

2010-11

THE SOUTH CAROLINA TEACHER LOAN PROGRAM

Annual Review



**SC EDUCATION
OVERSIGHT COMMITTEE**

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Annual Report on the South Carolina Teacher Loan Program

The Teacher Quality Act of 2000 directed the Education Oversight Committee (EOC) to conduct an annual review of the South Carolina Teacher Loan Program and to report its findings and recommendations to South Carolina General Assembly. Pursuant to Section 59-26-20(j) of the South Carolina Code of Laws, the annual report documenting the program in Fiscal Year 2010-11 follows. Reports from prior years can be found on the EOC website at www.eoc.sc.gov.

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Section I

Overview of the South Carolina Teacher Loan Program

The South Carolina Teacher Loan Program was established through action of the South Carolina General Assembly with the passage of the Education Improvement Act (EIA) of 1984. According to Section 59-26-20(j),

the Commission on Higher Education, in consultation with the State Department of Education and the staff of the South Carolina Student Loan Corporation, shall develop a loan program whereby talented and qualified state residents may be provided loans to attend public or private colleges and universities for the sole purpose and intent of becoming certified teachers employed in the State in areas of critical need. Areas of critical need shall include both geographic areas and areas of teacher certification and must be defined annually for that purpose by the State Board of Education.

The intent of the program was to encourage prospective college students from South Carolina to remain in the state to become teachers by offering loans that could be cancelled (or forgiven) if the recipient taught in a critical needs area. The program was one of a number of incentive programs included in the original EIA legislation. Beginning with an initial EIA appropriation of \$1.5 million, the annual appropriation for the Teacher Loan Program has varied from \$1.2 to \$5.4 million since inception. In Fiscal Years 2010-11 and 2011-12 the General Assembly appropriated \$4,000,722 in EIA revenues for the program. Historically, the program has been funded with EIA revenues. The South Carolina Student Loan Corporation (SCSL) administers the program for the state of South Carolina.

Eligibility

According to regulations promulgated by the Commission on Higher Education (R. 62-120) and communicated by the SCSL, eligible applicants for the South Carolina Teacher Loan program must meet the following criteria:

- Be a citizen or permanent resident of the United States;
- Be a resident of South Carolina as defined by state laws that determine residency for tuition and fee purposes at public colleges and universities in the state;
- Be enrolled in good standing and making satisfactory academic progress at an accredited public or private college or university on at least a half-time basis;
- Be enrolled in a program of teacher education or have expressed intent to enroll in such a program;
- For freshman applicants, be ranked the top 40 percent of their high school graduating class and have an SAT or ACT score equal to or greater than the South Carolina average for the year of high school graduation;
- For enrolled undergraduate students, have a cumulative grade point average of at least 2.75 on a 4.0 scale and must have taken and passed the Praxis I Exam. Students with an SAT score of 1100 or greater (1650 or greater for exams taken on or after March 1, 2005 when the Writing Section was added to the SAT) or an ACT score of 24 or greater are exempt from the Praxis I requirement;
- For entering graduate students, have an undergraduate cumulative grade point average of at least 2.75 on a 4.0 scale;

- For enrolled graduate students who have completed at least one term, have a grade point average of 3.5 or better on a 4.0 scale; and
- For all graduate students, must be seeking initial certification in a critical subject area if previously certified to teach.

Students must reapply every year to the program with priority given to borrowers who are renewing their loans. There is no expedited process for existing loan recipients. Furthermore, according to SCSL, changes in federal laws regarding student loans have not impacted the administration of the South Carolina Teacher Loan program.

Loan Amounts and Forgiveness

College freshmen and sophomores may receive loans for up to \$2,500 per year, while juniors, seniors, and graduate students may borrow up to \$5,000 per year. The cumulative maximum amount is \$20,000. The loan can be used for any purpose at the discretion of the recipient; it is not designated for tuition, room, board, books, etc. Loans may not exceed the cost of attendance as determined by the college Financial Aid Office.

Under current guidelines, teacher loans may be cancelled at the rate of 20 percent annually or \$3,000, whichever is greater, for each full year of teaching in a critical subject **or** a critical geographic area within the state. Should both criteria be met, teaching in a critical subject **and** in a critical geographic area simultaneously, the loan may be cancelled at an annual rate of 33 1/3 percent or \$5,000, whichever amount is greater for each full year of teaching. As stated on the application, “the subject areas deemed critical at the time of application will be honored for forgiveness when teaching begins; critical geographic areas must be deemed critical at the time of employment.” The State Board of Education annually reviews potential need areas and makes designations; therefore, areas of critical need may change from year to year.

If the loan recipient fails to teach in an area of critical need, either subject or geographic area, the recipient must repay the full amount borrowed plus accrued interest. The interest rate for the Teacher Loan Program is the maximum interest rate on the Federal Stafford Loan plus 2 percent. The current rate on the Federal Stafford Loan is 6.8 percent.

After a borrower has signed a contract to teach in a critical need area or areas, the teacher submits a completed “SC Teachers Loan Forgiveness” (Form 9250) to SCSL. After receipt and approval of the form, payments are deferred for the school year. Prior to the end of the school year, the borrower is mailed instructions for completing the “SC Teachers Loan and Governor’s Teaching Scholarship Confirmation Form” (Form 9260). If the borrower fails to complete the form, the borrower is mailed another 9260 form with instructions to complete the form by August 1. If the form has not been received by August 1, another form 9260 with instructions is mailed. Upon receiving and reviewing the completed form, SCSL calculates the forgiveness benefit and applies it to the outstanding balance of the respective loan. Both Forms 9250 and 9260 include sections that must be completed and certified by the district personnel officer or the school district superintendent. The forms are also available on SCSL’s website.

Funding of the Teacher Loan Program

With funds from the Education Improvement Act Trust Fund, the General Assembly has appropriated monies to support the loan program in the amounts shown in Table 1. Data in the table also include the administrative costs of the program and the amount of funds utilized from

repayments. Administrative costs have declined annually since 2004-05. In 2009-10 5.2 percent of all funds expended for the program were spent on administration.

Table 1
SC Teacher Loan Program: Revenues and Loans Over Time

Year	Appropriation	Legislatively Mandated Transfers or Reductions	Revolving Funds from Repayments	Total Dollars Available	Administrative Costs	Percent of Total Dollars Spent on Administration	Amount Loaned
1984-85	1,500,000	0	0	1,500,000	124,033	8.3	300,000
1985-86	1,250,000	0	0	1,250,000	71,214	5.7	1,008,115
1986-87	1,943,059	75,000 ¹	0	1,943,059	84,376	4.3	1,776,234
1987-88	2,225,000	75,000 ¹	100,000	2,325,000	98,976	4.3	2,277,402
1988-89	2,925,000	75,000 ¹	350,000	3,275,000	126,941	3.9	2,889,955
1989-90	3,300,000	0	300,000	3,600,000	154,927	4.3	3,284,632
1990-91	4,600,000	1,000,000 ²	300,000	4,900,000	210,741	4.3	3,978,476
1991-92	4,600,000	1,000,000 ²	900,000	5,500,000	217,981	4.0	4,350,908
1992-93	4,775,000	1,175,000 ²	1,350,000	6,125,000	248,703	4.1	4,628,259
1993-94	4,775,000	1,175,000 ²	1,350,000	6,125,000	254,398	4.2	4,805,391
1994-95	5,016,250	1,233,750 ²	1,135,000	6,151,250	272,260	4.4	4,761,397
1995-96	3,016,250	0	1,885,000	4,901,000	219,058	4.5	3,999,053
1996-97	3,016,250	0	1,108,500	4,124,500	222,557	5.4	3,936,538
1997-98	3,016,250	0	2,067,000	5,083,000	248,704	4.9	4,393,679
1998-99	3,016,250	1,000,000 ³	2,565,000	4,581,250	295,790	6.5	4,423,446
1999-2000	3,016,250	1,000,000 ³	2,550,000	4,566,250	272,115	5.0	4,240,693
2000-2001	3,916,250	0	3,000,000	6,916,250	279,800	4.1	5,556,854
2001-2002	3,016,250	145,216*	3,265,000	6,136,034	321,058	5.2	5,815,382
2002-2003	2,863,826	144,471*	2,950,000	5,669,355	346,601	6.1	5,332,946
2003-2004	3,016,250	129,980*	2,953,266	5,863,826	362,600	6.2	5,476,936
2004-2005	3,209,270	0	1,821,610	5,030,880	392,375	7.8	4,638,505
2005-2006	5,367,044	0	354,175	5,721,219	402,300	7.0	5,318,915
2006-2007	5,367,044	0	939,900	6,306,944	437,885	6.9	5,869,059
2007-2008	5,367,044	81,325*	1,801,962	7,087,681	415,216	5.9	6,672,465
2008-2009	5,054,521	841,460*	3,500,000	7,713,061	413,739	5.4	7,299,322
2009-2010	4,000,722	0	3,000,000	7,000,722	360,619	5.2	6,640,103
2010-2011	4,000,722	0	1,000,000	5,000,722	345,757	6.9	4,654,965
2011-2012	4,000,722						

Source: South Carolina Student Loan Corporation, 1995-2011.

