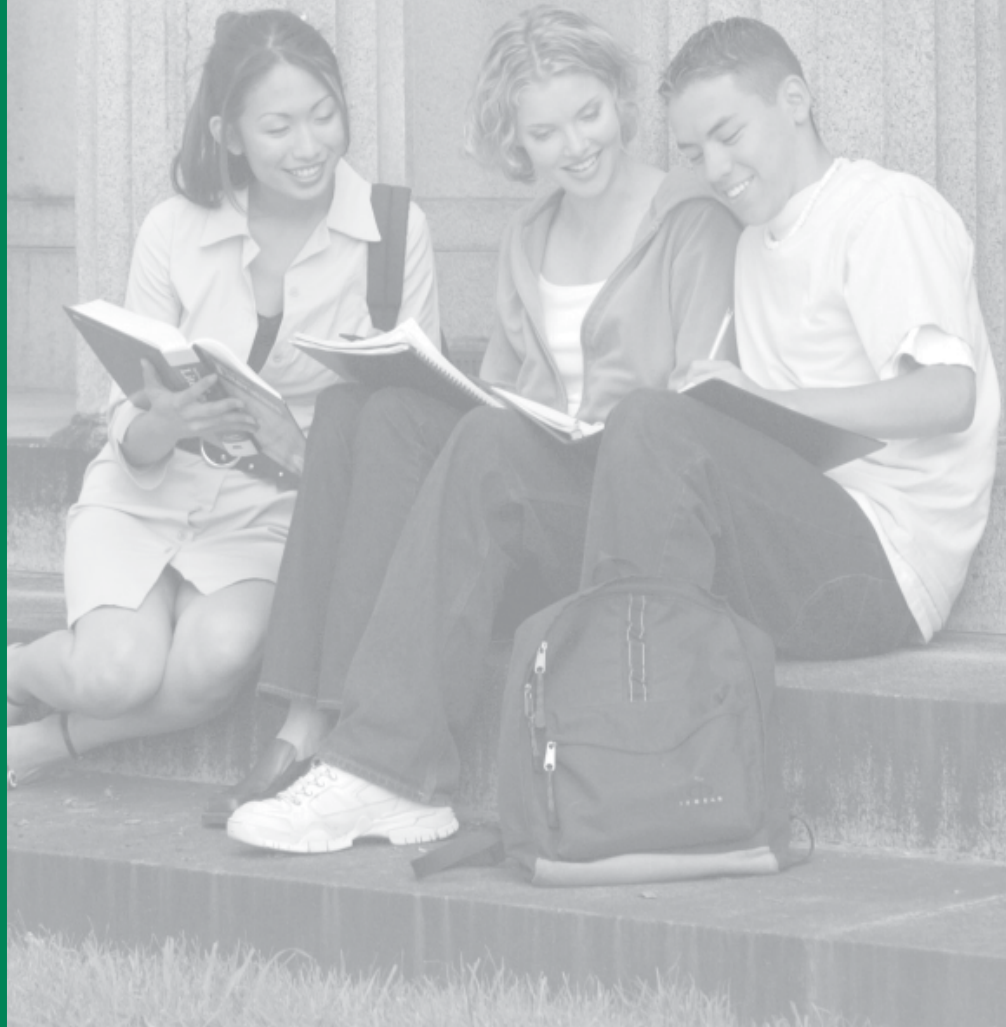




# APLE

## Assumption Program of Loans for Education

**Annual  
Report  
2002-03**



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### ASSUMPTION PROGRAM OF LOANS FOR EDUCATION HISTORY

This report is submitted to the Legislature pursuant to California Education Code Section 69615.4.

#### PURPOSE

The Assumption Program of Loans for Education (APLE), described in California Education Code (Education Code) Sections 69612 to 69616, was designed by the Legislature to address California's growing shortage of quality classroom teachers in specific subject areas, such as math or science; teachers of children with special needs; and teachers for schools serving children from low-income families.

Specifically, the Legislature intended that the APLE program:

- ✓ *Identify subject areas with shortages of teachers.* It should provide incentives to attract students to the teaching profession, particularly in identified subject shortage areas, as well as assistance to new credential recipients to obtain a teaching position in a subject shortage area.
- ✓ *Identify schools serving children from low-income families.* It should provide incentives to students pursuing a teaching credential to teach in these schools.
- ✓ *Encourage postsecondary students, particularly economically disadvantaged students, to pursue a teaching career.*
- ✓ *Encourage teacher trainee or interns to complete additional coursework to obtain a teaching credential by providing financial incentives.*

#### LEGISLATIVE HISTORY

The Legislature and Governor have demonstrated consistent policy and fiscal support for the APLE, starting in 1983 with the enactment of legislation that focused on credentialed teachers [Chapter 498, Statutes of 1983 (SB 813)]. The enactment of Chapter 1483, Statutes of 1985 (SB 1208) and Chapter 1124, Statutes of 1986 (AB 3263) altered the focus of the APLE to concentrate on non-credentialed individuals who were training to become fully credentialed teachers in areas where critical teacher shortages had been identified or in schools serving a large population of students from low-income families.

Chapter 330, Statutes of 1998 (SB 1564) increased the number of awards from 400 to 4,500. Chapter 667, Statutes of 1999 (AB 1118) provided an additional 1,000 allocations to the APLE—bringing the total number of potential new participants to 5,500 for the 1999-2000 academic year.

Through Chapter 70, Statutes of 2000 (SB 1666), significant changes were made to the administration of the APLE and to program benefits. The following provisions were phased in over a two-year period beginning in 2000-2001.

- ✓ The addition of 1,000 awards to the APLE, bringing the total number of awards to 6,500.
- ✓ The allocation of up to 500 awards to County Offices of Education for nominations of out-of-state teachers.

