

**A Financial Aid Clearinghouse for  
Critical Need Career Education in  
Arkansas**

**A Planning Report Prepared for and Funded  
by the  
Winthrop Rockefeller Foundation**

**Presented by the  
Arkansas Student Loan Authority**

**June 2005**

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# **A Financial Aid Clearinghouse for Critical Need Career Education in Arkansas**

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## **Introduction**

On a statewide and sub-state regional basis Arkansas has critical shortages of persons qualified to work as nurses and teachers. Shortages exist in varying degrees on a statewide level and often more critically on a sub-state regional basis. Arkansas's nurse and teacher shortages mirror national and southern regional conditions and must be addressed aggressively to meet the state's health care and public education needs. Moreover, the shortages have adverse economic impacts on local communities because of the loss of payroll and because they bear on quality of life conditions that guide many corporate and family decisions.

Several barriers confront nursing and teacher education students, especially non-traditional students who may be supporting a family, working full or part time and attending college. In particular, nursing and teacher education students must fulfill internship and clinical requirements prior to completing their degree programs, and usually students are encouraged not to work during the internship and clinical periods. Nursing and teacher education programs are more demanding academically than many other undergraduate programs, and upon graduation, nurses and teachers often receive lower salaries than their contemporaries in other fields.

State-level professional groups have developed incentive programs aimed at attracting qualified high school students into higher education programs for nursing and teacher education in an effort to recruit more people into the critical need fields. Moreover, the colleges and universities in Arkansas have designed programs to overcome some of the barriers that face nursing and education students. However, there is not one central source of career, college and financial aid information available to prospective nursing and teacher education students.

The Winthrop Rockefeller Foundation and the Arkansas Student Loan Authority formed a partnership to address these issues by first conducting a planning project for a Financial Aid Clearinghouse for Critical-Need Career Education in Arkansas. The plan will set a course for establishing a financial aid information clearinghouse for students who pursue college degrees in nursing and teaching in high-need geographic areas and high-need subjects.

**Advisory Committee.** The ASLA formed a project advisory committee to get input from college and university administrators, students, state agency officials and private sector representatives. Advisory Committee members are listed below:

- Susan Brewer, Director, Financial Aid, UA Monticello
- Candace Burns, PhD, Associate Dean, UALR College of Education
- Kristen Cross, Director, Financial Aid, UA Community College-Batesville
- Steve Franks, PhD, Director, Arkansas Department of Workforce Education
- Deborah Germany, Manager of Organizational Development, Arkansas Department of Workforce Education
- Jim Hemphill, ASLA Director, Marketing & Operations
- Donna Hutchinson, ASLA Board of Directors
- Marquese McFerguson, OBU Senior Student majoring in Education
- Jammie Rogers, Kindergarten Teacher, Ellen Smith Elementary, Conway, AR and UCA Graduate Student
- Ann Schlumberger, EdD, RN, Professor and Chairperson, UALR Department of Nursing
- Charity Smith, EdD, Assistant State Director, Accountability Division, Arkansas Dept. of Education
- Tamara Tidwell, Assistant Director, Financial Aid, UAMS
- Barbara G. Williams, PhD, RN, Chair, UCA Department of Nursing

**Project Consultant.** The ASLA retained the consulting services of Ron Copeland of Little Rock, Arkansas, to develop the Clearinghouse plan and to prepare this report.

**Web Portals.** This report includes summary information about groups that provide services and information to persons interested in pursuing one of these critical need careers in Arkansas. Many of the groups use web portals to deliver information and services and this report includes the (urls) where applicable.

## **Summary and Clearinghouse Description**

Workforce shortages of nurses and teachers embody complex issues and deep seated economic and social realities in Arkansas. In 2001 the Arkansas General Assembly recognized the nursing shortage and established the Arkansas Legislative Commission on Nursing. The Commission analyzed the nurse/nurse educator shortage, studied nursing supply and demand, and analyzed capacities of nursing education programs. After studying several national models for addressing nursing shortages at the state level, the Commission made its final report to the legislature in November, 2004. Public and private nursing interests have coalesced to promote nursing education and careers and to raise awareness about education programs, employment and financial aid through Arkansas for Nurses (<http://arkansasnursing.com/>) and other avenues.

For the past five years the state courts and the Arkansas General Assembly have wrestled with the adequacy and equity of public education in Arkansas. Several major laws have been enacted, taxes have been raised, school districts have been consolidated and facilities are about to be upgraded. Teacher working conditions, salaries, retirement, benefits, qualifications and performance are all essential factors in improving public school adequacy and equity in Arkansas. The Arkansas Department of Education has developed TeachArkansas (<http://www.teacharkansas.org/>), an initiative focused primarily on increasing the supply of qualified teachers and matching them with school districts that have job openings.

Nursing and teaching workforce shortages already impair the quality of life in many of Arkansas's rural areas and if not addressed will impact quality of life conditions in all Arkansas communities. Arkansas policymakers must address them aggressively to achieve and sustain health care services and educational services throughout the state. The goal is to increase the college enrollments of nursing and teacher students, and to increase the numbers of qualified applicants taking and passing licensure examinations. To accomplish the goal, Arkansas must increase its college-going rate and improve overall retention and graduation rates, especially for nursing and teacher education

students. To significantly increase the enrollment of nursing students, Arkansas must expand nursing program capacities, with special emphasis on preparing and retaining more nursing faculty. To address the teacher shortages, Arkansas must expand enrollments in programs to prepare students to teach mathematics, sciences, foreign languages and special education. Moreover, special efforts must be made to attract newly licensed teachers to rural areas.

Increasing the college going rate in Arkansas depends largely on making college more affordable and making student financial aid as accessible as possible to students and their families. When considered as a percentage of median family income, college costs are disproportionately higher in Arkansas than other southern states and the nation. The affordability gap widens with lower incomes, which exacerbates the problems in Arkansas. Minority students are more likely to be from families with incomes lower than the family median income for Arkansas and therefore are more adversely affected by the affordability gap. The financial aid industry has streamlined the federal student financial aid assistance process, and the Arkansas Department of Higher Education provides a central point for learning about and accessing state aid. However, college and university financial aid programs and private scholarships are not centralized and information and application procedures are diffused.

A clearinghouse web portal can provide a central point for information and access to all financial aid programs, especially those serving nursing and teacher education students. In addition, with the information centralized, more attention could be drawn to the extent that financial barriers play in limiting nursing and teacher education enrollments in Arkansas.

**Financial Aid Clearinghouse for Critical Need Career Education in Arkansas.** By definition, a clearinghouse gets and gives information. This clearinghouse will get information from high school counselors, employers, educators, academic deans, admissions officers, student financial aid directors, state and federal agency administrators, legislators, professional associations, nonprofit organizations representing

service providers and service users and the general public. It will give the information in a streamlined, user-friendly method to students and prospective students and to all those supporting the clearinghouse enterprise with information and funding. The clearinghouse will make valuable contributions to ongoing efforts for resolving shortages of nurses, teachers and workers in other critical areas. The following strategic plan framework uses definitions from *The Drucker Foundation Self-Assessment Tool*, published by the Peter F. Drucker Foundation for Nonprofit Management in 1999.

- **Vision** (*a picture of the program's desired future*). Through the clearinghouse every student in Arkansas will have access to complete, accurate and comprehensive information about critical need careers, about every related college and university educational program, and about every state and national source of financial aid available to Arkansas students. The information will be prepared and delivered to all students using media that communicates effectively with students when they need the information. Every student will have access to college admission, financial aid and jobs through streamlined on-line application services. Through the clearinghouse all students will have the opportunity to communicate their needs and recommendations for improving all related programs and services.
- **Mission** (*the program's purpose or reason for being*). To make college education and student financial aid information accessible for all students majoring or considering majoring in nursing and teacher education at Arkansas colleges and universities.
- **Primary Customer** (*the person whose life is changed through program's work*). Students majoring in nursing and teacher education, or considering majoring in these and other critical need careers will be the clearinghouse's primary customers.