*Mid-year budget cuts. ¹Transferred to SC State for Minority Recruitment.

²Transferred to Governor's Teaching Scholarship Program. ³Transferred to SDE for Technology and GT Identification

In Fiscal Year 2010-11 the General Assembly appropriated \$4,000,722 in EIA revenues to the Teacher Loan Program, the same level of funding as in Fiscal Year 2009-10. To supplement the number of loans made, SCSL used approximately \$1,000,000 in revolving funds to pay for loans in 2010-11. The Revolving Fund includes monies collected by SCSL from individuals who do not qualify for cancellation. At the end of Fiscal Year 2008-09 the Revolving Fund had balance of \$7,504,489. At the end of Fiscal Year 2009-10, the balance was \$7,419,849, and at the end of Fiscal Year 2010-11, it was \$8,405,304. The total amount of monies loaned in 2010-11 was \$4,654,965. The average loan amount was \$4,182.

Critical Need Identification

In the Education Improvement Act, the General Assembly assigned the responsibility of defining the critical need areas to the State Board of Education (SBE): “Areas of critical need shall include both rural areas and areas of teacher certification and shall be defined annually for that purpose by the State Board of Education.” Beginning in the fall of 1984, the SBE has defined the certification and geographic areas considered critical and subsequently those teaching assignments eligible for cancellation. Only two subject areas – mathematics and science - were designated critical during the early years of the programs, but teacher shortages expanded the number of certification areas.

To determine the subject areas, the South Carolina Center for Educator Recruitment, Retention and Advancement (CERRA) conducts a Supply and Demand Survey of all 85 regular school districts, the South Carolina Public Charter School District, Palmetto Unified, the Department of Juvenile Justice, and the South Carolina School for the Deaf and the Blind. CERRA publishes an annual report documenting the number of: teacher positions, teachers hired; teachers leaving; and vacant teacher positions. The survey results are provided to the South Carolina Department of Education (SCDE). SCDE then determines the number of teaching positions available in the school year that were vacant or filled with candidates not fully certified in the particular subject area. Table 2 documents the critical need subject areas since 2009-10 as approved by the State Board of Education. Subject areas in bold type were added as critical need subject areas.

For 2009-10 eliminated from the list of critical need subject areas was Early Childhood Education and added was Health. However, in 2010-11, Health was eliminated from the list and no new areas added. In Fiscal Year 2011-12, Physical Education, Art and Music were eliminated from the list and added were Dance and Health.

Table 2
Critical Need Subject Areas

(Ranked in Order of Greatest Number of Positions Vacant or Filled by not Fully Certified Candidates)

	2009-10	2010-11	2011-12
1	Business Education	Business Education	Agriculture
2	Family/Consumer Science	Speech and Drama, Theater	Media Specialist
3	Media Specialist	Industrial Technology	Business Education
4	Speech and Drama, Theater	Media Specialist	Dance
5	Agriculture	Science (Biology, Chemistry, Physics, and Science)	Health
6	Science (Biology, Chemistry, Physics, and Science)	Mathematics	Family/Consumer Science
7	Dance	Family/Consumer Science	Science (Biology, Chemistry, Physics, and Science)
8	Foreign Languages (French, Spanish, Latin, and German)	Foreign Languages (French, Spanish, Latin, and German)	Speech and Drama, Theater
9	Speech Language Therapist	All Middle-level areas	Middle-Level areas (language arts, mathematics, science, social studies)
10	Industrial Technology	English	English
11	English	Agriculture	Industrial Technology
12	All Middle-level Areas	Special Education – All Areas	Special Education-All Areas
13	Special Education – All Areas	Speech Language Therapist	Mathematics
14	Physical Education	Art	Foreign Language
15	Art	Physical Education	Speech Language Therapist

	2009-10	2010-11	2011-12
16	Health	Music	
17	Mathematics		
18	Music		

Table 3 below summarizes the total number of vacant positions for the past four years as well as the total number of allocated teacher positions as documented by CERRA in its annual Teacher/Administrator Supply and Demand Survey.¹ The number of vacant positions continues to decline while the number of teacher positions declined by approximately 650 positions in 2010-11 over the prior school year.

Table 3
Teacher and Supporting Staff Positions

	Fall 2008	Fall 2009	Fall 2010	Fall 2011
Number of Vacant Teacher Positions	296.6	203.75	189.75	170.8
Total Number of Allocated Teacher Positions	52,420.76	50,889.69	48,744.71	48,094.85

Source: CERRA

The criteria used in designating critical geographic schools have evolved over time. The State Board of Education has considered multiple factors, including degree of wealth, distance from shopping and entertainment centers, and faculty turnover. For the 2000-01 school year, the SBE adopted the criteria established for the federally funded Perkins Loan Program as the criteria for determining critical need schools. The Perkins Loan Program used student participation rates in the Federal free and reduced-price lunch program to determine schools eligible for loan forgiveness and included special schools, alternative schools, and correctional centers. Section 59-26-20(j) was amended in 2006 to redefine geographic critical need schools to be: (1) schools with an absolute rating of Below Average or At Risk/Unsatisfactory; (2) schools with an average teacher turnover rate for the past three years of 20 percent or higher; and (3) schools with a poverty index of 70 percent or higher. Table 4 documents the number of geographic critical need schools in South Carolina since 2008-09.

Table 4
Critical Geographic Need Schools

Year	Total Schools	Type of School					Qualification		
		Career Centers	Primary Schools	Elementary Schools	Middle Schools	High Schools	Absolute Rating	Teacher Turnover	Poverty Index
2008-09	754	3	26	402	200	111	470	266	629
2009-10	751	6	30	429	184	102	255	284	684
2010-11	785	3	29	420	209	106	476	286	669

Source: South Carolina Department of Education

Note: Some schools may be designated in more than one category (i.e., middle and high).

¹ Annual Teacher/Administrator Supply & Demand Surveys. Center for Educator Recruitment, Retention, & Advancement, < <http://cerra.org/research/SupplyAndDemand>>.

In 2010-11 there were 785 schools that were classified as critical geographic need schools. There were a total of 1,243 schools in the state in 2010-11. ² Consequently, almost two-thirds (63 percent) of all schools were critical geographic need schools. It should be further noted that 63 percent of all primary, elementary, and middle schools in the state in 2010-11 had a poverty index of 70 percent or higher based on the 2011 school report cards. As the poverty index of schools increases, the number of schools classified as critical geographic need schools will increase, resulting in less focus of the program on schools most in need.

² Includes all local public charter schools, the South Carolina Public Charter School District, Felton Lab, John de la Howe School, Palmetto Unified, Wil Lou Gray Opportunity School, School for the Deaf and Blind, Governor's School for Science and Mathematics, and the Governor's School for the Arts and Humanities. Source: South Carolina Department of Education, School List Portal. <<http://ed.sc.gov/agency/Accountability/Data-Management-and-Analysis/SchoolListPortal.html>>.

Section II Applications to the Teacher Loan Program

During the first ten years of the Teacher Loan Program, 11,387 individuals received a loan through the Teacher Loan Program. Specific demographic information is not available for these recipients, but information on applicants since 1994-95 is available. Since 1994-95, the South Carolina Student Loan Corporation has received and processed 31,660 applications for the Teacher Loan Program (Table 5). The number of applicants is a duplicated count as one applicant could have applied for loans in multiple years. Of the 31,660 applications, 68 percent were approved; 26 percent were denied, and 6 percent were cancelled by the applicant. Applications generally were denied for several reasons. Since 1994-95, 41 percent of all denials were due to the failure of the applicant to meet the academic grade point criteria. Inadequate funds accounted for another 28 percent of all denials.

