was authorized by the South Carolina General Assembly as part of the Education Improvement Act of 1984.

**Purpose:** The TLP is a financial incentive program offering forgivable loans to qualified state residents who enter the teaching profession in academic and/or geographic areas of critical need.\* The program is governed by SC Code 59-26-20 and 59-26-30.

\*Academic and/or geographic areas of critical need are defined by the *State Board of Education (SBE)* and are as follows:

- *Academic Area of Critical Need:* The percentage of positions in a given subject area (i.e., certification field) that are unfilled, filled by educators in an alternative route program, or filled by educators holding an out of field permit.
- *Critical Geographic Need Areas:* Areas are defined as schools with a report card rating of below average or unsatisfactory, 20% or more teacher turn over rate for the past three years and a poverty index of 70% or higher.

**Funding:** The program is funded through the General Assembly from the EIA and General Fund. The **SC Commission on Higher Education (CHE)** makes recommendations to request EIA funds. Separate funding was allocated to the Student Loan Corporation under SCDE Aid to school districts to add two more TLP loan forgiveness types (Type 2 and Type 3). Type 2 and 3 loans are funded through the General Fund.

### Governance - Key Players:

| State Board of Education (SBE)   | SC Student Loan Corporation (SLC)   | Education Oversight Committee (EOC)                                | SC Commission on Higher Education (CHE)   | CERRA/TLAC   |
|--|---|--|---|--|
| Annually defines the TLP’s Areas of Critical Needs pursuant to statutory requirements. | Administers the TLP-the process for applications, loans, loan forgiveness/ cancellation or repayment. | Reviews the TLP program annually, reports to the General Assembly. | Recommends to State Treasurer appropriations for loans and administrative costs incurred. | CERRA appoints and maintains the Teacher Loan Advisory Committee (TLAC). |

### TLP Loan Forgiveness Options:

\*See full report for specifics on loan qualification criteria.



**Type 1/TLP:** Program loans to individuals attending public or private colleges and universities for the sole purpose and intent of becoming certified teachers employed in SC areas of critical need. *Freshmen and Sophomores may borrow up to \$2,500 per year. All others students may borrow up to \$7,500 per year, with an aggregate maximum of \$27,500 for undergraduate and graduate students.*



**Type 2/TLC:** Program loans to assist Career Changers with becoming certified teachers employed in SC areas of critical need. *Participants may borrow up to \$15,000 per year and up to an aggregate maximum of \$60,000.*



**Type 3 PACE:** Program loans on a reimbursement basis to assist state residents with PACE critical needs professional certification program expenses. *Current PACE participants may borrow up to \$750 per year, not to exceed a total maximum amount of \$5,000.*



## Key Findings & Recommendations

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### ▶ Key Findings on TLP Governance

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**TLP statute does not provide for a governance structure conducive to a single entity having clear authority to manage and direct the program.**

#### Recommendations

- Designate an appropriate entity to be actively responsible for directing and marketing the program. Provide statutory authority for this entity's designated responsibilities and statutory provisions to clarify the scope and responsibilities of each program stakeholder.
- Audit and update TLP statute, provisos, and goals to better conform with the current environment.
- Assess long-standing Proviso 1A.6 establishing the Teacher Loan Advisory Committee to keep, modify, or sunset the TLAC; update program goals.
- Establish clearly-defined, targeted goals for the Teacher Loan Program with measurable outcomes, and the requirement to monitor and measure progress year-over-year.

**TLP operations, funding and governance are stagnant.**

#### Recommendations

- Direct the TLAC to perform a critical review of the TLP's core components using the 2022-23 TLP Report as a starting point. The review should include, but not be limited to:
  1. Program targets and goals, organization, loan structure and amounts, data and reporting, and loan cancellation provisions (including critical subject and geographic area needs).
  2. Program funding-related analysis (e.g., analysis of the Fund Balances, Loan Cancellations, and Revolving Loan Fund; trends and projections for allowance for loan cancellations vs. repayments).
  3. Review the viability of consolidating some of the TLP responsibilities, and/or aligning with the Teaching Fellows Program, which (although not called a "loan") also has forgiveness provisions.
- Perform a critical assessment of alignment, parity, and effectiveness between the TLP and other teacher recruitment initiatives.

### ▶ Key Findings on Funding

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**All three loan types have consistent funding:** Funding for all three loan types has remained at the same level for 10 years or more.