- **Supporting Customers** (*other persons who must be satisfied for the program to achieve results*). The clearinghouse's supporting customers will include parents, high school teachers and counselors, college admissions officers, college student loan directors, nursing and teaching associations, nursing and teaching state agencies, nursing and teaching post secondary educators, student financial aid lenders and guarantors, and private scholarship providers
  
- **Goals** (*three to five aims that set the program's fundamental, long-range direction*).
  1. Raise awareness of families with middle school and high school students about college, the costs of college, financial aid, and student preparation for college.
  2. Encourage middle school and high school students to take courses that prepare them for college degree majors in nursing and teacher education.
  3. Increase applicants for college and university educational programs for nursing and teaching.
  4. Increase applicants for student financial aid for students enrolled in college and university programs for nursing and teaching.
  5. Increase the number of qualified persons considering employment in nursing and teaching.
  
- **Strategies** (*use of resources to accomplish goals*).
  1. Collaborate with groups that have programs and services for increasing the critical need career workforce in Arkansas and for improving college

access in Arkansas and develop partnerships to accomplish specific roles and responsibilities within that collaboration.

2. Design, develop and launch a web portal for gathering, organizing and disseminating information about critical need career education in Arkansas. Involve high school and college students in designing and operating the web portal.
  3. Partner with supporting customers to develop and implement a marketing campaign to raise awareness about critical need careers and educational opportunities related to those careers
  4. Identify and negotiate funding relationships with 3 to 5 core strategic partners to underwrite the costs of the web portal and related programs and services.
  5. Partner with supporting customers to research, analyze and document critical need careers in Arkansas and to monitor progress towards addressing supply and demand of critical need careers.
- **Functions.** The web portal will include interactive information elements on:
    1. Critical need careers and employment, including links to employers and ability to make job applications on line.
    2. College and university programs on nursing and teacher education including the capacity to prepare and submit college admission applications on line.
    3. Student financial aid programs and the capacity to prepare and submit financial aid applications on line.

The clearinghouse web portal will include the capacity for personalized student portfolios that will follow the student through each stage of educational interest and development.

**Time Frame and Key Activities for Implementation.** To launch the Clearinghouse web portal by December, 2006, the following key activities must be accomplished.

- **Strategic Partners.** Form a strategic partnership for the Clearinghouse during the summer, 2005. Several state agencies and professional associations have active programs related to enhancing college access for Arkansans and recruiting qualified students into the nursing and teaching fields. The ASLA will provide these organizations with copies of the Clearinghouse report and follow up with them to solicit their participation in the partnership. During the development and launch of the Clearinghouse web portal, the strategic partners will together develop the budget and organizational setting for the Clearinghouse.
- **Collaborative Design Process.** With strategic funding partners, during the summer of 2005, develop a collaborative process involving students and supporting customers in the design of the Clearinghouse web portal and marketing program. Implement the collaborative web portal design process during the fall, 2005. The partnership will develop a collaborative process for involving representatives of key groups in the design of the Clearinghouse web portal and marketing program. The interactive process will include at least four regional meetings involving high school counselors, college admissions officers, college financial aid directors, nursing and teacher education academic deans, higher education association representatives, college presidents and chancellors, state agency directors, and local private business leaders. A development web portal will be provided at which stakeholders can monitor progress and provide input on an ongoing basis. The collaborative design process will result in a report that will establish functional specifications for the Clearinghouse web portal and the framework for its marketing program.

- **State Leadership Support.** Convene state political, business and educational leaders during September, 2005, present the Clearinghouse concept to them and request their active support for the program and their participation in the supportive marketing program. ASLA requests the support and assistance of the Winthrop Rockefeller Foundation in convening key state leaders in September, 2005. If WRF accepts this request, meetings will be held one-on-one with key leaders to present the basic Clearinghouse's basic concepts and request the leaders' active support. With sufficient groundwork, the WRF and the partnership will convene the leadership in September and solicit their support both individually and as a group. The state leadership group will be used in the marketing campaign to promote college enrollment and encourage qualified students to pursue careers in nursing and teaching.
- **Clearinghouse Marketing Program.** The partnership will retain a marketing firm by January, 2006, to develop a marketing program focused on reaching prospective nursing and teacher education students and their families. The marketing program will be developed during the first nine months of 2006. The multi-media marketing campaign will be coordinated closely with the launch of the Clearinghouse web portal during the fall of 2006.
- **Web Portal.** The partnership will develop and test the web portal during the first 9 months of 2006 and launch the web portal during the fall, 2006. The partnership will procure services of a web portal design and development company to develop, test and launch the web portal.
- **Monitoring and Evaluation.** During the design and development of the Clearinghouse web portal, the partnership will develop an evaluation design. After the launch of the Clearinghouse web portal, the output will be monitored and results evaluated on an ongoing basis.

## **Critical Need Careers: Nursing and Teaching**

When President John F. Kennedy declared in 1961 the United States goal to go to the moon within the decade, there were not enough scientists, engineers, and mathematicians to plan, design and build the systems to reach the moon. With the President's leadership, national attention focused on educating the rocket scientists and others necessary to accomplish the goal. Soviet Union achievements in space increased the urgency of the effort. Colleges and universities increased their capacities to educate the army of scientists and technicians needed to reach the goal. The federal government initiated student financial aid programs to assist the effort. High school administrators and counselors influenced their students to pursue space-age careers, the national space program infrastructure expanded and Neil Armstrong stepped on the moon on June 20, 1969.

Today the nation faces a more difficult circumstance. Workforce shortages of nurses and teachers confront states and localities nationwide, and will adversely affect the quality of life conditions in communities across the nation and Arkansas. Service careers of nursing and teaching have difficulty competing with other professions because of the time and effort to become educationally qualified and licensed, intense salary and benefit competition, limited educational infrastructure, high job turnover caused by burnout, and early retirement causing qualified people leaving the professions. Unlike the 1960s when the nation focused its national security interests on going to the moon, addressing health care and educational issues in the 21<sup>st</sup> century has not captured the nation's imagination. However, where state-level leadership has coalesced and public and private interests have cooperated, strong impacts on these workforce shortages have been made.

**National Workforce Shortages of Registered Nurses and Teachers.** In its March 2004 Occupational Outlook Handbook, the U. S. Department of Labor, Bureau of Labor Statistics (BLS) projects Registered Nurses with the largest job growth of any of its listed occupations. The BLS anticipates 623,000 new nursing jobs between 2002 and 2012. This represents a 27% growth in the number of nursing jobs. Nurses aides, home health aides, personal and home care aides are not included in the projection, but these separate

health care fields also made the list of occupations with the largest anticipated job growth in the ten year period. Also, elementary and secondary teachers made the list of projected largest job growth with job growth of elementary teachers estimated to be 223,000, or 15%, and job growth of secondary teachers estimated to be 180,000, or 18%. Special education teachers and other teaching related professions are listed separately.

### **Registered Nurses**

The BLS reports that registered nurses make up the largest health care field with 2.3 million jobs in 2003. More new jobs will be created for nurses than any other field, partially because of technological advancements in health care. The technological advancements expand treatment of medical problems. Also, nursing shortages will be exacerbated by the need to replace experienced nurses who leave the field for retirement and other vocations. BLS reports employers are responding to the nursing shortage by restructuring workloads, improving compensation and working conditions and by subsidizing training or continuing education. Employment in hospitals will grow more slowly than other nursing venues while nursing employment in nursing care facility will increase because of the aging population. Moreover, nursing employment in clinics will increase because many procedures done previously in hospitals are now being performed in clinics.