**Table 5
Status of Applicants**

Year	Total Applied*	Approved	Cancelled	Denied	Reason for Denial				
					Academic Reason	Credit Problem	Inadequate Funds	No EEE Praxis	Other**
1994-95	2,242	1,416	176	650	241	48	240	69	52
1995-96	2,024	986	176	862	229	8	490	115	20
1996-97	1,446	982	118	346	262	5		51	28
1997-98	1,545	1,117	119	309	201	3		63	42
1998-99	1,569	1,138	128	303	182	10		54	57
1999-00	1,532	1,121	85	326	206	6		69	45
2000-01	2,028	1,495	112	421	244	16		86	75
2001-02	2,297	1,536	106	655	312	8	157	122	56
2002-03	2,004	1,332	110	562	219	3	126	139	75
2003-04	1,948	1,345	118	485	189	1	104	125	66
2004-05	1,735	1,101	93	541	148	1	267	65	60
2005-06	1,902	1,299	154	449	145	2	111	102	89
2006-07	2,033	1,466	150	417	206	3	37	78	93
2007-08	2,451	1,711	169	571	249	10	114	122	76
2008-09	2,676	1,888	126	662	263	10	193	118	78
2009-10	2,228	1,555	92	581	147	13	300	75	46
2010-11	1,717	1,114	97	506	89	4	308	72	33
TOTAL	33,377	22,602	2,129	8,646	3,532	151	2,447	1,525	991
%		68%	6%	26%					

Source: South Carolina Student Loan Corporation, 1995-2011

*This is a duplicated count of individuals because the same individuals may apply for loans in multiple years.

***"Other" reasons include (1) not a SC resident, (2) enrollment less than half time, (3) ineligible critical area, (4) not seeking initial certification, (5) received the maximum annual and/or cumulative loan and (6) application in process.

Note: For FY2010-11 of the 308 applications denied due to inadequate funds, 21 were applications to the Career Changers program.

In 2010-11 the total number of applications to the Teacher Loan Program declined by 23 percent over the prior year. Comparing the number of applications from 2008-09 to 2010-11, there has been an overall 56 percent decline. There are no data to explain the reduction. One possible explanation is that students continue to reevaluate their career paths against the changing economic uncertainties.

Of the 506 applications denied in 2010-11, approximately 60 percent were due to insufficient funding. SCSL estimates that an additional \$1,288,056 would have been needed to fund all eligible applications in 2010-11. Consequently, the number of applications approved was also down by 441 from the prior year.

Description of Applicants

In 2003, the EIA and Improvement Mechanisms Subcommittee of the Education Oversight Committee requested that staff develop goals and objectives for the Teacher Loan Program. An advisory committee was formed with representatives from CERRA, SCSL, the Division of Educator Quality and Leadership at the State Department of Education, and the Commission on Higher Education. After review of the data, the advisory committee recommended the following three goals and objectives for the Teacher Loan Program (TLP) in 2004.

- The percentage of African American applicants and recipients of the TLP should mirror the percentage of African Americans in the South Carolina teaching force.
- The percentage of male applicants and recipients of the TLP should mirror the percentage of males in the South Carolina teaching force.
- Eighty percent of the individuals receiving loans each year under the TLP should enter the South Carolina teaching force.

Historically, applicants for the program have been overwhelmingly white and/or female (Tables 6 and 7). This trend continued in 2010-11 with 77 percent of all applicants female and 80 percent white. In 2010-11 18.1 percent of all public school teachers in South Carolina were male and 81.2 percent female.³ Therefore, by gender, applicants to the South Carolina Teacher Loan Program reflect the gender of the existing South Carolina public school teaching force.

³ “Quick Facts – Education in South Carolina for 2010-11.” South Carolina Department of Education, Office of Data Management and Analysis, Emailed to EOC on February 29, 2012.

Table 6
Distribution of Applicants to the Teacher Loan Program by Gender

Year	# Applications	Male	%	Female	%	Unknown	%
1994-95	2,242	246	11.0%	1,476	65.8%	520	23.2%
1995-96	2,024	305	15.1%	1,692	83.6%	27	1.3%
1996-97	1,446	195	13.5%	1,189	82.2%	62	4.3%
1997-98	1,545	247	16.0%	1,241	80.3%	57	3.7%
1998-99	1,569	261	16.6%	1,267	80.8%	41	2.6%
1999-00	1,532	263	17.2%	1,212	79.1%	57	3.7%
2000-01	2,028	299	14.7%	1,628	80.3%	101	5.0%
2001-02	2,297	288	12.5%	1,769	77.0%	240	10.4%
2002-03	2,004	246	12.3%	1,599	79.8%	159	7.9%
2003-04	1,948	253	13.0%	1,480	76.0%	215	11.0%
2004-05	1,735	261	15.0%	1,413	81.4%	61	3.5%
2005-06	1,902	282	14.8%	1,305	68.6%	315	16.6%
2006-07	2,033	328	16.1%	1,482	72.9%	223	11.0%
2007-08	2,451	410	16.7%	1,845	75.3%	196	8.0%
2008-09	2,676	483	18.0%	2,102	78.6%	91	3.4%
2009-10	2,228	418	18.8%	1,763	79.1%	47	2.1%
2010-11	1,717	316	18.4%	1,324	77.1%	77	4.5%
TOTAL:	33,377	5,101	15%	25,787	77%	2,728	8%

Source: South Carolina Student Loan Corporation, 1995-2011.

In the 1990s several states, including members of the Southern Regional Education Board (SREB), implemented policies to attract and retain minorities into the teaching force. South Carolina specifically implemented minority teacher recruitment programs at Benedict College and South Carolina State University. Currently, only the South Carolina Program for the Recruitment and Retention of Minority Teachers (SC-PRRMT) at South Carolina State University remains in operation. The General Assembly in 2011-12 appropriated by proviso \$339,482 in EIA revenues to the program. SC-PRRMT promotes “teaching as a career choice by publicizing the many career opportunities and benefits in the field of education in the State of South Carolina. The mission of the Program is to increase the pool of teachers in the State by making education accessible to non-traditional students (teacher assistants, career path changers, and technical college transfer students) and by providing an academic support system to help students meet entry, retention, and exit program requirements.”⁴ The program “also administers an EIA Forgivable Loan Program and participates in state, regional, and national teacher recruitment initiatives.”⁵

Over time, 15 percent of all applicants to the Teacher Loan program have been African American (Table 7). The percentage of African Americans applying to the program has declined

⁴ 2011-12 EIA Program Report as provided to the EOC by the South Carolina Program for the Recruitment and Retention of Minority Teachers, October 2011
<<http://www.eoc.sc.gov/Reports%20%20Publications/Budget%20Survey/2011/070002%20-%20Recruitment%20and%20Retention%20for%20Minority%20-%20SC%20State%20University%2009-30-11rek.pdf>>.

⁵ Ibid.

from 17 percent in 2008-09 to 13 percent in 2010-11. For comparison purposes, 14.9 percent of teachers employed in public schools in 2010-11 were African American.⁶

Table 7
Distribution of Applicants to the Teacher Loan Program by Race/Ethnicity,

Year	# Applications	Ethnicity							
		African American		Other		White		Unknown	
		#	%	#	%	#	%	#	%
1994-95	2,242	210	9	20	1	1,580	70	432	19
1995-96	2,024	271	13	31	2	1,664	82	58	3
1996-97	1,446	236	16	14	1	1,115	77	81	6
1997-98	1,545	258	17	12	1	1,195	77	80	5
1998-99	1,569	301	19	9	1	1,193	76	66	4
1999-00	1,532	278	18	14	1	1,164	76	76	5
2000-01	2,028	310	15	25	1	1,555	77	138	7
2001-02	2,297	361	16	15	1	1,630	71	291	13
2002-03	2,004	280	14	14	1	1,506	75	204	10
2003-04	1,948	252	13	13	<1	1,426	73	257	13
2004-05	1,735	263	15	17	1	1,357	78	98	6
2005-06	1,902	267	14	28	1	1,416	74	191	10
2006-07	2,033	356	17	20	1	1,495	74	162	8
2007-08	2,451	401	16	37	1	1,823	74	190	8
2008-09	2,676	453	17	54	2	2,059	77	110	4
2009-10	2,228	317	14	38	2	1,802	81	71	3
2010-11	1,717	228	13	35	2	1,373	80	81	5
TOTAL	33,377	5,042	15	396	1	25,353	76	2,586	8%

Source: South Carolina Student Loan Corporation, 1995-2011.

