Attracting Personnel

FUNDING AND LOAN FORGIVENESS

Description

Funding and loan forgiveness programs reduce the fiscal burden on students. Depending on the program, personnel may qualify for grants while in school or for loan forgiveness or additional funding once they have graduated and are in-service. Student benefits may be greater in high-need locations and subjects.

Overview

Two issues play a prominent role in the public discussion of personnel shortages: preparation program **affordability** and salaries.

Successful funding strategies to attract personnel to high-need fields such as special education are characterized by two main indicators: They **incentivize** working in high-need fields and schools, and they **cover a meaningful portion of preparation costs** (Espinoza, Saunders, Kini, & Darling-Hammond, 2018).

One of the most obvious barriers for potential candidates is the fiscal **burden of student loans.** More than two thirds of individuals entering the field of education borrow money to pay for their preparation (Espinoza et al., 2018). Funding and loan forgiveness programs seek to reduce the burden and remove this obstacle to attracting high-quality educators (Mason-Williams et al., 2020). Presently, the Federal government and more than **40 States offer** funding and loan forgiveness programs in education.

Funding and loan forgiveness programs have proven effective for attracting candidates in other fields. For example, **health care has long used funding and loan forgiveness** to recruit high-quality personnel in areas where critical shortages have occurred (Bärnighausen & Bloom, 2009). While this strategy has **only recently been adopted** in the **education** field, early findings have shown it to be **just as successful as it has been in other fields** (Podolsky & Kini, 2016).

Research Findings

Research on funding and loan forgiveness programs suggests the following:

- When strategies **cover a significant portion** of tuition and/or living costs, they are effective in recruiting high-quality professionals into the field and communities in which they are most needed and retaining them (Podolsky & Kini, 2016).
- Funding and loan forgiveness led to increased recruitment and retention in **critical shortage areas** such as secondary math, science, and special education (Feng & Sass, 2015).
- Educators whose preparation was funded by a service scholarship note that their scholarship **influenced their commitment** to teach and remain in a **high-needs school** for the full term of their commitment (Liou & Lawrenz, 2011).
- The success of funding and loan forgiveness programs depends largely on how well they are **tailored to meet the specific needs** of candidates (Kowal, Hassel, & Hassel, 2008).
- The **higher percentage** of preparation program **tuition covered** by funding supports, **the greater the influence** the funding had on the recipients' decisions to become teachers in high-needs schools (Liou & Lawrenz, 2011).
- In some cases, funding and loan forgiveness programs were found to be ineffective if personnel are not also provided with **competitive salaries and compensation** by local education agencies (LEAs) in their regions (Maranto & Shuls, 2012).

Overview (Continued)

These approaches are particularly important in **diversifying** the early intervention, special education, and related services workforce, as **personnel of color are more likely to struggle with costs of preparation** (Fiddiman, Campbell, & Partelow, 2019). While loan forgiveness and other fiscal supports are an essential strategy for attracting a more diverse educator workforce, it is important to note that funding and loan forgiveness programs are often **limited by State and district budgetary constraints** and the number of allocations awarded (Fiddiman, Campbell, & Partelow, 2019; Espinoza et al., 2018). This can **lead to** issues of **inequity**, not only for communities or color but for low-income and rural districts where there may be limited funds to support these programs.

Besides loan forgiveness, many States and organizations have also started implementing **salary schedules, retention bonuses**, and housing and **down payment support** as fiscal incentives to recruit prospective educators to the field and attract them to their localities.

Research Findings (Continued)

The North Carolina Teaching Fellows Program, which recruited high-achieving high school graduates into a preparation program in exchange for a commitment to teach for at least 4 years, found not only that the program **attracted more diverse candidates** with high academic qualifications but that these individuals were **more effective teachers** and had **high rates of retention.** Many have also gone on to become superintendents in the State (Cohen, 2015; Henry, Bastian, & Smith, 2012).

Exemplars

- **Connecticut Housing Finance Authority Teacher Mortgage Assistance Program.** The Teacher Mortgage Assistance Program, established in partnership with the Connecticut State Department of Education, offers personnel in State-identified shortage areas (i.e., comprehensive special education, speech-language pathology, and school psychology) below-market interest rate mortgage loans to help them become homeowners in the communities where they work. To help recruit and retain minority educators, additional incentives are available for personnel prepared by a historically Black college or university or a Hispanic-serving institution.
- **Iowa Teacher Leadership and Compensation (TLC) System.** The TLC System rewards effective teachers with leadership opportunities and higher pay, attracts promising new teachers with competitive starting salaries and more support, and fosters greater collaboration and mutual learning. In the program's latest available report, based on the 2018–19 school year, 89% of districts fully or mostly met their attraction and retention goals (Iowa Department of Education, 2019).
- **Minnesota Teacher Shortage Loan Repayment Program.** This program provides student loan repayment assistance to educators giving classroom instruction in areas with an identified teacher shortage, such as special education. Of the 2018 award recipients, nearly all elected to reapply. The average award paid to 2018 award recipients was $1,000, and awardees are limited to $5,000 in total repayment assistance (FitzGibbon & Moua, 2020).

(Additional exemplars can be found on the Attract, Prepare, Retain resource page.)