**Bureau of Health Professions (BHP).** In July 2002, the U. S. Department of Human Services, Health Resources and Services Administration, Bureau of Health Professions, National Center for Health Workforce Analysis published, *“Projected Supply, Demand, and Shortages of Registered Nurses, 2000-2020.”* The report makes supply and demand projections, analyzes driving forces and trends underlying the projected supply and the projected demand. In 2000 the BLS estimated that the national supply of registered nurses totaled about 1.89 million and estimated the national demand for registered nurses to be 2 million, a shortage of 110,000 or 6%. During the 20 years covered by the report, nursing demand was projected to increase 40% and nursing supply was projected to increase only 6%, creating a net shortage of 29% in 2020. In the year 2000, 30 states

were estimated to have nurse workforce shortages and by 2020, 44 states are projected to have shortages.

The report attributes the supply problems to a declining number of nursing school graduates, the aging of the RN workforce, declines in relative earnings and competitive alternative job opportunities. The report describes several factors pushing up the demand for registered nurses, including population growth, aging of the population, increased per capita demand for health care, and trends in health care financing. The nation’s population is projected to grow 18%, or 50 million people. The population subgroup 65 years and older is projected to grow 54%, adding 19 million people to this group which requires more health care services and funding than other population groups. Within the 65 years old and older group, the 85 year old and older group is the fastest growing and requires proportionately more health care services and funding.

The report provides projections of nurse supply, demand and shortages by state. Here are the estimates of nurse shortages in five year increments for Arkansas and selected states. Arkansas and Tennessee exhibit shortages greater than the national average at each five year junction.

**Table 1: BHP National and State Supply and Demand Projections for FTE Registered Nurses**

Year/State	2000	2005	2010	2015	2020
United States	-6%	-7%	-12%	-20%	-29%
Arkansas	-8%	-10%	-14%	-24%	-34.2%
Louisiana	*	*	*	-6%	-16.8%
Mississippi	*	*	*	*	-5.3%
Missouri	-8%	-8%	-11%	-18%	-25.2%
North Carolina	*	*	*	-11%	-19.4%
Oklahoma	*	-6%	-13%	-20%	-28.3%
Tennessee	-13%	-22%	-31%	-40%	-48.5%
Texas	-9%	-7%	-11%	-17%	-26.3%

\*No definitive shortage. Estimate is -3% or less.

**Arkansas Legislative Commission on Nursing.** The Commission, established by Act 1465 of 2001, confirmed the magnitude of the nursing shortage in research surveys conducted in 2002. Those surveys indicated that to address the shortage, graduates from

registered nurse and practical nurse education programs would need to more than double by 2010. Although some colleges and universities have increased nursing student enrollment, the changes are not nearly sufficient to meet the demands of the shortage. Act 122 of 2003 required the Commission to prepare and submit a final report to the Legislative Council by November 1, 2004 and the Act terminates the Commission on June 30, 2005. The Commission submitted its strategic plan to the Legislative Council listing three objectives: project nurse workforce supply and demand; ensure an adequate nursing workforce for Arkansas; and, promote collaboration between nursing education and practice. Each objective incorporated several specific tasks or activities. Although, the commission's legislative charter will end on June 30, 2005, the group has agreed to continue to meet and seek funding to establish a nursing career center similar to the North Carolina Center for Nursing.

- **North Carolina Center for Nursing (NCCN)** (<http://www.nursenc.org/>). Created by the North Carolina General Assembly in the Nursing Shortage Act of 1991, the NCCN is billed as the first state-funded nursing work force center in the country. Formed after 3 years of planning and development by the North Carolina General Assembly and the Legislative Study Commission on Nursing, its mission is to *“insure that the State of North Carolina has the nursing resources necessary to meet the health care needs of its citizens”*. It conducts research on the supply and demand for nurses and projects future nursing needs. It convenes interested groups to prepare plans and recommendations to the General Assembly and others. Finally, it enhances and promotes recognition, reward and renewal activities for nurses in North Carolina through a statewide recruitment and retention program.

**Arkansas for Nursing** (<http://arkansasnursing.com/>). This partnership between Arkansas hospitals and nursing education programs in Arkansas presents a positive image of nursing and facilitates education and employment to those who pursue nursing careers. The organization provides a comprehensive web portal with information and links to

nursing student education programs, student financial aid, and nurse employers in Arkansas.

**Arkansas State Board of Nursing** (<http://www.arsbn.org/index.html>). The Arkansas State Board of Nursing (ASBN) regulates the practice of nursing in Arkansas, overseeing the licensure process for nurses as well as establishing and enforcing minimum standards and approving curricula for nurse education programs in Arkansas. The ASBN conducts disciplinary proceedings and causes of prosecution of persons violating state laws pertaining to nursing. At its website, the ASBN provides online licensing services, lists all ASBN approved nurse education programs in Arkansas, reference to nursing student financial aid, and information on all other services provided by ASBN. The Nurse Administrators of Nursing Education Programs, a 54 person group representing nurse education programs in Arkansas, functions as an advisory committee to the ASBN and contributed research to the Arkansas Legislative Nursing Commission.

**Arkansas Nurses Association.** (<http://www.arna.org/snas/ar/>) The Arkansas Nurses Association (ArNA) represents and advocates for professional nurses in Arkansas. The organization “fosters high standards of nursing practice, promotes professional development, and advocates for the profession of nursing”. The ArNA houses the Center for Arkansas Nursing and the Arkansas Nurses Foundation. The Center establishes a “home base” for nursing organizations in Arkansas and promotes unity of the nursing profession within the state. The Foundation seeks and provides funding for professional nurses to continue education, research and scholarships. See page 37 for a description of the foundation’s scholarship program.

**Arkansas Nursing Students’ Association (ANSA)** ([http://www.ark-nursing-students.com/default\\_body.htm](http://www.ark-nursing-students.com/default_body.htm)). The ANSA is an affiliate of the National Student Nurses Association. The NSNA Mission is to: *organize, represent and mentor students preparing for initial licensure as registered nurses, as well as those enrolled in baccalaureate completion programs; convey the standards and ethics of the nursing profession; promote development of the skills that students will need as responsible and*

*accountable members of the nursing profession; advocate for high quality health care; advocate for and contribute to advances in nursing education; and develop nursing students who are prepared to lead the profession in the future.* The ANSA links to thinkaboutnursing.com, (<http://www.thinkaboutitnursing.com/>), which links to job and education opportunities in nursing.

**Southern Regional Education Board Council on Collegiate Education for Nursing**

(<http://www.sreb.org/programs/Nursing/nursingindex.asp>). From the web site, “*The Council on Collegiate Education for Nursing, in affiliation with the Southern Regional Education Board, engages in cooperative planning and activities to strengthen nursing education in colleges and universities in the South. The council provides a forum for sharing information and promoting communication among all types of collegiate nursing-education programs. It serves as a regional resource center for nursing education in Alabama, Arkansas, Delaware, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, West Virginia and the District of Columbia.*”

In 2001, the SREB Council on Collegiate Education for Nursing appointed an ad hoc committee of nurse educators from the 16 SREB member states to conduct a survey of nursing education units in the 16 states. The survey and subsequent report concluded “that graduate nurse education programs that offer courses to prepare nurse educators are not producing enough graduates to replace the resigning and retiring faculty”. The report recommended several specific regional cooperative approaches to recruit students into the nurse educator roles, to recruit nursing students, to develop approaches for retaining faculty and for maintaining relationships with retiring faculty members. The group recommended that the SREB continue to collect data and to analyze the shortages of nurse educators in the region, which it has done on an annual basis.

**Teachers.**

The BLS describes excellent job opportunities nationally in teaching positions due to a large number of teachers retiring over the next decade, especially at the secondary school

level. In addition, high turnover rates of teachers in poor, urban school districts will lead to numerous job openings for teachers. BLS acknowledges that job opportunities will vary according to geographic area and subjects taught and estimates that growth in elementary and secondary school enrollments will slow due to demographic changes.