- ✓ The designation of 100 awards for individuals who agreed to teach in school districts serving rural areas.
- ✓ The designation of 100 awards for individuals who agreed to teach in school districts with a high percentage of teachers holding emergency teaching permits.
- ✓ The modification of the previous 10-unit-per-semester requirement to allow half-time enrollment as defined by the postsecondary institution.
- ✓ The addition of schools ranked in the lowest 20th percentile of the Academic Performance Index (API) to the list of existing teacher shortage areas.
- ✓ An increase in the maximum benefit amount, from \$8,000 to \$11,000.
- ✓ An increase, from three to four, in the number of years required to teach to receive maximum benefits.
- ✓ The addition of a \$1,000 bonus per year for participants who perform teaching service in math, science, or special education. An additional \$1,000 of loan assumption benefits may be provided if the school is also ranked in the lowest 20th percentile of the API.

## ALL ABOUT APPLE

### IDENTIFICATION OF TEACHER SHORTAGE AREAS

The Education Code requires that the California Superintendent of Public Instruction provide the Commission with annual lists of:

- ✓ Teaching subjects with a critical shortage of teachers;
- ✓ Schools that serve a large population of students from low-income families;
- ✓ Schools with a high percentage of teachers holding emergency permits;
- ✓ Schools serving rural areas; and
- ✓ Low-performing schools.

### DEFINITION OF PARTICIPATING INSTITUTIONS

An eligible institution is defined (Education Code Section 69613) as one that participates in state and federal financial aid programs and maintains a program of professional teacher preparation that has been approved by the California Commission on Teacher Credentialing (CCTC).

There were 76 institutions with CCTC-approved teacher training programs in the 2002-2003 academic year. After signing the Commission's APPLE Participation Agreement, each eligible institution received a minimum of one application. The remaining applications were distributed to each institution in proportion to the number of credentials recommended to CCTC during the previous year by that institution. (See Appendix A for details.)

There are 500 APPLE awards designated for out-of-state teachers and 500 APPLE awards designated for the eight California District Intern Programs. The out-of-state applicants may apply to, and be nominated by, a California County Office of Education; district interns are nominated by the District Intern Coordinators.

### PROGRAM ELIGIBILITY REQUIREMENTS

Applicants must meet various criteria, including:

- ✓ Completion of the equivalent of at least 60 semester, or 90 quarter, units of postsecondary education prior to receipt of award.
- ✓ Enrollment in, or admission to: 1) a program leading to a baccalaureate degree, or 2) a program of professional teacher preparation approved by the CCTC. The program must include a student teaching requirement and authorize service for kindergarten or grades 1 through 12.
- ✓ Maintenance of at least half-time enrollment of undergraduate or teacher preparation course work as determined by the credentialing institution.
- ✓ Maintenance of satisfactory progress toward credential objective.
- ✓ Determination by a participating postsecondary institution that the applicant has outstanding ability on the basis of criteria determined by the institution.
- ✓ Receipt of, or approval to receive, an educational loan made pursuant to 20 U.S.C. Section 1071 et seq., or any educational loan approved by the Commission, to meet the costs of obtaining an initial teaching credential.
- ✓ Agreement to provide up to four consecutive years of teaching service in a California public school in one of the subject shortage areas or in certain designated schools.

Applicants who participate in a teacher trainee or teacher internship credential program must possess a baccalaureate degree and must meet all other eligibility requirements. Out-of-state applicants must already have a teaching credential from their home state and must meet all other eligibility requirements.

### PROGRAM BENEFITS

The Commission is authorized to assume up to \$11,000 (\$19,000 if the student qualifies for both bonuses) in outstanding educational loan balances for participants who provide up to four consecutive years of qualified full-time teaching in a public California K-12 school. Table 1 shows the benefits by year.

**TABLE 1**

<b>APLE PROGRAM BENEFITS</b>			
After Completion of:	<b>All Participants</b>	<b>Bonus Amount</b> (Teaching math, science or special education)	<b>Additional Bonus</b> (Teaching math, science or special education in a low-performing school)
First year:	\$2,000	\$1,000 (Total \$3,000)	\$1,000 (Total \$4,000)
Second year:	\$3,000	\$1,000 (Total \$4,000)	\$1,000 (Total \$5,000)
Third year:	\$3,000	\$1,000 (Total \$4,000)	\$1,000 (Total \$5,000)
Fourth year:	\$3,000	\$1,000 (Total \$4,000)	\$1,000 (Total \$5,000)
<b>Total</b>	<b>\$11,000</b>	<b>\$15,000</b>	<b>\$19,000 Maximum</b>

### APPLICATION AND SELECTION PROCESS

The APLE application process begins in April at participating institutions. Each institution is given a limited number of APLE applications based on the number of teaching credentials recommended to CCTC in the prior academic year. Students interested in applying must submit an application to the campus APLE Coordinator.

The application is reviewed for completeness, for eligibility based on program requirements, and ranked by specific selection criteria chosen by the school.

Although the Commission administers the APLE, participating institutions are given latitude in choosing the selection criteria for their applicants. Most institutions use multiple criteria to evaluate applicants. Grade point average and faculty recommendations continue to be the most commonly used criteria for selecting participants (See Table 2).

**Table 2**

<b>SELECTION CRITERIA USED BY PARTICIPATING INSTITUTIONS IN 2002-2003</b>		
	<b>Number of Schools</b>	<b>Percent of Schools Using Criteria</b>
<b>Grade Point Average</b>	40	51.9
<b>Faculty Recommendations</b>	27	35.1
<b>Essays</b>	18	24.0
<b>Interviews</b>	16	21.3
<b>Test Scores</b>	11	14.3
<b>Extra Curricular Activities</b>	9	11.7
<b>Volunteer Work Experience</b>	8	10.4
<b>Other Criteria</b>	16	20.8

Each institution nominates the most qualified candidates to fill the initial allocation of awards from the Commission by the priority deadline. Institutions with additional qualified candidates may submit a list containing alternate nominees, ranked in priority order, for use during the reallocation process. Alternate candidates are selected based on the number of unused allocations from other institutions until all 7,500 allocations are filled. Of the total 7,500 applications allocated, 500 applications were allocated to County Offices of Education for recruitment of out-of-state candidates and an additional 500 were set aside for the eight District Intern Program participating institutions. The remaining 6,500 applications were for colleges and universities with teacher credentialing programs. In 2002-2003, the statute allowed the Commission to redirect any unused agreements from the 1,000 set aside to other eligible APLE applicants. As a result, the Commission was able to offer all 7,500 agreements for the year.