One approach to increase the supply of highly qualified teachers is school-to-college partnerships that introduce students early on to teaching as a career. In South Carolina the Teacher Cadet Program, which is coordinated by the Center for Educator Recruitment, Retention, and Advancement (CERRA) at Winthrop University, has impacted the applicant pool. As reported by CERRA, the mission of the Teacher Cadet Program "is to encourage academically talented or capable students who possess exemplary interpersonal and leadership skills to consider teaching as a career. An important secondary goal of the program is to provide these talented future community leaders with insights about teaching and school so that they will be civic advocates of education." Teacher Cadets must have at least a 3.0 average in a college preparatory curriculum, be recommended in writing by five teachers, and submit an essay on why they want to participate in the class. In 2010-11, 39 percent of all applicants to the Teacher Loan Program were participants in the Teacher Cadet Program (Table 8). Since 1994-95, approximately one-third all applicants have participated in the Teacher Cadet Program.

⁶ "Quick Facts – Education in South Carolina for 2010-11." South Carolina Department of Education, Office of Data Management and Analysis, Emailed to EOC on February 29, 2012.

Table 8
Distribution of Applicants to the Teacher Loan Program by Teacher Cadet Program

Year	Number Applications	Teacher Cadets	%	Not Teacher Cadets	%	UNKNOWN	%
1994-95	2,242	761	34	1,348	60	133	6
1995-96	2,024	751	37	1,203	59	70	3
1996-97	1,446	537	37	864	60	45	3
1997-98	1,545	545	35	946	61	54	4
1998-99	1,569	577	37	939	60	53	3
1999-00	1,532	560	37	896	58	76	5
2000-01	2,028	685	34	1,245	61	98	5
2001-02	2,297	773	34	1,369	60	155	7
2002-03	2,004	727	36	1,209	60	68	3
2003-04	1,948	669	34	1,186	61	93	5
2004-05	1,735	567	33	1,051	60	117	7
2005-06	1,902	580	31	1,006	53	316	17
2006-07	2,033	695	34	1,269	62	69	3
2007-08	2,451	792	32	1,523	62	136	6
2008-09	2,676	819	31	1,670	62	187	7
2009-10	2,228	811	36	1,352	61	65	3
2010-11	1,717	662	39	1,024	60	31	2
TOTAL	33,377	11,511	34	20,100	60	1,766	5

Source: South Carolina Student Loan Corporation, 1995-2011

Overwhelmingly, applicants to the Teacher Loan Program are undergraduates. Table 9 showcases the number of applicants by academic level. While historically only 18 percent of program applicants are freshmen, consistently 59 percent are continuing undergraduates. In 2011-12 two-thirds of all applicants were continuing undergraduates. Students may be more willing to commit to a professional program after their initial year of post-secondary education. Anecdotal information provided by financial aid counselors about potential graduate student loan applicants identified a hesitancy to participate in the program because they were uncertain about where they might be living after completing their degrees.

Table 9
Distribution of Applicants to the Teacher Loan Program by Academic Level

Year	Number Applied	Academic Level Status									
		Freshman		Continuing Undergrad		1 st Semester Graduate		Continuing Graduate		Unknown	
		#	%	#	%	#	%	#	%	#	%
1994-95	2,242	491	22	1,403	60	76	3	171	8	101	5
1995-96	2,024	435	21	1,280	60	92	4	155	8	62	3
1996-97	1,446	261	18	897	60	73	10	164	11	51	4
1997-98	1,545	272	18	876	60	138	10	202	13	57	4
1998-99	1,569	295	19	856	60	146	10	224	14	48	3
1999-00	1,532	331	22	863	60	135	10	196	13	7	<1
2000-01	2,028	440	22	1,087	50	194	10	300	15	7	1
2001-02	2,297	545	24	1,241	54	215	9	291	13	5	<1
2002-03	2,004	336	17	1,183	59	205	10	277	14	3	<1
2003-04	1,948	298	15	1,177	60	194	10	263	14	16	<1
2004-05	1,735	232	13	1,068	62	162	9	256	15	17	1
2005-06	1,902	281	15	1,083	57	231	12	248	13	59	3
2006-07	2,033	363	18	1,157	57	209	10	251	12	53	3
2007-08	2,451	445	18	1,471	60	186	8	233	9	116	5
2008-09	2,676	428	16	1,534	57	265	10	278	10	171	6
2009-10	2,228	404	18	1,370	61	204	9	207	9	43	2
2010-11	1,717	230	13	1,136	66	140	8	195	11	16	1
TOTAL	33,377	6,087	18	19,682	59	2,865	9	3,911	12	832	2

Source: South Carolina Student Loan Corporation, 1995-2011.

Section III Recipients of a South Carolina Teacher Loan

To reiterate, over time, approximately two-thirds of all applicants to the Teacher Loan Program have qualified and received a South Carolina Teacher Loan. In 2010-11, of the 1,717 applications received, 1,114 individuals or 65 percent of all applicants received a Teacher Loan. According to the South Carolina Student Loan Corporation, the average loan amount in 2010-11 was \$4,182.

Table 10 documents the distribution of loan recipients over time by academic level. In 2010-11 83 percent of all Teacher Loan Program recipients were undergraduate students as compared to 84 percent in 2009-10. Looking at the undergraduate recipients, 69 percent were juniors or seniors. Across years the data show that there is an annual decline in loan recipients between freshman and sophomore years. There are several possible reasons for the decline: (1) individuals may decide that they do not want to become teachers; (2) some students may leave college after freshman year; and (3) some individuals may no longer meet the qualifications to receive the loans. There are two primary reasons sophomores may no longer qualify for the loan: their GPA is below a 2.5 and/or they have not passed the Praxis I test required for entrance into an education program. No data exist on how many of the applicants were rejected for not having passed or how many had simply not taken the exam. Either way, the applicant would not qualify for additional TLP loans until the Praxis I was passed.

**Table 10
Distribution of Recipients of the Teacher Loan Program by Academic Level Status**

	Freshmen	Sophomores	Juniors	Seniors	5 th Year Undergrads	1 st year Graduates	2 nd Year Graduates	3+ Year Graduates
1994-95	268	143	290	381	37	64	41	12
1995-96	8	108	246	395	34	91	45	3
1996-97	137	71	228	359	31	70	67	18
1997-98	173	105	225	338	37	165	45	22
1998-99	292	107	228	330	34	168	67	8
1999-00	225	93	205	324	36	143	88	7
2000-01	291	145	278	376	48	231	104	19
2001-02	318	166	306	400	35	208	82	8
2002-03	183	143	274	396	31	218	72	13
2003-04	168	114	317	386	55	187	86	26
2004-05	121	69	248	392	50	118	82	20
2005-06	185	89	230	419	67	203	85	21
2006-07	221	148	267	441	61	212	92	15
2007-08	344	195	345	469	61	207	80	8
2008-09	328	225	426	459	59	284	85	22
2009-10	286	165	362	452	48	157	76	9
2010-11	126	120	254	379	43	107	62	23
TOTAL	3,674	2,206	4,729	6,696	767	2,833	1,259	254

Source: South Carolina Student Loan Corporation, 1995-2011

Table 11 compares the academic status of applicants to actual recipients in 2010-11.

Table 11
Comparisons by Academic Level of Applicants and Recipients, 2009-10

	Undergraduate	Graduate	Unknown	TOTAL
Applicants	1,366 (80%)	335 (20%)	16 (1%)	1,717
Recipients	922 (83%)	192 (17%)		1,114

Teacher Loan recipients attended forty-one universities and colleges in 2009-10 of which 30 or 73 percent were South Carolina institutions with a physical campus. For comparison purposes, the Commission on Higher Education reports that there are 59 campuses of higher learning in South Carolina: 13 public senior institutions; 4 public two-year regional campuses in the USC system; 16 public technical colleges; 24 independent or private senior institutions; and 2 independent two-year- colleges.⁷ Table 12 documents the number of Teacher Loan recipients attending South Carolina public and private institutions. The “Other” category includes: (1) out-of-state colleges and universities; (2) branches of out-of-state degree-granting institutions operating in South Carolina; and (3) online institutions.