Shortages of qualified teachers exist in some subject areas including mathematics, science (especially chemistry and physics), bilingual education, and foreign languages. Qualified vocational teachers are in high demand while numbers of teachers in elementary education, social studies and physical education are adequate. Efforts to recruit minority teachers, bilingual teachers and teachers of English as a second language will intensify, and states with initiatives for reduced class sizes, mandatory preschool for 4-year olds, and all day kindergarten will see higher demands for teachers in those fields.

**Regional Context for Teacher Shortages.** The Southern Regional Education Board (SREB) researches and analyzes key education issues for the southern region. The SREB web portal lists one recent study on teacher shortages for the State of Tennessee. Although, the data pertains only to Tennessee, the major findings apply to most of the SREB states, including Arkansas. The report is entitled, *“What your state can learn from a decade of an SREB state’s teacher supply and demand studies in 2003”*. The study effort confirmed that teacher shortages exist in certain geographic areas and in specific subject content areas. Rural areas and areas without college and university programs for teacher education are more likely to have shortages, and teacher shortages are more likely to exist in subjects such as science, mathematics, special education and foreign languages. The study found that there are disproportionately fewer minority teachers than minority students, and that demand for teachers is increasing because of teacher resignations and retirements exceeding the number of new teachers entering the field. The full report may be reviewed at the following url:  
[http://www.sreb.org/main/highered/leadership/tn\\_teachersupplyanddemand.asp](http://www.sreb.org/main/highered/leadership/tn_teachersupplyanddemand.asp).

**Teacher Shortages in Arkansas.** In April, 2002, the Arkansas Division of Legislative Audit published a performance audit report entitled, *“Teacher Recruitment and*

*Retention*". The Legislative Audit Report confirmed many of the same findings for Arkansas as the SREB validated for the region as a whole. The report concludes that overall there are enough teachers within Arkansas to fulfill school districts' needs. However, the numbers of teacher are not sufficient in some rural areas and in subject areas of mathematics, science, foreign languages and special education. Legislative Audit recommended that educational agencies in Arkansas establish a Teacher Recruitment Center to meet the specific needs of Arkansas's educational system.

The report documents that for the preceding five years far more teachers retired than new teachers entering the field. The number of new graduates versus the number of retirees was more balanced in 2000, when approximately 1,600 teachers retired and approximately 1,583 teacher education majors graduated in Arkansas. Of the new graduates, only 6% of degrees were in special education, 2% in mathematics, 1% in the sciences, 0.3% in foreign languages, and the balance in elementary education or other programs.

The report referred to Act 1623 of 2001 which requires that no student be taught by a person not licensed at that grade level or for that subject matter for more than 30 days. School districts may request a waiver from this requirement if they are unable to recruit qualified teachers. In October, 2001, the Department of Education had granted 243 waivers to 50 school districts for that school year. In addition, the report documented that there were 1,587 persons teaching in the 1999-2000 school year who were teaching outside their licensure area. By comparison, in its *2003-2004 Higher Education Act (HEA) Title II Report*, the Department of Education lists 533 waivers for October 2002.

During the same general timeframe as the Legislative Audit report, the Department of Education commissioned the New Teacher Project to analyze teacher shortage issues in Arkansas. The report entitled, "*Arkansas Teacher Supply and Demand*" published in June, 2002, concluded that Arkansas may have difficulty complying with Title II of the federal "No Child Left Behind Act" which requires that all teachers be "highly qualified" by 2005-2006.

The New Teacher Project report reinforced these findings and provided the following Arkansas teacher supply and demand information:

- The number of teachers in Arkansas increased from 28,301 in 1995 to 30,117 in 2000, an increase of 1.25% per year.
- The number of school age children in Arkansas declined slightly, from 457,606 in 1995 to 448,246 in 2000.
- New teachers make up about 5% of the teaching force each year.
- About 90% of new teachers enter the field through traditional teacher education programs and about 10% enter the field through alternative approaches.
- The number of new teachers increased annually from 1,252 in 1995, to 1,664 in 2000.
- Over 90% of teachers return to the classroom from year to year.
- These supply and demand factors resulted in an average shortfall of 500 teachers per year from 1995 to 2000. The report projected an average shortfall of 720 teachers per year between 2002 and 2006.
- The qualified teacher shortfall is compounded by 10% of teachers in 2000 teaching outside their licensed subject area.
- During the period from 1996 through 2001 only 61% of education graduates from Arkansas schools received their licenses to teach in Arkansas and only 39% of those newly licensed to teach in Arkansas actually start teaching in Arkansas.

- Alternative route programs do not fill the shortfall of qualified teachers required in the classroom.
- Approximately 27,000 persons licensed to teach in Arkansas do not teach.
- In 2001 only 87% of the 3,283 teachers eligible to retire actually chose to do so.

The report did not analyze the shortages of teachers within specialized areas of mathematics, science, foreign languages and special education. However, these shortages would have been included somewhat in the number of teachers teaching outside their licensed subject areas. The New Teachers Project included detailed recommendations for increasing immediately the number of teachers returning to the classroom from year to year; encouraging licensed individuals not teaching to return to the classroom; boosting the number of persons receiving their teaching credentials through alternative routes; and, reducing teacher retirement rates. Increasing the number of teacher graduates licensed and not teaching in Arkansas was judged to be a “low impact” approach that would not significantly impact the shortage problem in the near term.

**TeachArkansas** (<http://www.teacharkansas.org/>). The Arkansas Department of Education, in response to the anticipated qualified teacher shortage, established the TeachArkansas program as a centralized teacher recruitment center. Included within the web portal is Teachers to Teachers.com, which provides an online employment search resource for teachers seeking jobs and for school districts seeking teachers. It also provides a link to Troops to Teachers, (<http://www.teacharkansas.org/Troops.html>), which recruits retiring military personnel to become teachers in Arkansas school districts. The site links the interested military personnel to the ADE’s nontraditional licensure program.

Other model critical career centers focused on teacher education include:

- **Mississippi Teacher Center** Established to attract and retain quality teachers in Mississippi by the Mississippi Legislature in 1994, the MTC focuses on teacher recruitment, enhanced training, and instructional support. It operates a job placement services that maintains a database of prospective teachers/administrators and school district job vacancies. Its goal is to provide Mississippi school districts with a pool of certified prospective teachers. Mississippi Teacher of the Year, Mississippi Teacher Renewal Institute, National Board Certification. (<http://www.mde.k.12.ms.us/mtc/>) Mississippi teacher development and recruitment efforts are aided by two measures. The Mississippi Teacher Shortage Act of 1998 is designed to reverse the teacher shortage in Mississippi. It makes funds available for those interested in teaching as a career. Persons who attend a Mississippi community/junior college, college or university to prepare for a teaching career may have all or part of their college expenses paid. Mississippi Critical Teacher Shortage Act provides incentives and scholarships for students/graduates who accept teaching positions in eligible school districts.
- **Southern Regional Education Board Teacher Center** ([www.TheTeacherCenter.org](http://www.TheTeacherCenter.org)). In December, 2004, SREB launched its Teacher Center as a part of the SREB Electronic Campus. SREB describes the Teacher Center as a “one stop source of information and resources for teachers, administrators, counselors, librarians, teacher aides and others who are, or want to become, teachers.” The Teacher Center is modeled after sites promoting college access through planning, exploring and applying for college and student financial aid.

Nursing and teaching workforce shortages already impair the quality of life in many of Arkansas’s rural areas and if not addressed will impact quality of life conditions in all Arkansas communities. Arkansas policymakers must address them aggressively to

achieve and sustain health care services and educational services throughout the state. Elements of the response include affirming that the state's leaders share goals of addressing the shortages, organizing a collaborative approach among key organizations and institutions to shape more effective programs and aggressively marketing the programs to the general public and to groups of persons who are most likely to participate.