**Table 3**

APLE APPLICATIONS SUBMITTED FOR 2002-2003				
	Applications Submitted	- Ineligible Applicants	= Total Eligible Applications Submitted	Segmental Distribution of Eligible Applicants
University of California	542	2	540	7.2 %
California State University	3,022	2	3,020	40.3 %
Private Colleges & Universities	3,624	1	3,623	48.3 %
County Offices of Education for Out-of-State Recruitment	101	0	101	1.3 %
District Intern Program	216	0	216	2.9 %
<b>Total</b>	<b>7,505</b>	<b>5</b>	<b>7,500</b>	<b>100.0 %</b>

The Commission reviews all nominations for program eligibility. Commission staff checks for any discrepancies on the applications and withdraws any applications that do not meet all program requirements.

### LOAN ASSUMPTION AGREEMENTS

Nominees that meet all program eligibility requirements are sent a Loan Assumption Agreement (Agreement) that must be signed and returned to the Commission. The Agreement authorizes the Commission to make loan assumption payments if the participant complies with all APLE requirements.

In accordance with the Education Code, the Commission will begin loan assumption payments upon verification that the applicant has:

- ✓ Received a teaching credential that requires a baccalaureate degree (other than an emergency credential) authorizing service for kindergarten or any of the grades 1 through 12, and
- ✓ Provided eligible full-time classroom instruction in an applicable California public school for one school year.

An applicant who signed an Agreement to obtain a teaching credential in a designated Teacher Shortage Area may not change their area unless the area ceases to be a shortage area, **or** the applicant receives the Commission's written approval.

### AGREEMENTS NOT REDEEMED

Most applicants redeem their Agreement after the nomination process. However, as seen in Table 4, some students simply fail to sign and return the agreement. Commission staff sends non-respondents a letter requesting the signed agreement or a reason for declining. Every effort is made to obtain a positive contact and have the agreement redeemed. All remaining awards are reallocated to other qualified applicants when the Agreement is not returned or is declined.



**Table 4**

AGREEMENTS GRANTED BUT NOT REDEEMED BY STUDENTS			
	2000-2001	2001-2002	2002-2003
Agreements not signed and returned	308	398	779
Agreements declined	64	40	51
<b>Total</b>	<b>372</b>	<b>438</b>	<b>830</b>

Note: Total applications available for allocation: 2000-2001 = 6,500; 2001-2002 = 6,500; 2002-2003 = 7,500

In 2002-03, the initial 779 unsigned agreements, plus the 51 declined agreements, were distributed back to institutions for use during the reallocation process. By the end of 2002-2003, the Commission successfully selected 7,500 applicants as recipients from participating postsecondary institutions, including 101 recipients for the APLE for Out-of-State Teachers Program and 216 for the District Intern Program.

## WHO RECEIVES AN APLE

### AGE

Table 5A illustrates the distribution of APLE participants by age group for the past three years. At first glance, the changes seem to be modest from year to year. However, dividing the categories into two groups demonstrates the beginning of a trend.

If one describes “traditional” participants as thirty years old or younger and “non-traditional” participants as thirty-one or older, the “non-traditional” students continue to gain greater representation. In 2000-2001, “non-traditional” students represented 39.5 percent of all participants; this population increased to 48.9 percent in 2001-2002 and slightly decreased to 43.6 percent in 2002-2003. Most remarkable is the continuing strong participation rate of applicants over 45 years of age.

**Table 5A**

DISTRIBUTION OF APLE PARTICIPANTS BY AGE						
	2000-2001		2001-2002		2002-2003	
	Number	Percent	Number	Percent	Number	Percent
20 & Under	72	1.1	0	0.0	1	0.01
21—25	2,103	33.3	1,066	16.4	1896	25.28
26—30	1,652	26.1	2,254	34.7	2330	31.07
31—35	838	13.2	1,185	18.2	1237	16.49
36—40	600	9.5	637	9.8	674	8.99
41—45	464	7.3	533	8.2	505	6.73
46 & Over	598	9.5	825	12.7	857	11.43
<b>Total</b>	<b>6,327</b>	<b>100.0</b>	<b>6,500</b>	<b>100.0</b>	<b>7,500</b>	<b>100.0</b>

### ETHNICITY

Ethnic background is unrelated to the distribution of APLE awards or the selection of recipients. Participants are not required to report their ethnicity during the application process and the Commission does not require the school to report a nominee’s ethnicity. However, the APLE application contains an optional question regarding ethnicity; participants may choose whether to respond or not to this question. Table 5B reflects the distribution of APLE participants by self-reported ethnicity for the three most recent academic years. The relative representation has remained fairly stable for the past three years (with some slight changes year to year), but because the program has undergone many significant changes recently, it is difficult to identify any real trend. (Figure I displays eleven years of data.)

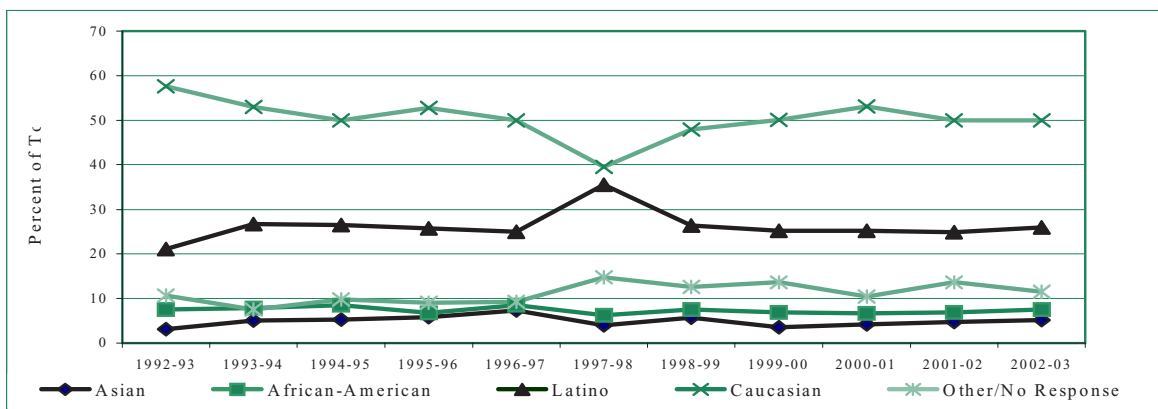
**Table 5B**

DISTRIBUTION OF APLE PARTICIPANTS BY ETHNICITY						
	2000-2001		2001-2002		2002-2003	
	Number	Percent	Number	Percent	Number	Percent
<b>Asian</b>	263	4.2	304	4.7	379	5.1
<b>African-American</b>	453	7.2	444	6.8	563	7.5
<b>Latino</b>	1,595	25.2	1,622	24.9	1945	25.9
<b>Caucasian</b>	3,357	53.0	3,248	50.0	3750	50.0
<b>Other/No Response</b>	659	10.4	882	13.6	863	11.5
<b>Total</b>	<b>6,327</b>	<b>100.0</b>	<b>6,500</b>	<b>100.00</b>	<b>7,500</b>	<b>100.0</b>