Table 12
Teacher Loan Recipients by Institution of Higher Education, 2010-11

	Institution	Number Recipients
1	Anderson University	68
2	Cambridge College	1
3	Chapman University-Irvine	1
4	Charleston Southern University	9
5	The Citadel	12
6	Clemson University	119
7	Coastal Carolina University	30
8	Coker College	22
9	College of Charleston	91
10	Columbia College	31
11	Converse College	55
12	Erskine College	5
13	Francis Marion University	46
14	Furman University	20
15	Lander University	47
16	Limestone College	10
17	Newberry College	31
18	North Greenville University	12
19	Presbyterian College	12
20	Randolph-Macon College, Ashland	1
21	SC State University	9
22	Southern Wesleyan University	28
23	University of Phoenix	1
24	USC-Aiken	30
25	USC-Beaufort	1
26	USC-Upstate	62

⁷ Commission on Higher Education. <http://www.che.sc.gov/InfoCntr/Coll_Univ.htm>.

	Institution	Number Recipients
27	USC-Columbia	221
28	University of West Alabama	1
29	Western Carolina University	1
30	Western Governors University	1
31	Winthrop University	136
	TOTAL:	1,114

Source: South Carolina Student Loan Corporation, 2011

The number of loan recipients at historically African-American institutions continues to decline. According to the Commission on Higher Education and SCSL, in 2010-11 there were a total of 9 teacher loans to students attending South Carolina State University. No other historically African-American institution had any students receiving teacher loans in 2010-11 (Table 13).

Table 13
Teacher Loans to Historically African American Institutions

Institution	2010-11	2009-10	2008-09	2007-08
Benedict College	0	2	6	14
Claflin University	0	1	7	2
Morris College	0	0	0	2
S.C. State University	9	9	22	24
TOTAL:	9	12	35	42

Source: South Carolina Student Loan Corporation, 2011

Recipients of the Teacher Loan Program also receive other state scholarships provided by the General Assembly to assist students in attending institutions of higher learning in South Carolina. The other scholarship programs include the Palmetto Fellows Program, the Legislative Incentive for Future Excellence (LIFE) Scholarships, and the Hope Scholarships. The Palmetto Fellows Program, LIFE Scholarships, and Hope Scholarships award scholarships to students based on academic achievement, but are not directed to teacher recruitment. In 1999 the General Assembly created the Teaching Fellows Program to recruit up to 200 high achieving high school seniors each year into teaching. Students who receive a Teaching Fellows award go through a rigorous selection process, which includes an online application (scholastic profiles, school and community involvement, references, and an interest paragraph), an interview and presentation in front of a team of three educators, and a scored written response. Teaching Fellows are awarded up to \$6,000 per year to attend one of eleven Teaching Fellows Institutions in the state of South Carolina as long as they continue to meet criteria for participation. Teaching Fellows must maintain a minimum GPA of 2.75, attend regular Teaching Fellows meetings on their campus, engage in service learning activities, and participate in advanced professional development. Recipients agree to teach in South Carolina at least one year for each year they receive an award, and they sign a promissory note that requires payment of the scholarship should they decide not to teach. In addition to being an award instead of a loan, the Teaching Fellows Program differs from the Teacher Loan Program in that recipients are not required to commit to teaching in a critical need subject or geographic area to receive the award.

Working with the Commission on Higher Education, the South Carolina Student Loan, and the South Carolina Department of Education, specific data files from the three organizations were merged and cross-referenced to determine how the scholarship programs interact with the Teacher Loan Program. Table 14 shows over the last thirteen years the number of Teacher Loan recipients who also participated in the Hope, LIFE, or Palmetto Fellows programs and who were later employed by public schools. The merged data found a total of 2,335 recipients of LIFE, Palmetto Fellows and Hope Scholarships employed in public schools in South Carolina in 2010-11 who were also Teacher Loan recipients. The data show consistent annual increases, evidence that more high achieving students are choosing to enter the field of education and teach in public schools in South Carolina.

Table 14
Loan Recipients serving in South Carolina schools and having received LIFE, Palmetto, Fellows and Hope Scholarships

Fiscal Year	LIFE	Palmetto Fellows	Hope	Total
1998-1999	11	*		11
1999-2000	93	*		93
2000-2001	227	*		227
2001-2002	370	*		370
2002-2003	533	2	**	535
2003-2004	701	10	0	711
2004-2005	898	27	0	925
2005-2006	1,069	39	0	1,108
2006-2007	1,306	59	5	1,370
2007-2008	1,552	72	26	1,650
2008-2009	1,775	93	49	1,917
2009-2010	1,932	116	67	2,115
2010-2011	2,097	145	93	2,335

Source: Commission on Higher Education, 2011

*Data Not Available

**Hope Scholarship established in 2002-03.

Policymakers have also questioned how the state's scholarship programs generally impact the number of students pursuing a teaching career in the state. Table 15 shows the total number of scholarship recipients each year. It is a duplicated count across years.

Table 15
Total Number of Scholarship Recipients for the Fall Terms

Year	LIFE	Palmetto Fellows	Hope
1998	14,618	**	
1999	16,374	**	
2000	16,560	**	
2001	19,469	2,606	
2002	23,330	2,915	2,085 *
2003	25,450	3,358	2,324
2004	27,105	3,663	2,343
2005	27,832	4,316	2,449
2006	28,362	4,755	2,408
2007	29,140	5,148	2,615
2008	29,943	5,516	2,590
2009	31,607	5,894	2,716
2010	32,125	6,122	2,844

Source: Commission on Higher Education, 2011.

* Program started in the 2002-03 academic year.

** Program was in existence but data were not available.

Of these individuals receiving scholarships in the fall of 2010, the following had declared education as their intended major (Table 16).

Table 16
Comparison of Scholarship Recipients and Education Majors, Fall 2009

Scholarship	# of Education Majors	# of Scholarships	Percent
Hope	360	2,844	12.7%
LIFE	3,543	32,125	11.0%
Palmetto	412	6,122	6.7%
TOTAL	4,315	41,091	10.5%

In the first year of the LIFE Scholarships 7.2 percent of the scholarship recipients declared as education majors (Table 17). In the fall of 2010, 11.0 percent of LIFE scholarship recipients had declared education as their major. Overall, in the fall of 2010, 10.5 percent of all Hope, LIFE, and Palmetto Fellows scholarship recipients had declared education as a major. The trends show consistency across the most recent years.

Table 17
Percent of Students that Received Scholarships for each Fall Term
and had Declared an Education Major

Fall	LIFE	Palmetto Fellows	Hope	Total
1998	7.2	**	*	7.2
1999	7.7	**	*	7.7
2000	7.4	**	*	7.4
2001	11.0	5.9	*	10.4
2002	11.4	6.1	14.3	11.1
2003	12.1	7.0	13.9	11.7
2004	12.1	6.3	13.2	11.5
2005	12.2	7.1	15.1	11.7
2006	11.7	7.1	14.7	11.3
2007	11.3	6.8	14.6	10.9
2008	11.0	6.4	13.1	10.4
2009	11.1	6.5	14.4	10.6
2010	11.0	6.7	12.7	10.5

Source: Commission on Higher Education, 2011.

* Program started in the 2002-03 academic year.

** Program was in existence but data were not available.

Finally, over time, average SAT scores of loan recipients have increased. In 1998-99 the mean SAT score for Teacher Loan recipients was 961.1. In 2010-11 the mean score for Teacher Loan recipients increased by 15 points (Table 18). If a student took the test more than once, the most recent score is used. In 2010-11 the average SAT score of 1,107 was well above the national SAT average of 1,011 for critical reading and mathematics.

Table 18
Mean SAT Scores⁸

Academic Year	Teacher Loan Program Recipients	SC
1998-1999	961.1	951
1999-2000	960.9	954
2000-2001	971.3	966
2001-2002	997.9	974
2002-2003	1,024.1	981
2003-2004	1,056.9	989
2004-2005	1,069.6	986
2005-2006	1,076.7	993
2006-2007	1,076.8	986
2007-2008	1,081.2	984
2008-2009	1,095.6	985
2009-2010	1,091.4	982
2010-2011	1,107.0	979

Source: South Carolina Student Loan Corporation, 2011 and College Board.