### **College Access in Arkansas for Nursing and Teacher Education**

Getting more nurses and teachers in Arkansas depends upon educating more people and getting a higher percentage of college and university graduates to enter into those critical need careers. It depends upon getting more people into college, increasing college retention and graduation rates, increasing enrollment and completion of nursing and teacher education programs, and getting higher numbers of educationally qualified people to take and pass licensure examinations. Keeping them in nursing and teaching requires improving workplace conditions and making salaries more competitive in the jobs marketplace.

In its 2005 report, *“Creating College Opportunity for All: Prepared Students and Affordable Colleges”*, the SREB poses two questions: (1) How successful is your state in getting students from all groups prepared for, enrolled in and graduated from technical institutions, community colleges and four-year colleges and universities? Are young people in your state just as likely to enroll in and graduate as others across the nation? And, (2) are colleges in your state affordable? Is state financial aid sufficient to ensure that eligible students from all racial/ethnic groups and income levels are just as able to go to college as students elsewhere in the United States? These questions and the SREB report bear directly on whether and how Arkansas can respond to critical need career shortages.

First, the report recognizes that the number of adults with college degrees relates directly to the college-going rate for a given state. The higher the number college educated adults, the higher the college going rate of high school seniors. Second, the report recognizes

that disproportionately fewer African American and Hispanic minorities have bachelor's degrees. States must increase the college going rate overall and especially within minority groups. The following table compares Arkansas to the national and SREB percentage of persons with bachelor's degrees.

**Table 2: Percent of Adults (Age 25 and Older) Holding Bachelor's Degrees**

	Percent with Bachelor's Degree			Percent with Bachelor's Degree in 2000		
	2003	2000	% change	White	Black	Hispanic
United States	27.2%	24.4%	2.8%	26.1%	14.2%	10.3%
SREB States	23.7%	22.4%	1.3%	24.4%	13.7%	12.3%
Arkansas	17.4%	16.7%	0.7%	17.8%	10.2%	7.1%

Source: SREB Report: Creating College Opportunity for All: Prepared Students and Affordable Colleges

While the percentages of adults age 25 and older with college degrees is increasing in Arkansas, the rate of increase is not enough to catch up with the national average or the SREB average. Moreover, Arkansas has a much lower percentage of minority persons with college degrees than other states. The report finds that the percentage of minority representation declines at each level of education from public-K12 through college graduates. Because of the high school drop out rate for all students, SREB member states only send about one-third of 9<sup>th</sup> graders to college.

For those students who do enroll in college, more leave college during the first year than other years. High school student preparation for college, effective college remediation programs, college orientation programs, academic support services, course offerings and technology are all factors in the high drop out rate for first year college students.

**Table 3: Percent of Students Who Remain in College and Graduate**

	Four Year Colleges and Universities		Two-Year Colleges	
	1 <sup>st</sup> Yr College Students Who Remain at Least One Yr 2001 Cohort	Graduation Rate 1997 Cohort	1 <sup>st</sup> Yr. College Students Who Remain at Least One Yr. 2001 Cohort	Graduation Rate 2000 Cohort
SREB States	85%	50%	62%	16%
Arkansas	78%	36%	58%	24%

Source: SREB Report: Creating College Opportunity for All: Prepared Students and Affordable Colleges

College affordability and ability to pay is another factor in low retention and graduation rates that will be addressed in the next section of this report.

**Higher Education Enrollments in Arkansas.** Arkansas has eleven public four-year colleges and universities and ten four-year independent four year colleges and universities. In addition, the state has 22 public two-year colleges and one independent two year college. The following table illustrates full time enrollments of the public four-year and two-year colleges for the most recently completed five-year period.

**Table 4: Summary of FTE Enrollment Changes 1999-00 to 2003-04 (Public Institutions)**

	1999-00	2000-01	2001-02	2002-03	2003-04
University Totals	58,273	58,924	60,911	62,457	64,475
Two Year College Totals	23,526	24,195	26,750	29,598	31,515
Total	81,799	83,119	87,661	92,055	95,990

Source: ADHE Report: Fact Sheets for Arkansas Public Higher Education, November 16, 2004

According to ADHE Report, “*Higher Education in Arkansas*”, dated January 2003:

- The college going rate for 18 year-old Arkansas high school graduates has increased from 41.6% to 60% since 1985, a much higher rate of increase than the national rate which has increased from 57.7% to 63% over the same period.
- Arkansas ranks 14<sup>th</sup> of the 16 SREB states in percentage of persons 18 and older enrolled full time or part time (1999). At that date 5.8% of persons 18 and older in Arkansas were enrolled in college.
- Total full-time and part-time enrollment in Arkansas public and private colleges and universities totaled almost 130,000 persons in 2002. Total enrollment has increased by almost 75% since 1985. Public two-year colleges account for almost 75% of the enrollment increase.

- In 2002, Arkansas colleges and universities awarded 18,129 degrees, an increase of 30% since 1993, of these, 4,013 were awarded by two year institutions.
- Four-year institutions had a 78.2% one-year student retention rate in 2000 and two year institutions had a 56% retention rate. Four-year institutions had a 42% graduation rate and two-year institutions had a 21% graduation rate for the same period.

**Nursing Education Programs in Arkansas.** The Arkansas State Board of Nursing (ASBN) has approved 54 nurse education programs in Arkansas including 25 programs for registered nurses and 29 programs for practical nurses. Registered nurse enrollments have grown steadily since 2001, increasing almost 50% in the three year period, and practical nurse enrollments increased 47% during the same time period.

**Table 5: Number of ASBN Approved Nursing Programs in Arkansas**

<b>Arkansas State Board of Nursing Approved Nursing Programs</b>	
Baccalaureate Degree (RN)	9
Diploma (RN)	3
Associate Degree (RN)	13
Practical Nurse (LPN)	29
<b>Total</b>	<b>54</b>

Source: Arkansas State Board of Nursing

**Table 6: Enrollment in Arkansas Nursing Programs (ASBN)**

	<b>2001</b>	<b>2002</b>	<b>2003</b>
<b>Registered Nurse Programs Enrollment</b>			
Diploma	600	835	896
Associate Degree	1,009	1,072	1,434
Baccalaureate Degree	981	1,109	1,568
<b>Total for all RN Programs</b>	<b>2,590</b>	<b>3,016</b>	<b>3,898</b>
<b>Practical Nurse Programs Enrollment</b>	<b>1,102</b>	<b>1,142</b>	<b>1,625</b>

Source: Arkansas State Board of Nursing

During the five year period ending in 2004, Arkansas institutions awarded an average of 879 nursing degrees a year. This includes associate degrees, baccalaureate degrees and master's degrees.

The numbers of persons taking the National Council License Examination to become licensed as a registered nurses and practical nurses have declined almost 10% during the past 5 years. However, the Arkansas percent passing the national examination compares well with the national percent passing rate for both registered nurses and practical nurses.

**Table 7: National Council License Examination Passage Rate for Registered Nurses**

	<b>Arkansas Number Taking</b>	<b>Arkansas Percent Passing</b>	<b>National Percent Passing</b>
2000	921	82.6%	83.8%
2001	806	84.7%	85.5%
2002	854	86.5%	86.6%
2003	949	87.9%	87.0%
2004	1,035	84.5%	85.3%

Source: Arkansas State Board of Nursing

**Table 8: National Council License Examination Passage Rate for Licensed Practical Nurses**

	<b>Arkansas Number Taking</b>	<b>Arkansas Percent Passing</b>	<b>National Percent Passing</b>
2000	708	87.3%	85.1%
2001	603	89.4%	86.5%
2002	682	88.2%	86.5%
2003	815	90.8%	88.2%
2004	823	91.5%	89.4%

Source: Arkansas State Board of Nursing

**Sub-state Regional Approaches.** Northwest Arkansas provides one model for addressing nursing education issues on a regional basis. The five accredited nurse education programs in northwest Arkansas cooperate through the Northwest Arkansas Nursing Collaborative (<http://www.nwansged.org/>) to provide nursing curricula and continuing education models to meet the nurse education needs of northwest Arkansas. It is funded by several private foundations based in the area. The five education institutions include the Eleanor Mann School of Nursing at the University of Arkansas at Fayetteville; the AHEC Northwest Department of Nursing Education, UAMS; Har-Ber School of Nursing; Northwest Arkansas Community College; and the Northwest Technical Institute, Nursing and Allied Health Division.