**Loan Types 2 & 3 are funded through General Funds, loan Type 1 is funded through EIA funds.**

**RLF balance increase:** The Revolving Loan Fund (RLF) includes monies collected by the SLC from individuals who do not qualify for cancellation. Since 2018 the balance in this account has increased from \$8,695,425 to \$20,935,219.

#### Recommendations:

- Consolidate Type 2 and Type 3 funding with Type 1 EIA funding as a step towards streamlining and clarifying program operations and data reporting.
- Require fiscal year-end balances to be reported in all agency reporting for TLP cancellations, Revolving Loan Fund, and Unsubsidized Student Loan Interest.
- Allow the other 14 State Board of Education approved alternative preparation programs to have access to Type 3 loans.
- Allow use of TLP funds for summer courses and carry forward unused awards for TLP and Teaching Fellows.



## ▶ Key Findings on TLP Data Collection and Quality

The data collection and reporting processes for teacher mobility, loans, etc. continue to be labor-intensive, paper driven and include self-reported measures on some of the more significant data points. Disparate and loosely defined metrics used in the program reports make measuring impact and effectiveness challenging.

TLAC's third goal for the TLP is as follows: *Eighty percent of the individuals receiving loans each year under the TLP should enter the South Carolina teaching force.* However no data was available that could be used with integrity to evaluate or assess the status of this goal.

### Recommendations

- Streamline and modernize the TLP application process.
  1. Transition from paper-based application and processes.
  2. Establish policies to securely connect existing electronic data systems.
  3. Add a Teaching Fellows field to the TLP application to record Teaching Fellow TLP loan applicants.
- Streamline and simplify EIA Annual Program Report formats, aligning with agency reporting to CHE to the extent possible (i.e., to facilitate a clearer understanding of a program's purpose, deliverables, and cost/benefit; to identify/track progress, deliverables, data, and financials).
  1. Clarify expectations for annual reporting of accurate, meaningful data for all three TLP loan types.
  2. Require Type 2 and Type 3 information be included in the TLP EIA Program Budget Form.
  3. Monitor and report the number and percent of TLP borrowers still in cancellation status, disaggregated by cancellation rate (20% vs. 33.3% per year of teaching) and cancellation status.

## ▶ Key Findings on the Teacher Pipeline

**Sources of teacher hires:** Though overall they are a smaller percentage of teacher hires, the percentage of alternative certification programs and international teacher hires are the only sources that have increased within the past year. - *CERRA Supply and Demand Survey Reports 2015-2023* (See Table 6 in full report).

**African Americans in the SC teaching force:** African American applicants and recipients of the TLP should mirror the percentage of African Americans in the South Carolina teaching force. The annual report found this goal fell short as only 8.9% of Type 1 and Type 2 loan recipients were African American, which is lower than the 15.3% 2021-22 SC Teacher Workforce figure.

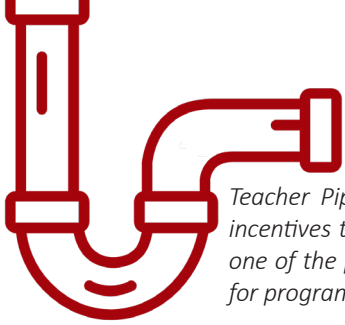
**Males in the SC teaching force:** The percentage of male applicants and recipients of TLP should mirror the percentage of males in the South Carolina teaching force. The annual report found this goal fell short as 19.2% of TLP applications were from males, which is slightly less than the SC-TEACH Workforce figure for SC (19.6%). The male application representation falls below the 23% of males in the 2020-21 national educator workforce.

**Research institutions enrollment numbers:** The University of South Carolina has seen a 28% decrease from 2014 to 2023 in the number of enrollments in its bachelor level education program while Clemson University has seen a 57% increase; however, it should also be noted that in 2014, USC had more than double the bachelor level education enrollments of Clemson University.

**Teacher Cadets continue to provide a significant source of TLP recipients:** 51% of TLP loan recipients were Teacher Cadets.