Repayment or Cancellation Status

South Carolina Student Loan (SCSL) reports that as of June 30, 2011, 15,593 borrowers were in a repayment or cancellation status. Of these 2,399 borrowers have never been eligible for cancellation and are repaying their loans.”⁹ The following table is a comprehensive list of the status of all borrowers:

⁸ The composite score is the sum of the average Verbal and Math Score (1998-2005) and the Critical Reading score average and the Mathematics score average (2006-2011).

⁹ 2011-12 EIA Program Report as provided to the EOC by the South Carolina Student Loan Corporation, October 2011.

<<http://www.eoc.sc.gov/Reports%20%20Publications/Budget%20Survey/2011/080001%20SC%20Student%20Loan%20Program%2009-29-11rek.pdf>>.

Table 19
Borrowers as of June 30, 2011

Number Borrowers	% of Borrowers	Status
2,399	15%	Never eligible for cancellation and are repaying loan
392	3%	Previously taught but not currently teaching
1,407	9%	Teaching and having loans cancelled
5,562	36%	Repaying the loan or a portion of the loan;
183	1%	Loan discharged due to death, disability or bankruptcy
82	1%	In Default
<u>5,081</u>	33%	Loans cancelled by fulfilling teaching requirement
15,593		

Source: South Carolina Student Loan Corporation, 2011

Teacher Loan Program Recipients Employed in Public Schools of South Carolina

What information exists about the current employees of public schools in South Carolina who had received a Teacher Loan? Data files from SCSL and South Carolina Department of Education (SCDE) were merged. There were 6,524 Teacher Loan recipients employed by public schools in 2010-11 up 258 or 4 percent over the prior school year. Like the applicants, the Teacher Loan recipients who were employed in South Carolina's public schools were overwhelmingly white and female (Table 20).

Table 20
Loan Recipients in South Carolina Schools by Gender and Ethnicity, 2010-11

Gender	Number	Percent
Male	788	12.1
Female	5,684	87.1
Unknown	52	0.8
Total	6,524	

Ethnicity	Number	Percent
African American	866	13.3
White	5,444	83.4
Asian	16	0.2
Hispanic	42	0.6
American Indian	4	0.1
Unknown	152	2.3
Total	6,524	

These, 6,524 individuals served in a variety of positions in 2010-11 (Table 21).

Table 21
Loan Recipients Employed in SC Public Schools as of 2010-11 by Position

Position Code	Description	Number	Position Code	Description	Number
1	Principal	76	48	Assistant Superintendent, Noninstruction	1
2	Assistant Principal, Co-principal	152	50	District Superintendent	1
3	Special Education (Itinerant)	16	53	Director, Instruction	1
4	Prekindergarten (Child Development)	116	54	Supervisor, Elementary Education	2
5	Kindergarten	258	56	Supervisor, Adult Education	0
6	Special Education (Self-Contained)	356	58	Director, Special Services	4
7	Special Education (Resource)	429	72	Coordinator, Mathematics	0
8	Classroom Teacher	4298	74	Coordinator, Science	1
9	Retired Teacher	10	75	Educational Evaluator	0
10	Library Media Specialist	256	76	Coordinator, Social Studies	1
11	Guidance Counselor	151	78	Coordinator, Special Education	15
12	Other Professional Instruction-Oriented	84	80	Supervisor, District Library Media Services	1
13	Director Career & Technology Education	1	82	Coordinator, Early Childhood Education	0
15	Coordinator, Job Placement	3	83	Coordinator, Parenting/Family Literacy	2
16	Director, Adult Education	3	84	Coordinator, Elementary Education	1
17	Speech Therapist	140	85	Psychologist	11
19	Temporary Instruction-Oriented Personnel	7	86	Support Personnel	1
23	Career Specialist	5	89	Title I Instructional Paraprofessional	5
27	Technology/IT Personnel	5	91	Child Development Aide	1
28	Director, Personnel	5	92	Kindergarten Aide	3
29	Other Personnel Positions	2	93	Special Education Aide	8
33	Director, Technology	2	94	Instructional Aide	3
35	Coordinator, Federal Projects	4	97	Instructional Coach	45
43	Other Professional Non-Instructional Staff	22	98	Adult Education Teacher	3
44	Teacher Specialist	2	99	Other District Office Staff	10
47	Director, Athletics	1		TOTAL	6,524

Analyzing the data in another way, approximately two-thirds of the recipient graduates were employed in public schools as regular classroom teachers, another 12 percent were working in special education classrooms, and another 6 percent in four-year-old child development and kindergarten classes (Table 22). Approximately 8 percent were employed in other positions, working in public schools in typically administrative rather than direct instructional capacities.

Table 22
Loan Recipients Employed in Public Schools By Various Functions, 2010-11

Position Code	Description	# Positions	Percent
04	Prekindergarten	116	2%
05	Kindergarten	258	4%
03, 06, 07	Special Education	801	12%
08	Classroom Teachers	4,298	66%
10	Library Media Specialist	256	4%
11	Guidance Counselor	151	2%
17	Speech Therapist	140	2%
All Others	Principals, Assistant Principals, Directors, Coordinators, etc.	504	8%
	Total	6,524	

Table 23 documents the primary area of certification of all Teacher Loan recipients who were employed in public schools in 2010-11.

Table 23
Loan Recipients Employed in SC Public Schools in 2010-11 by Primary Certification Area

Code	Certification Subject	Number Certified	Code	Certification Subject	Number Certified
01	Elementary	2919	30	Agriculture	6
02	Sp/Ed - Generic Special Ed	140	32	Distributive Education	1
03	Speech Language Therapist	134	35	Family & Consumer Science	12
04	English	355	40	Commerce	1
05	French	31	46	Data/Information Processing	1
06	Latin	1	47	Business Education	43
07	Spanish	80	49	Advanced Fine Arts	1
08	German	3	4B	Business & Marketing Technology	27
10	Mathematics	424	50	Art	120
11	General Mathematics	4	51	Music Education – Choral	48
12	Science	135	53	Music Education – Voice	2
13	General Science	15	54	Music Education – Instrumental	55
14	Biology	41	57	Speech & Drama	2
15	Chemistry	13	58	Dance	7
16	Physics	1	5A	English for Speakers of Other Languages	3
1A	Middle School Language Arts	2	5C	Theater	6
1B	Middle School Mathematics	2	60	Media Specialist	85
1C	Middle School Science	1	63	Driver Training	7
1D	Middle School Social Studies	5	64	Health	1
1E	Middle Level Language Arts	65	67	Physical Education	70
1F	Middle Level Mathematics	50	70	Superintendent	2
1G	Middle Level Science	15	71	Elementary Principal	26
1H	Middle Level Social Studies	59	72	Secondary Principal	4
20	Social Studies	152	80	Reading Teacher	7
21	History	8	81	Reading Consultant	1
26	Psychology	2	84	School Psychologist II	4
29	Industrial Technology Education	8	85	Early Childhood Education	773
2A	Sp/Ed - Educable Mentally Disabled	97	86	Guidance – Elementary	56
2B	Sp/Ed - Visual Impairment	4	89	Guidance – Secondary	12
2C	Sp/Ed - Trainable Mentally Disabled	3	AC	Health Science Technology	2
2D	Sp/Ed – Deafness & Hearing Impaired	3	AV	Electricity	2
2E	Sp/Ed - Emotional Disabilities	88	BF	Small Engine Repair	1
2G	Sp/Ed - Learning Disabilities	171	DB	Protective Services	1
2H	Sp/Ed - Mental Disabilities	33		Unknown/Not Reported	8
2I	Sp/Ed – Multicategorical	61		School Psychologist III	1
2J	Sp/Ed - Severe Disabilities	1		TOTAL	6524

Other Teacher Loan Programs

Appropriations from the General Fund also support two other teacher loan programs – Career Changers and PACE (Program for Alternative Certification for Educators). The Career Changers Program was designed to recruit individuals with undergraduate degrees in areas other than teaching who have been working for at least three years. Participants in the Career Changers Program must be at least half-time students and are eligible to borrow up to \$15,000 per year and up to an aggregate maximum of \$60,000.

PACE, originally named the Critical Needs Certification Program, places qualified applicants in South Carolina classrooms as teachers; the participants possess an undergraduate degree or equivalent in the content area in which they are teaching, but lack the courses needed for certification. PACE participants teach full-time and take courses toward certification while employed. They are eligible for up to \$750 per year for up to four years to help defray educational costs.