**Inadequate Nursing Education Infrastructure.** In a report dated March, 2002, entitled *“The State of Arkansas’ Nursing Education Programs and Their Ability to Address the*

*Nursing Workforce Shortage*” the Arkansas Legislative Commission on Nursing concluded that “the present educational pipeline is not adequate to meet the demand for nurses in Arkansas”. The report found that registered nurse education programs were unable to fill 17 fulltime faculty positions due to resignations and retirements. During the preceding 3 years, RN programs had a 60% faculty turnover and PN programs had a 94.5% faculty turnover. The high turnover rate adversely affects the quality of programs and increases the workload of the remaining faculty. The report found that RN programs in Arkansas had 73 educators and PN programs had 102 educators who did not have at least a master’s degree in nursing, which is the minimum education credential recognized by national accreditation organizations. Masters and doctoral graduates were not filling the vacant educator positions.

**Teacher Education in Arkansas.** Eighteen public and private four-year colleges and universities provide teacher education degree programs. The HEA Title II report states that in the 2003-2004 school year 3,583 students were enrolled in teacher preparation programs with 1,412 of these enrolled in student teaching courses. The Arkansas Department of Education issued 2,056 new teacher licenses that year. Of the new teachers, 960 were licensed in Early Childhood Education, 116 in Social Studies, 136 in English and Language Arts, 81 in Science, and 78 in Mathematics. Also, for the same period, there were 133 “program completers” in the ADE Non-Traditional programs that provide alternative routes to teacher licensure.

**College Access Programs.** As manufacturing and agricultural jobs declined nationally, economic developers and educators realized that American students and workers must compete globally in the knowledge-based economy. State level agencies and organizations across America in the past decade have organized to create a myriad of college access programs designed to raise college going rates in each state. The Internet came into fruition during the same time period and streamlined the college and financial aid application process. Most states have at least one web portal enterprise for encouraging college access. The National College Access Partnership, which operates out of the University of North Carolina, promotes the use of college access web portals

because they can provide good, comprehensive, accurate and timely information to students and families. According to the NCAP, web portals can be accessible, interactive, personalized, versatile, and cost effective. Web portals can support student transitions from one educational level to another or between educational institutions.

Several national private sector vendors provide software and web site design and hosting services for these web portals. Three prominent companies are Bridges Transition (<http://www.bridges.com/us/home.html>), Kuder (<http://www.kuder.com/>), and XAP (<http://www.xap.com/>). Although these companies have different core missions, they all provide career and education exploration programs for middle and high school students, links to colleges and universities and student financial aid programs, as well as offering the capacity to apply for college and student financial aid on line. They all provide their program users individual portfolio accounts which allow the user to accumulate information in a personal web based file and to carry it forward from one level of planning and decision making to another. In addition, these web portal college access programs offer “integrated services” for students, families, career counselors, college admissions officers, student financial aid officers and private lenders.

- **Arkansas Career Planning System** (<http://ark.kuder.com/>). This initiative involves a partnership between legislative leaders, the Arkansas Association of Two-Year Colleges, the Arkansas Department of Workforce Education and the Arkansas Department of Higher Education. The program makes available the Kuder Career Planning System to middle and high school students and two-year college students across Arkansas. With an objective of improving student retention, high school and college completion rates, and parental involvement in education and career planning, the program has administered career-interest assessments to over 84,000 students. The program provides the Kuder student assessment system to students at 500 middle and high school campuses and at the 22 two year college campuses and at the University of Arkansas at Fort Smith. The individual student on-line career/skills portfolios tie 8<sup>th</sup> grade career exploration, 4-year study plans and resumes on line. Teachers and counselors use

the web portal to shape curricula to better serve the learning styles and career interests of their students. The program involves the two-year colleges directly in implementing the Kuder system within their regions. This responsibility enhances the working relationship between the colleges and high school counselors and administrators and benefits the student recruitment efforts of the colleges. Moreover, the student assessment results automatically links to information about the two year colleges.

- **College Foundation of North Carolina** (<http://www.cfnc.org/>). During the mid to late 1990s, North Carolina's leadership began an aggressive campaign to get more of the state's citizens to complete college. Faced with declines in tobacco and manufacturing jobs, state political, business and educational leaders emphasized the importance of a college-educated workforce to move the state to a knowledge based economy. Two separate college access programs merged to form the College Foundation of North Carolina (CFNC), a nonprofit partnership of the state's student loan authority, state student loan guarantor, and K-16 educational institutions. All North Carolina institutions of higher education participate in the CFNC web portal program, which uses the XAP software applications to streamline the process for planning, applying and paying for college. CFNC reports its web usage between 2001 and 2003 at 5,500 visitors per day, with 800,000 student accounts and 250,000 on line applications filed. In the most recent marketing survey, 80% of North Carolina families with family members in college or preparing to go to college responded that they get college information from the CFNC website. Several lessons can be gleaned from the North Carolina experience, including:

1. **Leadership:** The state's leadership coalesced around a set of shared goals to increase substantially the college going rate of high school students.
2. **Collaboration:** All of the state's 2 year and 4 year colleges and universities cooperated in the CFNC enterprise.

3. **Inclusive Design Process.** The strategic partners hosted regional meetings around the state and involved a wide range of business, professional and educational representatives in the web portal design process.
4. **Marketing:** The NFNC web portal services have been marketed aggressively using state leaders to promote the program in multi-media advertising campaigns.

**Meeting the Nursing and Teacher Workforce Challenges in Arkansas.** The goal is to increase the college enrollments of nursing and teacher students, and to increase the numbers of qualified applicants taking and passing licensure examinations. To accomplish the goal, Arkansas must increase its college-going rate and improve overall retention and graduation rates, especially for nursing and teacher education students. To significantly increase the enrollment of nursing students, Arkansas must expand nursing program capacities, with special emphasis on preparing and retaining more nursing faculty. To address the teacher shortages, Arkansas must expand enrollments in programs to prepare students to teach mathematics, sciences, foreign languages and special education. Moreover, special efforts must be made to attract newly licensed teachers to rural areas.

### **Student Financial Aid in Arkansas: Financial Needs and Resources**

In Arkansas the average annual costs for college tuition and fees equals approximately 25% of the state's annual median household income, compared to 24% percent for SREB states and 23% for the nation as a whole (SREB: *Creating College Opportunity for All: Prepared Students and Affordable Colleges*, 2005). When average college costs are reduced by federal student financial aid and by family contributions, the remaining financial need equals approximately 22% of annual household median income in Arkansas compared to 19% in SREB states and 17% for the nation as a whole. Regional and national studies indicate that the "affordability gap" between total costs and family and federal aid cannot be filled by student loans for about 40% of students. Inability to

pay or finance college costs present formidable barriers for a high proportion of Arkansas families, and tragically, the perception of not being able to afford college keeps many eligible students from even applying for federal financial aid.

The higher education affordability gap widens with lower annual household median incomes. Minorities and persons from rural areas are more likely to have lower household median incomes and to have wider higher education affordability gaps. Also, traditional student financial aid programs usually are not available to nontraditional students because of minimum course load requirements. All of these factors combine to work against increasing enrollments, graduation rates and licensure of nurses and teachers. National and state policy makers have responded to financial needs of nursing and teacher education students by offering special financial incentive programs, some of which are listed and described below.

**Higher Education Costs.** Total costs of public 4 year colleges and universities in Arkansas equal 91% of costs in SREB states and 81% of costs on a national level while estimated median household income for Arkansas families equal 88% of SREB states and 75% of national median family income. As a percentage of median family income, college costs are disproportionately higher in Arkansas than SREB states and the nation as a whole. Between 1997 and 2002, median annual tuition and fees for public four-year colleges and universities rose 43.6% in Arkansas compared to 27.9% in other SREB states and 16.8% for the nation.