### Recommendations

- Assign responsibility to school districts to invest in their district's Teacher Pipeline.
- Increase focus on early teacher pipeline initiatives (e.g., ProTeam, Teacher Cadets, graduates with college and/or career readiness credentials), Bridge programs, etc.
- Rethink/reorganize Teacher Recruitment initiatives to clarify intent, identify and establish best practices and effective pipelines; establish common metrics and reporting requirements to be used for measurable results. Examples:
  1. Use ProTeam/Teacher Cadet/Teaching Fellows as the starting point for a model.
  2. Develop "menu" of proven financial incentives and supports, parameters for loan forgiveness, TLP Revolving Loan Fund, other repayment funds, and carryover funds, etc.
  3. Require and fund academic and Praxis support programs that use proven methods.
- Develop a cohesive, statewide and district level teacher recruitment strategy with specific goals and expectations for each component of the teacher pipeline (e.g., for ProTeam and Teacher Cadet programs at the school and district level; goals to attract and retain students, etc.).
- Re-evaluate annual Teacher Supply and Demand format, approach, focus and data collection.



# Overview of Teacher Pipeline Programs

Teacher Pipeline Programs provide career pathway supports, incentives, preparation, certification, and/or financial incentives to encourage students or SC citizens to enter the teacher pipeline. Individuals may participate in more than one of the programs described, excluding the Rural District Undergraduate Loan Forgiveness Program. \*See full report for program specifics.

## Icon Key



Scholarship



Minority focus



Forgivable Loan



Career pathway



### Teacher Loan Program (TLP):

The TLP was authorized by the South Carolina General Assembly as part of the 1984 Education Improvement Act to provide forgivable loans to students entering the teaching profession. It was the first EIA funded teacher pipeline program.



Value to the Teacher Pipeline: *Incentivizes individuals to teach in areas of academic/ geographic need in SC public schools.*

- The TLP offers forgivable loans to encourage qualified state residents to enter the teaching profession in academic and/or geographic areas of critical need. (Consists of Type 1, Type 2 and Type 3 loans, see page 3 for more information)

### Teacher Cadet Program:

The Teacher Cadet Program is a school-to-college partnership career pathway program where students may take two high school dual credit accrual courses.



Value to the Teacher Pipeline: *Encourages high school students to consider teaching as a profession.*

- The Teacher Cadet Program has been an essential source of potential candidates for the teacher pipeline – with nearly 48% of FY 2022-23 TLP loan applicants self-reported as having been in program.

### Rural District Undergraduate Loan Forgiveness Program:

This Program incentivizes classroom-based teachers to seek and maintain employment within the Rural Recruitment Initiative districts. Eligible teachers may apply for up to \$5,000 per year towards any undergraduate loan for which no other loan forgiveness options apply.



Value to the Teacher Pipeline: *Incentivizes teachers to seek and maintain employment in rural districts.*

## Teacher Pipeline Programs, cont ...

### Teaching Fellows:

The SC General Assembly funded the Teaching Fellows Program to recruit talented high school seniors into the teaching profession. Provides maximum of \$24,000/ \$6,000 a year. Administered by the Center for Educator Recruitment, Retention and Advancement (CERRA).



Value to the Teacher Pipeline: *Incentivizes high school students to teach in SC public schools.*

- A Teaching Fellow can receive a TLP Type 1 loan
- A Teaching Fellow agrees to teach in a South Carolina public school one year for each year of receiving the fellowship and signs a promissory note requiring payment of the scholarship should they decide not to teach. Recipients are not required to commit to teaching in a critical need subject or geographic area to receive the award.

### Call me MISTER:

Development program for African American males to prepare and place them as teachers. Provides tuition support for students pursuing approved areas of study in teacher education at participating colleges.



Value to the Teacher Pipeline: *Incentivizes African American males to teach in SC public schools.*

### Minority Access to Teacher Education: (MATTE, SCSU Bridge Program):

Offers scholarships to high school students from rural school districts, particularly along the I-95 corridor, to attend SCSU and pursue and complete a baccalaureate degree in teacher education.



Value to the Teacher Pipeline: *Incentivizes high school students to teach in SC public schools.*

### Clafin University's Bridge to Education (CUBE):

Recruits and prepares high school students along the I-95 corridor for the teaching profession. The Program, which began FY 2020-21, enrolls students interested in becoming educators during the summer, while living on a college campus and taking courses focused on the education curriculum in Clafin's School of Education.



Value to the Teacher Pipeline: *Prepares high school students to teach in SC public schools.*

### SCSU's SC-PRRMT/Program for the Recruitment and Retention of Minority Teachers:

Offers on-campus and satellite teacher education coursework at off-campus sites to primarily recruit nontraditional students (teacher assistants, career path changers, and technical college) into the teaching profession. Program includes classes to help with the Praxis exam, refresher courses for those re-entering college and evening classes.



Value to the Teacher Pipeline: *Provides nontraditional minority students assistance to teach in SC public schools.*