Note: Answers to questions on ethnicity are voluntary.

**FIGURE I**

**Eleven Years of APLE Participants by Ethnicity**



### GENDER

The distribution of males and females within the APLE program (see Table 5C) mirrors the gender distribution seen in postsecondary education as a whole. Although women’s participation has decreased slightly over the last five years, they continue to participate in APLE at a higher rate than men.

**Table 5C**

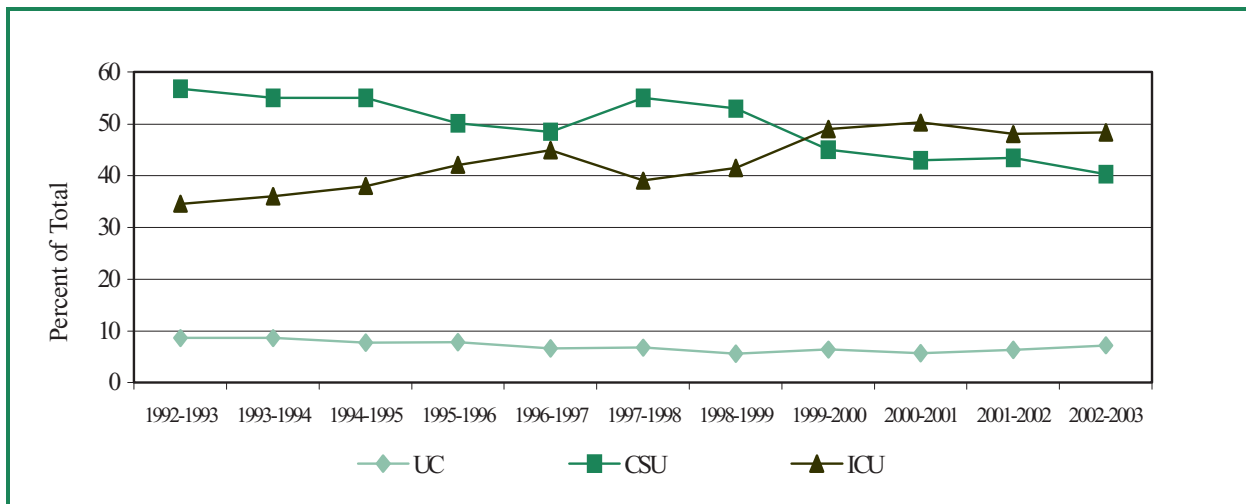
DISTRIBUTION OF APLE PARTICIPANTS BY GENDER					
	1998-1999 Percent	1999-2000 Percent	2000-2001 Percent	2001-2002 Percent	2002-2003 Percent
<b>Male</b>	24.1	25.2	24.9	26.5	26.7
<b>Female</b>	75.9	74.8	75.1	73.5	73.3
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

### SEGMENTAL DISTRIBUTION

Four of the five postsecondary education segments in California have CCTC-approved teacher preparation programs: the University of California (UC); the California State University (CSU); independent colleges and universities (ICU); and one private career college. The percentage of UC APLE participants increased from 5.7 percent in 2001-2002 to 7.2 percent in 2002-2003. The CSU share was strong at 40.3 percent of new APLE participants in 2002-2003 but continues to be below the private college and university (ICU plus PCC) percentage. Figure 2 includes the one private career college (in its first year of participation) with the other private colleges (ICU).

**Figure 2**

**Segmental Distribution: Eleven Years of APLE**



Note: Total applications available for allocation: 1998-99 = 4,500; 1999-2000 = 5,500; 2000-2001 = 6,500; 2001-2002 = 6,500; 2002-2003 = 7,500

### DISTRIBUTION BY TEACHER SHORTAGE AREA

Table 5D displays the distribution of APLE participants by teacher shortage area. Statutory requirements and annual changes in subject shortage areas require the addition or deletion of subject areas in a given year.

**Table 5D**

DISTRIBUTION OF PROGRAM PARTICIPANTS BY TEACHER SHORTAGE AREA						
Subject	2000-2001		2001-2002		2002-2003	
	Number	Percent	Number	Percent	Number	Percent
Mathematics <sup>1</sup>	351	5.5	373	5.74	489	6.5
Science <sup>1</sup>	318	5.0	339	5.22	336	4.5
English	Removed				Removed	
Bilingual Education <sup>1</sup>	450	7.1	295	4.54	Removed	
Reading Specialist <sup>1</sup>	51	0.8	38	.58	51	0.7
Special Education <sup>1</sup>	846	13.4	830	12.77	1,020	13.6
Foreign Language	Removed		13	.20	109	1.5
<b>School Category</b>						
Low-Income <sup>1</sup>	3,466	54.8	2,884	44.37	3,239	43.2
Low-Performing	115	1.8	1,452	22.34	1,956	26.1
Rural Area	131	2.1	155	2.38	169	2.3
High Percentage of Emergency Permit Teachers	158	2.5	119	1.83	127	1.7
State Special School	12	0.2	2	.03	4	0.1
Self-Contained Classroom <sup>2</sup>	429	6.8				
<b>Total</b>	<b>6,327</b>	<b>100.0</b>	<b>6,500</b>	<b>100.0</b>	<b>7,500</b>	<b>100.0</b>

Note: 1. Priority shortage areas

2. Legislation authorized agreements for the 2000-2001 academic year only.

The following explains the various APLE school categories:

- ✓ Low-Income School: Based on the percentage of students who qualified for the Free or Reduced Price Lunch Program, or the percentage of students whose families qualified under the CalWORKs criteria, whichever was larger.
- ✓ Low-Performing School: Based on schools that have low academic achievement (in the bottom 20%, as measured by Academic Performance Index (API) state rank of 5 or less).
- ✓ Rural Area School: Based on schools that serve rural areas or small towns identified by the U.S. Census Bureau data as rural or small town.
- ✓ High Percentage of Emergency Permit Teachers: Based on schools with 20% or more of teachers teaching with emergency permits.
- ✓ State Special School: One school for the Blind in Fremont and two Schools for the Deaf, one in Riverside and one in Fremont.
- ✓ Self-Contained Classroom: Teachers teaching in a public school that serves pupils in kindergarten or grades one to eight, inclusive.