**Table 9: Average Annual, Selected Costs for Full-Time, In-State Students, 2004**

	Housing & Food	Public 4 Yr. Colleges & Universities		Public 2 Yr. Colleges	
		Tuition & Fees	Total Costs	Tuition & Fees	Total Costs
United States	\$5,884	\$4,183	\$10,067	\$2,087	\$7,971
SREB States	\$5,248	\$3,660	\$8,908	\$1,680	\$6,928
Arkansas	\$4,277	\$3,851	\$8,128	\$1,650	\$5,927

Source: SREB Creating College Opportunity for All: Prepared Students and Affordable Colleges, 2005.

**Higher Education Financial Need.** The lower annual median household income in Arkansas yields a significantly lower expected family higher education contribution and

results in remaining financial need very close in dollars to the national and SREB averages.

**Table 10: Estimates of Financial Need for Students from Average-Income Families, 2004**

	<b>Estimated Median Household Income</b>	<b>Annual Cost at a Public 4 Yr. College</b>	<b>Expected Family Contribution</b>	<b>Remaining Financial Need</b>
United States	\$43,800	\$10,067	\$2,750	\$7,317
SREB States	\$37,600	\$8,908	\$1,750	\$7,158
Arkansas	\$32,900	\$8,128	\$1,000	\$7,128

Source: SREB Creating College Opportunity for All: Prepared Students and Affordable Colleges, 2005.

**Student Financial Aid in Arkansas.** Low incomes in Arkansas drive a higher student aid participation rate in Arkansas than other states. In 2001, 93% of first-time freshmen in Arkansas four-year public colleges received student financial aid, compared to 77% in SREB states and 76% nationally. For the same year, 79% of first time freshmen in Arkansas two-year public colleges received student financial aid, compared to 62% in SREB states and 61% nationally.

In 2001, 35% of first time freshmen in Arkansas four-year public colleges received student loans, compared with 42% nationally and 38% in SREB states. For the same year, 9% of first-time freshmen in Arkansas two-year public colleges received student loans, compared with 12% nationally and 10% in SREB states. The first-time freshmen median loan amount in Arkansas was \$2,700 for four-year public colleges and universities and \$2,200 for two-year public colleges, compared with \$2,900 and \$2,300 nationally and \$2,800 and \$2,100 in SREB states.

**State Scholarships and Grants.** In Arkansas, between 1998 and 2003, need-based scholarships increased 59% and non-need based scholarships increased 224%. The increase in need-based scholarships is much lower than the SREB average and the

increase in non-need based scholarships is much higher than the SREB average.

**Table 11: State and Federal Aid Dollars to Undergraduate Students and Percent Increases**

	Dollars Awarded: 2003				Percent Increase: 1998-2003		
	Pell Grants in Public Colleges & Universities		State Scholarships/ Grants		Pell Grants in Public Colleges and Universities	State Scholarships/ Grants	
	Grants (\$000s)	Average per Recipient	Need-Based (\$000)	Non-Need Based (\$000s)		Need-Based	Non-Need Based
United States	\$7,724,829	\$1,913	\$3,930,714	\$1,202,826	76%	44%	118%
SREB States	\$3,181,330	\$1,900	\$786,264	\$1,016,811	94%	121%	146%
Arkansas	\$122,299	\$1,971	\$20,981	\$7,249	121%	59%	224%

Source: SREB Creating College Opportunity for All: Prepared Students and Affordable Colleges, 2005.

**Higher Education Affordability Gap.** The SREB describes a higher education “affordability gap” as that portion of students’ higher education costs not covered by family contributions, student income from jobs, scholarships and grants. Most families and students use student loans to fill all or a portion of the affordability gap. However, a high percentage of families do not qualify for loan amounts sufficient to fill the affordability gap. In addition, because minority families have proportionately lower median family incomes, the financial barriers affect minority students more severely than white families.

**Table 12: Affordability Gap: The Dollar Shortfall for a Family of Four**

Family Income	Cost of College	Expected Family Contribution	Pell Grant	Tax Credit	Affordability Gap
<b>4 Yr. College</b>					
SREB Median	\$8,900	\$1,750	\$2,300	\$1,500	\$3,350
SREB Poverty	\$8,900	\$0	\$4,050	\$0	\$4,850
Arkansas Median	\$8,128	\$1,000	\$1,971	\$1,500 (est.)	\$3,657
Arkansas Poverty	\$8,128	\$0	\$4,050	\$0	\$4,078
<b>2 Yr. College</b>					
SREB Median	\$6,900	\$1,750	\$2,300	\$1,500	\$1,350
SREB Poverty	\$6,900	\$0	\$4,050	\$0	\$2,850
Arkansas Median	\$5,927	\$1,000	\$1,971	\$1,500	\$1,456
Arkansas Poverty	\$5,927	\$0	\$4,050	\$0	\$1,877

Source: SREB Creating College Opportunity for All: Prepared Students and Affordable Colleges, 2005.

Ironically, families in poverty in Arkansas and the SREB states have a larger “affordability gap” than a family with median family income because the family in poverty does not benefit from federal tax credits.

**College Funding Overview.** Students pay for college through federal assistance, college and university scholarship programs, private scholarships and state aid. The federal government provides most of the funding for college through a number of loan and grant programs. Most financial assistance programs use the Free Application for Federal Student Aid (FAFSA) which can be obtained from high school counselors, college financial aid offices or on line at [www.fafsa.ed.gov](http://www.fafsa.ed.gov). For a listing and description of federal financial aid programs and state student financial aid programs, log on to the following websites:

- Federal Family Loan Educations Programs: Go to Arkansas Student Loan Authority website at (<http://www.asla.info/>)
- State of Arkansas Student Financial Assistance: Go to Arkansas Department of Higher Education (<http://www.arkansashighered.com/>)

The student financial aid office on each campus usually provides a list of these programs and some colleges provide the information on their website. Private individuals, private corporations, private non-profit organizations, professional associations, and corporate, private or community foundations also provide scholarships. Information about these opportunities may be obtained from the source of funds. The donors do not subscribe to a common website or reference point.

**Student Loans.** The Federal Family Education Loans Program (FFELP) includes the subsidized and unsubsidized Stafford Loans and the Federal Parent Loan for Undergraduate Students (PLUS) Program. In 2004 the financial aid totals for Arkansas were as follows:

**Table 13: 2004 Financial Aid Totals for Arkansas**

	<b>Subsidized</b>	<b>Unsubsidized</b>	<b>PLUS</b>	<b>Total</b>
FFELP Program	\$209,355,709	\$173,716,884	\$31,107,336	\$414,179,929
Direct Program	\$8,587,690	\$7,207,338	\$1,544,179	\$17,339,207

Source: Arkansas Student Loan Authority

**Arkansas Student Loan Authority** (<http://www.asla.info/>). The Arkansas Student Loan Authority is Arkansas's FFELP designated student loan provider. Established by the Arkansas General Assembly in 1977, ASLA has provided more than \$500 million in student loans to approximately 125,000 Arkansans. During its 2003-2004 fiscal year, ASLA had an annual loan volume of \$91,885,223 and had a portfolio of \$297,202,930 in outstanding student loans. ASLA acts as a loan originator and a secondary market for other student loan providers. In addition to the FFELP loans, ASLA offers no-fee student loan consolidation, administers Arkansas Edloan, an interest rate reduction program for Arkansas K-12 teachers and students pursuing degrees in education. Also, ASLA offers an Assisted PLUS loan in which the school pays the loan interest while the student is enrolled in college. Finally, the ASLA provides student outreach services, which include college access planning, financial aid workshops, sponsoring college fairs, and providing scholarships for qualified students. ASLA provides on line college access planning tools through its website.