KEY IMPLEMENTATION CONSIDERATIONS

Critical Components for Success

(Lists are not sequential)

Setting the Stage

- Identify existing relationships between State education agencies (SEAs), LEAs, institutions of higher education (IHEs), and/or policy makers.
- Examine data related to the current workforce.
- Identify gaps in personnel related to a specialty (e.g., special education) or to race/ethnicity, gender, or another characteristic.
- Begin a dialogue between SEA, LEA, and IHE personnel to select a potential focus area for a funding and loan forgiveness model designed to address one or more of the gaps.
- Investigate existing funding and loan forgiveness programs to determine whether they are successful and could serve as models (see exemplars).
- Confirm which program or programs are the most effective—programs that provide additional funds to teachers (directly or indirectly), programs that offer loan forgiveness, programs that provide scholarships, or programs that combine two or more types of support.
- Establish what, if any, requirements or metrics participants in the program will need to follow. Examples include high academic performance, positive impact on student outcomes, acceptance of an appointment in a critical shortage area, and a minimum appointment length.
- Identify any additional supports that may work in tandem with funding and loan forgiveness to increase the attraction and retention of participants.

Initial Start-Up

- Create a formal partnership agreement or memorandum of understanding between the SEA, LEA, and/or IHE.
- Identify individuals who could serve in leadership roles across the SEA, LEA, and/or IHE to oversee the program.
- Develop training to share with chosen SEA, LEA, and/or IHE leaders.
- Select the individuals who will assist in administering funds and any additional supports to be provided to participants.

Related Services

As many related service preparation programs are only available at the post-baccalaureate level, preparation for related service personnel **can often be more costly** than teacher preparation. Fiscal supports and loan forgiveness have been cited as effective methods of addressing shortages **across all related service professions**, particularly in hard-to-staff localities and for recruiting and retaining a diverse workforce (NCPSSERS, 2014; ODE, 2019; Public Policy Associates et al., 2020).

While local and Federal funding for loan forgiveness programs is less common for related service professions than for teaching, **professional organizations** can serve as a resource to attract individuals to pursue certification. For example, the **American Physical Therapy Association** provides a resource hub for funding and student loan supports. Many of these resources are directly aimed at aiding physical therapists who work in educational settings.

Critical Components for Success (Continued)

- Identify potential funding sources such as Federal or State grants, Title II or IDEA funds, community foundations, or other local business partnerships.
- Determine any financial limits of the program for participants (funding limits per year and over time on an individual basis) based on total program funding.
- Design participant screening and selection processes.
- Clarify how and when funds will be disbursed to participants.
- Confirm data to gather that may be useful in evaluating whether the targeted personnel are being attracted and retained.

Continuous Improvement

- Review preliminary data to see whether the program has shown signs of success. Have any identified initial gaps been addressed?
- Schedule regular check-ins with participants to see whether they continue to feel adequately supported.
- Make refinements to the program based on data and lessons learned.

Leveraging Lessons Learned

- Secure additional funding for the funding and loan forgiveness program.
- Share success stories.
- Determine the feasibility of sustaining and/or scaling up the program.
- Develop guidance, resources, and tools.

Early Childhood

Research has found that providing fiscal incentives and supports, such as funding and loan forgiveness, is **one of the most effective strategies to address shortages** of early childhood and early intervention personnel (Kucskar, Buchter, Oh-Young, & Weglarz-Ward, 2017).

In contrast to related service professions, prospective candidates are able to begin pursuing certification in early childhood fields at the **community college (associates) level** (OSEP Symposium, 2019). As preparation at the 2-year **associates level is less costly** and more accessible to individuals from local communities, it has been **effective in attracting individuals of color and English-language learners** into the field of early childhood (Eberly, 2018; OSEP Symposium, 2019). To continue attracting this critical population, it is imperative that States, districts, and professional organizations ensure that funding incentives and loan forgiveness programs are **available at the community college and 2-year institution level.** They must also **concurrently offer funding pathways** for individuals completing these 2-year programs **to transition into 4-year and postgraduate programs.**

Stakeholder Spotlight

- **State Agencies.** To adequately fund loan forgiveness programs and other funding sources, an SEA can partner with other State agencies. For these collaborations to be successful, States must first identify an incentive, program, or strategy to implement and then select a partner agency within the State that serves stakeholders in that population. Once an SEA identifies opportunities for alignment with that agency, financial departments from both agencies can collaboratively plan funding mechanisms. One example is the Connecticut State Department of Education's partnership with the **Connecticut Housing Finance Authority** to fund the Teacher Mortgage Assistance Program, shared above. Another example is **Arizona Department of Health's** First Things First Early Childhood Therapist Incentive Program, which has found success partnering with localities in the State, including tribal communities, to recruit related service and early childhood candidates into high-needs areas. More information on these and similar programs can be found on OSEP's [Attract, Prepare, Retain resource page](#).

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This document was produced under U.S. Department of Education, Office of Special Education Programs (OSEP) contract no. GS007F-347CA. The views expressed herein do not necessarily represent the positions or policies of the U.S. Department of Education. No official endorsement by the U.S. Department of Education of any product, commodity, service, or enterprise mentioned on this website is intended or should be inferred.