### APLE PERFORMANCE

#### PROGRAM PARTICIPATION

Since the program’s redefinition in 1986-1987 (focusing on non-credentialed teachers), the Commission has received a total of 34,897 Loan Assumption Agreements. So far, more than 42 percent of all program participants, or 14,551, completed the coursework required for their initial teaching credential and were recommended for a credential. Almost 89 percent (12,908) of those who were recommended for and received a credential provided eligible teaching service and received either full or partial loan assumption benefits.

Each year, the Commission withdraws participants that no longer continue to meet eligibility criteria. During the 2002-2003 academic year, 1,959 participants were withdrawn prior to receipt of any loan assumption benefits. In the 2002-2003 academic year, the number of participants who received a credential, but were withdrawn before meeting any teaching requirement was 30.0 percent (see Table 6A). This compares favorably to the prior cumulative total of 37.4 percent shown in Table 6B.

**Table 6A**

<b>APPLICANTS WITHDRAWN FROM THE APLE                      PRIOR TO RECEIPT OF BENEFITS                      2002-2003 ACADEMIC YEAR</b>		
	<b>Number</b>	<b>Percent</b>
<b>Did Not Maintain Eligibility Requirements<sup>1</sup></b>	790	40.3
<b>Received Credential; Withdrawn Before Meeting any Teaching Requirement</b>	587	30.0
<b>Declined Participation or Not Teaching</b>	50	2.5
<b>Other<sup>2</sup></b>	532	27.2
<b>Total</b>	<b>1,959</b>	<b>100.0</b>

Note: 1. Includes enrolled less than half time; unsatisfactory performance or progress; no longer attending college.  
 2. Other reasons for being withdrawn include: a) not responding to correspondence, b) not returning forms, c) not leaving a forwarding address, or d) not being able to locate applicant. The Commission makes every effort to contact these students before they are withdrawn.

**Table 6B**

<b>APPLICANTS WITHDRAWN FROM APLE                      PRIOR TO RECEIPT OF BENEFITS                      CUMULATIVE DATA 1986-1987 THROUGH 2001-2002</b>		
	<b>Number</b>	<b>Percent</b>
<b>Did Not Maintain Eligibility Requirements<sup>1</sup></b>	2,456	54.5
<b>Received Credential; Did Not Meet 36-month Teaching Requirement</b>	1,686	37.4
<b>Declined Participation or Not Teaching</b>	190	4.2
<b>Other<sup>2</sup></b>	175	3.9
<b>Total</b>	<b>4,507</b>	<b>100.0</b>

Note: See notes 1 and 2 for Table 6A above.

The legislation that modified the enrollment requirement from 10 units (in 2000-2001) to at least half time (in 2001-2002) improved retention (as anticipated) of participants in the program while they pursued their teaching credential. Many students found the 10-unit enrollment requirement difficult to maintain. Those students often were working full-time or teaching under an emergency permit and taking courses to complete their full credential.

The Commission may also withdraw participants after the receipt of program benefits. In 2002-03, of the 8,530 payment recipients, 792 participants received their maximum benefits (for four years) and 280 had all of their outstanding student loans paid in full. Table 6C shows the distribution of the 2,209 participants who were withdrawn after receiving benefits during the 2002-2003 school year.

**Table 6C**

APPLICANTS WITHDRAWN FROM THE APLE AFTER RECEIPT OF BENEFITS 2002-2003 ACADEMIC YEAR		
	Number	Percent
Received Maximum Benefits	792	35.8
All Eligible Loans Paid-in-Full	280	12.7
Received No 2002-2003 Benefits; Did Not Teach Consecutive Years	1,137	51.5
Defaulted Loans	0	0.0
<b>Total</b>	<b>2,209</b>	<b>100.0</b>

### RETENTION RATES AND LOAN ASSUMPTION BENEFIT PAYMENTS

In addition to recruitment, the APLE encourages new teachers to stay in the profession for at least four years. As reflected in Table 7, 54 percent of the APLE participants who taught during the 1999-2000 academic year and received their first year of loan assumption benefits in 2000-2001 continued to teach and receive benefits for four consecutive years. Nearly 72 percent of the 2,558 participants who first taught in 2000-2001 and received their first year of benefits in 2001-2002 continued to teach for three consecutive years. However, many of the non-participants who are no longer receiving loan assumption payments did not necessarily leave the field of teaching. Some may not have maintained program requirements and are no longer eligible for benefits. Once participants have their eligible loans paid in full they are no longer included in the historical data beyond the reported year.

**Table 7**

RETENTION RATES FOR APLE PARTICIPANTS							
Benefits Received After 1 <sup>st</sup> Year of Teaching		Benefits Received in Subsequent Years					
		2 <sup>nd</sup> Year		3 <sup>rd</sup> Year		4 <sup>th</sup> Year	
Fiscal Year	Number	Number	Percent	Number	Percent	Number	Percent
2000-2001*	1,470	1,445	98.3	1,114	75.8	794	54.0
2001-2002*	2,558	2,288	89.4	1,807	70.6		
2002-2003*	3,174	2,767	87.2				
2003-2004*	3,162						

Note: \*As of report date. Eligible participants may receive benefits through their fourth year.