Reductions in General Fund revenues have resulted in reductions to these loan programs. In Fiscal Years 2010-11 and 2011-12 the General Assembly appropriated \$1,065,125 for these programs.

Analyzing the number of loan recipients who were also employed in public schools in 2010-11, Tables 24 and 25 provide the following information. Among the 1,209 individuals who were in the PACE program and who were employed in public schools in 2010-11, a higher percentage were male, 27.7 percent, as compared to 12.1 percent of the individuals who received a Teacher Loan Program and were employed in public schools in 2010-11. Similarly, 37.6 percent of the 1,209 individuals employed in public schools in 2010-11 who were PACE participants were African American as compared to 13.3 percent of the 6,524 individuals employed in public schools in 2010-11 who were Teacher Loan Program recipients.

Table 24
Loan Recipients in South Carolina Schools by Gender, 2010-11

Gender	Career Changers	PACE	Teacher Loan Program	TOTAL
Female	330 (81.3%)	864 (71.5%)	5,684 (87.1%)	6,878
Male	69 (17.0%)	335 (27.7%)	788 (12.1%)	1,192
Unknown	7	10	52	69
TOTAL:	406	1,209	6,524	8,139

Table 25
Loan Recipients in South Carolina Schools by Gender, 2010-11

Race	Career Changers	PACE Program Critical Needs	Teacher Loan Program	TOTAL
African American	74 (18.2%)	454 (37.6%)	866 (13.3%)	1,394
American Indian	1 (0.2%)	4 (0.3%)	4 (0.1%)	9
Asian	0 (0.0%)	7 (0.6%)	16 (0.2%)	23
White	316 (77.8%)	695 (57.5%)	5,444 (83.4%)	6,455
Hispanic	3 (0.7%)	25 (2.1%)	42 (0.6%)	70
Unknown/Not Supplied	12 (3.0%)	2 (2.0%)	152 (2.3%)	188
Total	406	1,209	6,524	8,139

Section IV Teacher Supply and Demand

Teacher Supply and Demand

Annually since 2001 the Center for Educator Recruitment, Retention, and Advancement (CERRA) at Winthrop University has conducted a Teacher/Administrator Supply and Demand Survey. CERRA surveys each school district as well as the South Carolina School for the Deaf and Blind, the Department of Juvenile Justice, the Palmetto Unified School District and the South Carolina Public Charter School District to determine the number of authorized and filled teaching positions. The results of the latest survey were released in December 2011.¹⁰ Table 26 documents the total number of teachers hired and leaving school districts since 2001 as documented by CERRA.

Table 26
Teachers Hired and Leaving, 2001-2011¹¹

Year	Teachers Hired	Teachers Leaving
2001	6,553.50	5,049.50
2002	5,581.70	5,333.00
2003	4,828.75	4,808.00
2004	6,486.75	5,222.00
2005	7,444.80	5,630.00
2006	8,101.00	6,354.00
2007	8,416.70	6,530.00
2008	7,159.20	5,746.00
2009	3,619.30	4,652.50
2010	3,514.59	4,612.80
2011	4,588.40	4,287.35

Source: CERRA

“The total number of teachers hired in South Carolina’s public school districts and special schools this year was 4,588.40. This reflects a 31% increase of 1,074 teachers compared to last school year when our state saw the lowest number of teachers hired since 2001, the first year of the Supply and Demand Survey....Similar to last school year, thirty-five percent (1,452.25) of all teachers hired this year were new graduates from teacher education programs in the state.... One-quarter (1,022.25) of the reported hires transferred from one South Carolina district to another. Teachers who transferred from another state made up 16% of all hires, a slight increase compared to last year’s 14% of hires represented by out-of state teachers.”¹²

¹⁰ “Fall 2011 Teacher/Administrator Supply & Demand Survey,” December 2011, Center for Educator Recruitment, Retention, and Advancement,

<http://cerra.org/export/sites/default/research/SupplyAndDemand/2011_Supply_x_Demand.pdf>.

¹¹ Ibid.

¹² Ibid, p.3.

Section V

Summary of Findings and Recommendations

Findings from Previous Reports Confirmed

- The Teacher Loan Program continues to fulfill the statutory mission to attract individuals into the teaching profession and into areas of critical need as measured by the annual increase in applications and in the number of Teacher Loan Program recipients teaching in public schools in South Carolina.
- The average SAT score of Teacher Loan recipients continues to increase.
- Approximately 10 percent of all Hope, Life and Palmetto Fellows Scholarships were awarded to students who had declared education as a major.
- Over time, one-third of all Teacher Loan recipients had their loans cancelled by fulfilling the teaching requirement with another 9 percent in the process of teaching and having their loans cancelled. The default rate has been consistently one percent of all loans made.
- Consistently, 300 applicants are annually denied a loan due to insufficient EIA funding.

New Findings from the 2010-11 Report

- The number of applicants to the Teacher Loan Program continues to decline by 23 percent in 2010-11.
- Of the 1,717 applicants to the program, 1,114 loans were approved totaling \$4,654,965. The number of approved applications was an 28 percent reduction from the prior year. The average amount of a Teacher Loan in 2010-11 was \$4,182.
- In 2010-11 the Teacher Loan Program was funded with \$4,000,722 in EIA revenues and \$1,000,000 in Revolving Loan Funds. An additional \$1,288,056 would have been needed to fund all eligible applications in 2010-11.
- The State Board of Education identified 15 critical need subject areas and 785 critical geographic need schools in 2010-11.
- The percentage of African-American applicants in 2010-11 declined to 13 percent which is less than the percentage of African-American teachers in the public schools, 15.1 percent.
- The number of Teacher Loan Program recipients at historically African-American institutions fell in 2010-11 to a total of 9.
- In the 2010-11 school year there were 6,524 individuals employed by public schools in the state who had received a South Carolina Teacher Loan.
- In the 2010-11 school year there were another 1,615 individuals employed by public schools in the state who participated either in the Career Changers (406) or PACE program (1,209).
- Among the 1,209 individuals who were in the PACE program and who were employed in public schools in 2010-11, a higher percentage were male, 27.7 percent, as compared to 12.1 percent of the individuals who received a Teacher Loan Program and were employed in public schools in 2010-11. Similarly, 37.6 percent of the 1,209 individuals employed in public schools in 2010-11 who were PACE participants were African American as compared to 13.3 percent of the 6,524 individuals employed in public schools in 2010-11 who were Teacher Loan Program recipients.

Recommendations:

- The statutory definition of critical geographic area should be amended to include schools with a poverty index of 80 percent or greater, rather than 70 percent or greater.
- The EOC should consider including in its EIA budget recommendations for Fiscal Year 2013-14 an increase in the EIA appropriation for the Teacher Loan Program in order to provide funding for individuals who qualify for the program but are denied the loan due to insufficient funds.
- A policy board of governance should be established, or an existing state agency should be identified as the central authority of the program, with the responsibility to set goals, allocate available funding, facilitate communication among the cooperating agencies, and advocate for the loan participants and effectively market the Teacher Loan Program.

Appendix

SECTION 59-26-20. Duties of State Board of Education and Commission on Higher Education.

The State Board of Education, through the State Department of Education, and the Commission on Higher Education shall:

(a) develop and implement a plan for the continuous evaluation and upgrading of standards for program approval of undergraduate and graduate education training programs of colleges and universities in this State;

(b) adopt policies and procedures which result in visiting teams with a balanced composition of teachers, administrators, and higher education faculties;

(c) establish program approval procedures which shall assure that all members of visiting teams which review and approve undergraduate and graduate education programs have attended training programs in program approval procedures within two years prior to service on such teams;

(d) render advice and aid to departments and colleges of education concerning their curricula, program approval standards, and results on the examinations provided for in this chapter;

(e) adopt program approval standards so that all colleges and universities in this State that offer undergraduate degrees in education shall require that students successfully complete the basic skills examination that is developed in compliance with this chapter before final admittance into the undergraduate teacher education program. These program approval standards shall include, but not be limited to, the following:

(1) A student initially may take the basic skills examination during his first or second year in college.

(2) Students may be allowed to take the examination no more than four times.