Table 8 provides a breakdown of the 8,984 loans for which payments have been assumed in the 2003-2004 fiscal year. These loan assumption benefit recipients taught during the 2002-2003 academic year. Commission-guaranteed loans account for 34.80 percent of the total loans assumed in fiscal year 2003-2004 to date, a decrease from 41.23 percent of the total loans assumed in the prior fiscal year (2002-2003).

**Table 8**

TOTAL NUMBER OF LOANS AND LOAN ASSUMPTION PAYMENTS BY LOAN TYPE TEACHING SCHOOL YEAR 2002-2003, PAID FISCAL YEAR 2003-2004			
	Number	Amount	Percent
Commission Guaranteed Stafford Loans*	2,610	\$6,948,429	28.47
US Department of Education Direct Student Loans	2,159	\$5,865,194	24.03
Stafford Loans (Guaranteed by other guarantors)	1,537	\$3,833,953	15.71
US Department of Education Direct Consolidation Loans	588	\$1,796,822	7.36
Commission Guaranteed Consolidation Loans*	503	\$1,544,890	6.33
Consolidated Student Loans	1,511	\$4,278,119	17.53
Private Educational Loans	63	\$110,686	0.45
Institution-Based Loans and University Loans	12	\$25,632	0.11
Federal Perkins Loans	1	\$916	0.00
Commission Guaranteed Supplemental Loans for Students*	0	\$0	0.00
<b>Total</b>	<b>8,984</b>	<b>\$24,404,642</b>	<b>100.0</b>

Note: \* Loans guaranteed by the California Student Aid Commission; more than one type of loan may be assumed per participant.

The 2003-2004 Employment Compliance Forms completed by APLE participants who taught in 2002-2003 indicate that the majority of current participants expect to teach in 2003-2004 and receive APLE benefits for an additional consecutive year. In the 2002-2003 school year, 8,530 APLE participants qualified for loan assumption benefits towards 8,894 separate loans.

Table 9 provides the number of APLE participants who received loan assumption benefits after each year of providing teaching service.

**Table 9**

TOTAL NUMBER OF PARTICIPANTS AND LOAN ASSUMPTION PAYMENTS MADE BY YEAR OF TEACHING SERVICE								
Year of Service	Taught 1999-2000 Paid FY 2000-2001		Taught 2000-2001 Paid FY 2001-2002		Taught 2001-2002 Paid FY 2002-2003		Taught 2002-2003 Paid FY 2003-2004	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
First	1,470	\$2,946,197	2,558	\$5,818,712	3,155	\$7,264,825	3,161	\$2,586,225
Second	262	\$778,280	1,445	\$4,399,711	2,288	\$7,411,037	2,767	\$7,515,701
Third	259	\$755,939	247	\$744,929	1,114	\$3,494,755	1,807	\$8,749,913
Fourth	181	\$493,314	210	\$640,132	178	\$552,031	794	\$5,552,804
<b>Total</b>	<b>2,172</b>	<b>\$4,973,730</b>	<b>4,460</b>	<b>\$11,603,484</b>	<b>6,735</b>	<b>\$18,722,648</b>	<b>8,530</b>	<b>\$24,404,642</b>



### APLE: BEYOND 2002-2003

#### FUTURE FINANCIAL IMPACT

Education Code 69612 states that “Funding necessary for the administration of this article shall be included within the annual budget of the Commission in an amount necessary to meet the student loan obligations incurred by the Commission.” As illustrated in Table 9 above, the fiscal implications of the APLE are becoming evident.

Commission staff projects that local assistance funding of over \$28 million could be required to pay all benefits in the 2003-2004 fiscal year (FY). This was based on the number of 2001-2002 program participants who entered as fifth-year or credential students and could be expected to teach in 2002-2003. At this time, the APLE local assistance budget is projected to reach at least \$34 million for FY 2004-2005 as the next “wave” of participants becomes eligible to receive benefits. A very preliminary estimate for FY 2005-2006 is about \$43 million.

**Table 10**

ALLOCATIONS, AWARDS AND LOAN ASSUMPTION PAYMENTS PROJECTED THROUGH 2004-2005						
Academic Year	Authorized Agreement Allocation	Number of Participants Awarded	Distributions Of Allocation	Local Assistance Paid	Number of Teachers Paid	Payments Made by Fiscal Year
1997-1998	400	400	All to Participating Colleges	\$2,121,353	830	1998-1999
1998-1999	4,500	3,805	500 Out of State not distributed/ no regulations to allow reallocation	\$2,113,856	798	1999-2000
1999-2000	5,500	5,485	500 Out of State not distributed/ no regulations to allow reallocation	\$4,994,065	2,172	2000-2001
2000-2001	6,500	6,500	500 to School Districts for out-of-state teacher recruitment	\$11,603,484	4,460	2001-2002
2001-2002	6,500	6,500	500 to out-of-state teachers and 500 to District Intern Programs	\$19,401,878	6,974	2002-2003
2002-2003	7,500	7,500	500 to out-of-state teachers and 500 to District Intern Programs	\$28,000,000*	9,000*	2003-2004
2003-2004	7,700	4,149*	500 to out-of-state teachers and 500 to District Intern Programs	\$34,000,000*	11,800*	2004-2005

\*To date, and preliminary estimates

Table 10 above displays APLE allocations from 1997-1998 to the 2003-2004 academic year. It is during this time period that the APLE program experienced significant changes, from 400 allocations in 1997-1998 to the 7,500 allocations for 2002-2003 and estimated 7,700 for 2003-2004. Appendix E presents the history of the APLE allocations from the inception of the program in 1986-1987 to 2003-2004.

### CONCLUSION

This report continues to underscore the success of the program changes incorporated beginning with the 2001-2002 award year. Prior to the changes, the schools and the Commission experienced significant challenges in trying to maintain a 60:40 split in new participants who were planning to teach in teacher shortage areas and those interested in teaching in low-performing schools. This made it difficult for the Commission to offer new awards to people in a timely manner. Through the joint efforts of the Commission and the participating schools, all 7,500 loan assumption agreements were issued during the 2002-2003 academic year. This brings the cumulative total number of participants in the APLE to 34,897.

With sufficient awards available and well-defined statutory priorities, the Commission offers loan assumption benefits to students who are serious about their educational and career goals. Timely allocations prior to the start of the award year help schools identify high-quality program participants while applicants are being selected for admission into a teacher preparation program. This assures students that the State of California will provide financial relief and other support during their early years teaching in California's neediest schools.

In its seventeen years of operation, the APLE has experienced growth in both the number of participants and the amount of loan assumption payments. The retention rate for APLE participants entering the teaching phase and continuing to teach for at least two additional years is about 71 percent for 2001-2002. The commitment of APLE participants to teach in shortage areas is of great benefit to the children of California and contributes directly to the State's commitment to improve K-12 education.

**APPENDICES**

**PROGRAM PARTICIPANT DEMOGRAPHICS**

**FOR THE**

**2002-2003 ACADEMIC YEAR**

### APPENDIX A

NUMBER OF AGREEMENTS AT THE UNIVERSITY OF CALIFORNIA		
	Initial Applications Allocated	Total Agreements Granted
Berkeley	27	53
Davis	29	54
Irvine	31	72
Los Angeles	49	161
Riverside	35	88
San Diego	19	22
Santa Barbara	29	48
Santa Cruz	19	42
<b>Sub Total</b>	<b>238</b>	<b>540</b>

NUMBER OF AGREEMENTS AT THE CALIFORNIA STATE UNIVERSITY		
	Initial Applications Allocated	Total Agreements Granted
Bakersfield	126	161
Chico	121	115
Dominguez Hills	208	156
Fresno	162	165
Fullerton	202	249
Hayward	143	68
Humboldt	45	58
Long Beach	193	189
Los Angeles	255	276
Monterey	33	63
Northridge	246	147
Pomona	112	55
Sacramento	173	200
San Bernardino	174	321
San Diego	190	259
San Francisco	144	114
San Jose	129	50
San Luis Obispo	44	78
San Marcos	128	104
Sonoma	58	89
Stanislaus	128	103
<b>Sub Total</b>	<b>3,014</b>	<b>3,020</b>

### APPENDIX A (CONTINUED)

NUMBER OF AGREEMENTS AT THE CALIFORNIA PRIVATE INSTITUTIONS		
	Initial Applications Allocated	Total Agreements Granted
Argosy University, Orange	1	48
Alliant International University	18	4
Antioch University	6	32
Azusa Pacific University	112	529
Bethany Bible College	8	1
Biola University	21	12
California Baptist College	35	60
California Lutheran University	37	20
Chapman College	402	524
Christian Heritage	13	7
Claremont Graduate School	29	88
College of Notre Dome	32	11
Concordia University	37	18
Dominican College	34	57
Fresno Pacific College	32	132
Holy Names College	11	19
Hope International University	7	4
John F. Kennedy University	6	7
La Sierra University	6	4
Loyola Marymount University	33	13
Mills College	12	20
Mount St. Mary's College	9	12
National University	872	1,028
New College	2	26
Nova Southeastern Univ	1	9
Occidental College	4	3
Pacific Oaks College	13	12
Pacific Union College	11	7
Patten College	5	19
Pepperdine University	55	56
Point Loma Nazarene	1	59
Saint Mary's College	39	51
Santa Clara University	18	4
Simpson College	23	43
Stanford University	14	28
The Masters College	6	6
The National Hispanic University	15	9
University of La Verne	88	175
University of Phoenix	4	216
University of Redlands	40	51
University of San Diego	23	10
University of San Francisco	31	56

### APPENDIX A (CONTINUED)

NUMBER OF AGREEMENTS AT THE CALIFORNIA PRIVATE INSTITUTIONS (CONTINUED)		
	Initial Applications Allocated	Total Agreements Granted
University of Southern California	23	26
University of the Pacific	20	26
Vanguard University	13	57
Westmont College	4	4
Whittier College	22	20
<b>Sub Total</b>	<b>2,248</b>	<b>3,623</b>

<b>Out-of-State</b>	<b>500</b>	<b>101</b>
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NUMBER OF AGREEMENTS AT THE DISTRICT INTERN PROGRAMS		
	Initial Applications Allocated	Total Agreements Granted
Compton Unified School District	11	14
Long Beach Unified School District	11	7
Los Angeles Unified School District	387	40
Ontario-Montclair School District	20	1
Orange County Dept. of Education	2	7
Project Impact	20	116
Project Pipeline	26	19
San Diego City Schools (BECA)	23	12
<b>Sub Total</b>	<b>500</b>	<b>216</b>
<b>Grand Total</b>	<b>6,500</b>	<b>7,500</b>

### APPENDIX B

2002-2003 PROGRAM PARTICIPANTS BY SUBJECT SHORTAGE AREA OR SCHOOL TYPE, EDUCATIONAL LEVEL, AND GENDER																
Subject Shortage Area	Junior		Senior		5 <sup>th</sup> Year Undergrad		Teacher Training Programs		District Intern Program		Internship Program		Out-of-State		Total Awards	
	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F
Mathematics	12	12	21	27	15	13	171	172	9	3	12	10	6	6	246	243
Science	0	3	4	6	8	2	105	150	8	6	15	14	4	11	144	192
Special Education	0	12	18	57	17	25	247	567	10	14	10	33	0	10	302	718
Reading Specialist	1	0	1	3	0	1	4	41	0	0	0	0	0	0	6	45
Foreign Language	1	5	4	10	1	2	13	67	0	1	2	0	0	1	21	86
<b>School Type*</b>																
Low-Income School	21	96	77	403	39	109	506	1,713	25	49	39	121	10	31	717	2,522
Low-Performing School	12	51	27	143	28	48	368	1,061	18	33	44	105	5	13	502	1,454
Rural Area School	4	13	8	21	2	3	20	85	1	8	1	1	1	1	37	132
High % of Emergency Permits	0	9	5	23	0	1	13	55	6	10	4	1	0	0	28	99
State Special School	0	0	0	0	0	0	1	3	0	0	0	0	0	0	1	3
<b>Totals</b>	<b>51</b>	<b>201</b>	<b>165</b>	<b>693</b>	<b>110</b>	<b>204</b>	<b>1,448</b>	<b>3,914</b>	<b>77</b>	<b>124</b>	<b>127</b>	<b>285</b>	<b>26</b>	<b>73</b>	<b>2,004</b>	<b>5,494</b>

\* School Types:

- Low-Income School: Based on the percentage of students who qualified for the Free or Reduced Price Lunch Program, or the percentage of students whose families qualified under the CalWORKs criteria, whichever was greater.
- Low-Performing School: Schools that have low academic achievement, in the bottom 20%, as measured by Academic Performance Index State Ranks of 5 or less.
- Rural Area School: Schools serving areas towns defined by the U.S. Census as rural or small town.
- High % of Emergency Permit Teachers: Schools with 20 percent or more of teachers teaching with emergency permits.
- State Special School: School for the Blind in Fremont and two Schools for the Deaf, one in Riverside and one in Fremont.