(3) If a student has not passed the examination, he may not be conditionally admitted to a teacher education program after December 1, 1996. After December 1, 1996, any person who has failed to achieve a passing score on all sections of the examination after two attempts may retake for a third time any test section not passed in the manner allowed by this section. The person shall first complete a remedial or developmental course from a post-secondary institution in the subject area of any test section not passed and provide satisfactory evidence of completion of this required remedial or developmental course to the State Superintendent of Education. A third administration of the examination then may be given to this person. If the person fails to pass the examination after the third attempt, after a period of three years, he may take the examination or any sections not passed for a fourth time under the same terms and conditions provided by this section of persons desiring to take the examination for a third time. Provided, that in addition to the above approval standards, beginning in 1984-85, additional and upgraded approval standards must be developed, in consultation with the Commission on Higher Education, and promulgated by the State Board of Education for these teacher education programs.

(f) administer the basic skills examination provided for in this section three times a year;

(g) report the results of the examination to the colleges, universities, and student in such form that he will be provided specific information about his strengths and weaknesses and given consultation to assist in improving his performance;

(h) adopt program approval standards so that all colleges and universities in this State that offer undergraduate degrees in education shall require that students pursuing courses leading to teacher certification successfully complete one semester of student teaching and other field experiences and teacher development techniques directly related to practical classroom situations;

(i) adopt program approval standards whereby each student teacher must be evaluated and assisted by a representative or representatives of the college or university in which the student teacher is enrolled. Evaluation and assistance processes shall be locally developed or selected by colleges or universities in accordance with State Board of Education regulations. Processes shall evaluate and assist student teachers based on the criteria for teaching effectiveness developed in accordance with this chapter. All

college and university representatives who are involved in the evaluation and assistance process shall receive appropriate training as defined by State Board of Education regulations. The college or university in which the student teacher is enrolled shall make available assistance, training, and counseling to the student teacher to overcome any identified deficiencies;

(j) the Commission on Higher Education, in consultation with the State Department of Education and the staff of the South Carolina Student Loan Corporation, shall develop a loan program in which talented and qualified state residents may be provided loans to attend public or private colleges and universities for the sole purpose and intent of becoming certified teachers employed in the State in areas of critical need. Areas of critical need shall include both geographic areas and areas of teacher certification and must be defined annually for that purpose by the State Board of Education. The definitions used in the federal Perkins Loan Program shall serve as the basis for defining “critical geographical areas”, which shall include special schools, alternative schools, and correctional centers as identified by the State Board of Education. The recipient of a loan is entitled to have up to one hundred percent of the amount of the loan plus the interest canceled if he becomes certified and teaches in an area of critical need. Should the area of critical need in which the loan recipient is teaching be reclassified during the time of cancellation, the cancellation shall continue as though the critical need area had not changed. Additionally, beginning with the 2000-2001 school year, a teacher with a teacher loan through the South Carolina Student Loan Corporation shall qualify, if the teacher is teaching in an area newly designated as a critical needs area (geographic or subject, or both). Previous loan payments will not be reimbursed. The Department of Education and the local school district are responsible for annual distribution of the critical needs list. It is the responsibility of the teacher to request loan cancellation through service in a critical needs area to the Student Loan Corporation by November first.

Beginning July 1, 2000, the loan must be canceled at the rate of twenty percent or three thousand dollars, whichever is greater, of the total principal amount of the loan plus interest on the unpaid balance for each complete year of teaching service in either an academic critical need area or in a geographic need area. The loan must be canceled at the rate of thirty-three and one-third percent, or five thousand dollars, whichever is greater, of the total principal amount of the loan plus interest on the unpaid balance for each complete year of teaching service in both an academic critical need area and a geographic need area. Beginning July 1, 2000, all loan recipients teaching in the public schools of South Carolina but not in an academic or geographic critical need area are to be charged an interest rate below that charged to loan recipients who do not teach in South Carolina.

Additional loans to assist with college and living expenses must be made available for talented and qualified state residents attending public or private colleges and universities in this State for the sole purpose and intent of changing careers in order to become certified teachers employed in the State in areas of critical need. These loan funds also may be used for the cost of participation in the critical needs certification program pursuant to Section 59-26-30(A)(8). Such loans must be cancelled under the same conditions and at the same rates as other critical need loans.

In case of failure to make a scheduled repayment of an installment, failure to apply for cancellation of deferment of the loan on time, or noncompliance by a borrower with the intent of the loan, the entire unpaid indebtedness including accrued interest, at the option of the commission, shall become immediately due and payable. The recipient shall execute the necessary legal documents to reflect his obligation and the terms and conditions of the loan. The loan program, if implemented, pursuant to the South Carolina Education Improvement Act, is to be administered by the South Carolina Student Loan Corporation. Funds generated from repayments to the loan program must be retained in a separate account and utilized as a revolving account for the purpose that the funds were originally appropriated. Appropriations for loans and administrative costs incurred by the corporation are to be provided in annual amounts, recommended by the Commission on Higher Education, to the State Treasurer for use by the corporation. The Education Oversight Committee shall review the loan program annually and report to the General Assembly.

Notwithstanding another provision of this item:

(1) For a student seeking loan forgiveness pursuant to the Teacher Loan Program after July 1, 2004, “critical geographic area” is defined as a school that:

(a) has an absolute rating of below average or unsatisfactory;

(b) has an average teacher turnover rate for the past three years that is twenty percent or higher;
or

(c) meets the poverty index criteria at the seventy percent level or higher.

(2) After July 1, 2004, a student shall have his loan forgiven based on those schools or districts designated as critical geographic areas at the time of employment.

(3) The definition of critical geographic area must not change for a student who has a loan, or who is in the process of having a loan forgiven before July 1, 2004.

(k) for special education in the area of vision, adopt program approval standards for initial certification and amend the approved program of specific course requirements for adding certification so that students receive appropriate training and can demonstrate competence in reading and writing braille;

(l) adopt program approval standards so that students who are pursuing a program in a college or university in this State which leads to certification as instructional or administrative personnel shall complete successfully training and teacher development experiences in teaching higher order thinking skills;

(m) adopt program approval standards so that programs in a college or university in this State which lead to certification as administrative personnel must include training in methods of making school improvement councils an active and effective force in improving schools;

(n) the Commission on Higher Education in consultation with the State Department of Education and the staff of the South Carolina Student Loan Corporation, shall develop a Governor’s Teaching Scholarship Loan Program to provide talented and qualified state residents loans not to exceed five thousand dollars a year to attend public or private colleges and universities for the purpose of becoming certified teachers employed in the public schools of this State. The recipient of a loan is entitled to have up to one hundred percent of the amount of the loan plus the interest on the loan canceled if he becomes certified and teaches in the public schools of this State for at least five years. The loan is canceled at the rate of twenty percent of the total principal amount of the loan plus interest on the unpaid balance for each complete year of teaching service in a public school. However, beginning July 1, 1990, the loan is canceled at the rate of thirty-three and one-third percent of the total principal amount of the loan plus interest on the unpaid balance for each complete year of teaching service in both an academic critical need area and a geographic need area as defined annually by the State Board of Education. In case of failure to make a scheduled repayment of any installment, failure to apply for cancellation or deferment of the loan on time, or noncompliance by a borrower with the purpose of the loan, the entire unpaid indebtedness plus interest is, at the option of the commission, immediately due and payable. The recipient shall execute the necessary legal documents to reflect his obligation and the terms and conditions of the loan. The loan program must be administered by the South Carolina Student Loan Corporation. Funds generated from repayments to the loan program must be retained in a separate account and utilized as a revolving account for the purpose of making additional loans. Appropriations for loans and administrative costs must come from the Education Improvement Act of 1984 Fund, on the recommendation of the Commission on Higher Education to the State Treasurer, for use by the corporation. The Education Oversight Committee shall review this scholarship loan program annually and report its findings and recommendations to the General Assembly. For purposes of this item, a ‘talented and qualified state resident’ includes freshmen students who graduate in the top ten percentile of their high school class, or who receive a combined verbal plus mathematics Scholastic Aptitude Test score of at least eleven hundred and enrolled students who have completed one year (two semesters or the equivalent) of collegiate work and who have earned a cumulative grade point average of at least 3.5 on a 4.0 scale. To remain eligible for the loan while in college, the student must maintain at least a 3.0 grade point average on a 4.0 scale.

The Education Oversight Committee does not discriminate on the basis of race, color, national origin, religion, sex, or handicap in its practices relating to employment or establishment and administration of its programs and initiatives. Inquiries regarding employment, programs and initiatives of the Committee should be directed to the Executive Director 803.734.6148.