### APPENDIX C

2002-2003 PROGRAM PARTICIPANTS BY SUBJECT SHORTAGE AREA OR SCHOOL TYPE AND ETHNICITY										
Subject Area	African-American		Latino		Asian		Caucasian		Other/No Response	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Mathematics	38	6.7	96	4.9	55	14.5	234	6.2	66	7.6
Science	18	3.2	34	1.7	28	7.4	200	5.3	56	6.5
Reading Specialist	1	0.2	15	0.8	1	0.3	28	0.7	6	0.7
Special Education	105	18.7	141	7.2	30	7.9	624	16.6	120	13.9
Foreign Language	3	0.5	55	2.8	5	1.3	35	0.9	12	1.4
<b>School Type</b>										
Low-Income School	194	34.5	978	50.3	135	35.6	1578	42.1	353	40.9
Low-Performing	185	32.9	561	28.8	111	29.3	876	23.4	223	25.8
Rural Area	6	1.1	29	1.5	3	0.8	115	3.1	16	1.9
High % Emergency Teaching Permit	13	2.3	34	1.7	11	2.9	58	1.5	11	1.3
State Special	0	0.00	2	0.1	0	0.00	2	0.1	0	0.00
<b>Total</b>	<b>563</b>	<b>100.00</b>	<b>1,945</b>	<b>100.0</b>	<b>379</b>	<b>100.0</b>	<b>3,750</b>	<b>100.0</b>	<b>863</b>	<b>100.0</b>

### APPENDIX D

2002-2003 PROGRAM PARTICIPANTS BY SUBJECT SHORTAGE AREA OR SCHOOL TYPE AND AGE GROUP														
Subject Area	20 and Under		21 - 25		26 - 30		31 - 35		36 - 40		41 - 45		46 and Above	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Mathematics			159	8.4	134	5.8	75	6.1	51	7.6	32	6.3	38	4.4
Science			80	4.2	138	5.9	53	4.3	20	3.0	19	3.8	26	3.0
Reading Specialist			3	0.2	15	0.6	9	0.7	7	1.0	9	1.8	8	0.9
Special Education			110	5.8	280	12.0	209	16.9	114	16.9	90	18.0	217	25.3
Foreign Language			36	1.9	38	1.6	9	0.7	8	1.1	8	1.6	10	1.2
<b>School Type</b>														
Low-Income School			882	46.5	1034	44.4	536	43.3	258	38.3	199	39.4	330	38.5
Low-Performing	1	100.0	556	29.3	619	26.6	296	23.9	175	26.0	121	24.0	188	21.9
Rural Area			38	2.0	35	1.5	28	2.3	24	3.6	17	3.4	27	3.3
High % of Emergency Teaching Permits			32	1.7	37	1.6	20	1.6	16	2.4	9	1.8	13	1.5
State Special			0		0		2	0.2	1	0.1	1	0.1	0	
<b>Total</b>	<b>1</b>	<b>100.0</b>	<b>1,896</b>	<b>100.0</b>	<b>2,330</b>	<b>100.0</b>	<b>1,237</b>	<b>100.0</b>	<b>674</b>	<b>100.0</b>	<b>505</b>	<b>100.0</b>	<b>857</b>	<b>100.0</b>

### APPENDIX E

HISTORY OF ALLOCATIONS, AWARDS, LOAN ASSUMPTION PAYMENTS AND PROJECTED PAYMENTS						
Academic Year	Authorized Agreement Allocation	Number of Participants Awarded	Allocation Distributions	Local Assistance Paid	Number of Teachers Paid	Payments Made by Fiscal Year
1986-1987	500	436	All to Participating Colleges	\$0.00		1987-1988
1987-1988	500	500	All to Participating Colleges	\$313,977	162	1988-1989
1988-1989	500	500	All to Participating Colleges	\$853,709	379	1989-1990
1989-1990	500	500	All to Participating Colleges	\$1,280,693	573	1990-1991
1990-1991	500	500	All to Participating Colleges	\$1,558,256	664	1991-1992
1991-1992	500	500	All to Participating Colleges	\$1,571,627	662	1992-1993
1992-1993	500	424	All to Participating Colleges	\$1,610,286	660	1993-1994
1993-1994	400	400	All to Participating Colleges	\$1,607,366	661	1994-1995
1994-1995	400	400	All to Participating Colleges	\$1,611,971	654	1995-1996
1995-1996	400	400	All to Participating Colleges	\$1,678,859	742	1996-1997
1996-1997	400	400	All to Participating Colleges	\$1,898,786	749	1997-1998
1997-1998	400	400	All to Participating Colleges	\$2,121,353	830	1998-1999
1998-1999	4,500	3,805	500 Out of State not distributed/ no regulations to allow reallocation	\$2,113,856	798	1999-2000
1999-2000	5,500	5,485	500 Out of State not distributed/ no regulations to allow reallocation	\$4,994,065	2,172	2000-2001
2000-2001	6,500	6,500	500 to School Districts for out-of-state teacher recruitment	\$11,603,484	4,460	2001-2002
2001-2002	6,500	6,500	500 to out-of-state teachers and 500 to District Intern Programs	\$19,401,877	6,974	2002-2003
2002-2003	7,500	7,500	500 to out-of-state teachers and 500 to District Intern Programs	\$28,000,000*	9,000*	2003-2004
2003-2004	7,700	4,149**		\$34,000,000*	11,800*	2004-2005

\*Preliminary estimates

\*\*As of date of report



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