**Student Loan Guarantee Foundation of Arkansas** (<http://www.slgfa.org/>). The Student Loan Guarantee Foundation of Arkansas (SLGFA) provides student loan guarantees for students pursuing a college education. SLGFA is a private non-profit organization that was established in 1966, and during its 2000 fiscal year reached the \$2 billion level of student loan guarantees. The SLGFA, along with other financial aid industry groups, sponsors Mapping Your Future (<http://www.mapping-your-future.org/>), which is an interactive college access site. It provides free college, career, financial aid, and financial literacy services for students, families, and schools.

**Nursing Student Loan Program.** Act 85 of 2003 established the Nursing Student Loan Program to provide financial assistance to Arkansas students enrolled in approved nurse education programs at accredited schools of nursing. The Arkansas State Board of

Nursing administers the program. Nursing student loans are funded to each participant at a maximum of \$1,000 per academic year. The total number of loans that can be made to any one student under the nursing student loan program shall not exceed \$6,000. The number of loans/scholarship grants awarded shall be limited to the designated funds available to the ASBN for the Nursing Student Loan Program. Recipients may be qualified for loan cancellation at a rate of one full year's loan, plus accrued interest for each year that the recipient practices in Arkansas. The loans may be changed into scholarship grants by working full time as an RN or LPN in qualified employment in the State of Arkansas. The maximum loan forgiveness rate is 100%.

**Arkansas Nurses Foundation Scholarships** (<http://www.arna.org/snas/ar/fdtn/info.htm>). Funds from the scholarship must be applied toward an advanced degree in any National League for Nursing Accrediting Council (NLNAC) or Commission on Collegiate Nursing Education (CCNE) accredited institution of higher learning, either during the summer or during the academic year following the award, and the recipient must be a dues-paying member of Arkansas Nurses Association during the academic year following the award. The scholarship recipient must submit to the scholarship committee chair a written progress report within one year subsequent to receiving the award. Applicants must be current members of the ArNA and hold an Arkansas Registered Nurse license, having been graduated from an NLNAC or CCNE accredited program (i.e., LPN, RN, BSN, MSN, APN).

**Northwest Arkansas Nursing Education Consortium (NEC)**

(<http://www.nwansged.org/index.html>). The NEC Nursing Scholarship program establishes a competitive process for interested and qualified high school and post-high school students and international nurses to get academic and scholarship assistance. The NEC awards scholarships provide supplemental financial assistance to bilingual students pursuing either a LPN or RN license. Scholarship money may be used for tuition, books, utility bills, car maintenance, transportation, childcare or any other financial need that contributes to the recipient's success in school.

**Arkansas Department of Higher Education.** The following scholarship programs for teachers were listed on the Arkansas Department of Higher Education website (<http://www.arkansashighered.com/index.htm>).

- **Minority Teachers Scholarship.** Provides up to \$5000 annually for African-American, Asian-American, Native American, and Hispanic college juniors and seniors working toward teacher certification. Must teach 3 or 5 years in Arkansas to have the amount received forgiven.
- **State Teacher Assistance Resource (STAR) Program.** For people willing to teach Math, Science, Special Education or Foreign Languages; persons willing to teach in an area of Arkansas that has a critical shortage of teachers may be eligible for the STAR Program. Eligible students may receive up to \$6,000 per year or a total of up to \$18,000 in scholarship money for a five-year education degree program.
- **Teacher and Administrator Grant Program.** The program reimburses certified teachers and administrators for coursework taken during the summer terms.
- **Minority Masters Fellows Program.** The program provides up to \$7500 for one year or three summers for African-American, Asian-American, Native American, and Hispanic students entering a masters program, or in the fifth year of a five year teacher certification program, who were Minority Teacher Scholarship recipients.

**Addressing the College Cost Barrier to Nursing and Teacher Education in Arkansas.** When considered as a percentage of median family income, college costs are disproportionately higher in Arkansas than other SREB states and the nation. The affordability gap widens with lower incomes, which exacerbates the problems in Arkansas. Minority students are more likely to be from families with incomes lower than the family median income for Arkansas and therefore are more adversely affected by the

affordability gap. Costs of college in Arkansas, or the ability of Arkansas families to pay the costs, are a formidable obstacle to increasing the state's college going rate, which must be increased to elevate nursing and teacher enrollments. The financial aid industry has streamlined the federal student financial aid assistance process and the Arkansas Department of Higher Education provides a central point for learning about and accessing state aid. However, college and university financial aid programs and private scholarships are not centralized and information and application procedures are diffused. The Clearinghouse can provide a central point for information and access to all financial aid programs, especially those serving nursing and teacher education students. Moreover, with the information centralized, more attention could be drawn to the extent that financial barriers play in limiting nursing and teacher education enrollments in Arkansas.

## **Conclusions**

- Nursing and teacher workforce shortages are national problems and the shortages in Arkansas are more pronounced or critical than other states. Nursing and teacher workforce shortages will worsen in Arkansas if state leaders and key organizations do not act aggressively to address them.
- Successfully addressing nursing and teacher workforce shortages in Arkansas depends upon increasing the overall college going rate for the state.
- Several lessons can be learned from successful college access programs in other states. In those states, political, business and professional leaders convened and advocated large increases in college going rates. Colleges and universities collaborated on program and web portal design, and they adopted strong marketing programs to make the public aware of the web portal services.
- The proposed Student Financial Aid Clearinghouse for Critical Need Education in Arkansas will be a catalyst for addressing nursing and teacher workforce shortages and will streamline college access and student financial aid for nursing and teacher education students.

## **Web Links**

American Association of Collegiate Registrars and Admissions Officers:

<http://aacrao.org/>

American Student Assistance: <http://www.amsa.com/>

American's Career Resource Network: <http://www.acrnetwork.org/>

Arkansas Association of Collegiate Registrars and Admissions Officers:

<http://arkacrao.org/>

Arkansas for Nursing: <http://arkansasnursing.com/>

Arkansasjobs.net: <http://www.arkansasjobs.net/>

Arkansas Association of Two Year Colleges: <http://www.aatyc.org/>

Arkansas Career Planning System: <http://ark.kuder.com/>

Arkansas Career Watch Systems (AATYC): [www.ark.kuder.com/](http://www.ark.kuder.com/)

Arkansas Department of Education: <http://arkedu.state.ar.us/>

Arkansas Department of Higher Education: <http://www.arkansashighered.com/>

Arkansas Department of Workforce Education: <http://dwe.arkansas.gov/>

Arkansas Employment Security Department: <http://www.arkansas.gov/esd/>

Arkansas for Nursing: <http://arkansasnursing.com/>

Arkansas State Board of Nursing: <http://www.arsbn.org/>

Arkansas Student Loan Authority: <http://www.asla.info>

Bridges Transitions: [www.bridges.com/](http://www.bridges.com/)

Career Watch Magazine: <http://www.careerwatch.org/>

College Foundation of North Carolina: [www.cfnc.org/](http://www.cfnc.org/)

CollegeInColorado: [www.collegeincolorado.org](http://www.collegeincolorado.org)

East Project: <http://www.eastproject.org/Portal/default.asp>

Education Assistance Corporation (EAC): <http://www2.eac-easci.org/>

Education Commission of the States: <http://www.esc.org/>

Georgia Student Finance Commission: [www.gacollge411.org/](http://www.gacollge411.org/)

Kuder: [www.kuder.com/](http://www.kuder.com/)

Mapping Your Future: <http://mapping-your-future.org/>

Mississippi Dept. of Education: [www.mde.k12.ms.us/mtc/](http://www.mde.k12.ms.us/mtc/)

National College Access Network: <http://www.collegeaccess.org/>

National Student Clearinghouse: <http://www.studentclearinghouse.org/>

North Carolina Center for Nursing: <http://www.nursenc.org/>

Northwest Arkansas Nursing Education Consortium: <http://nwansged.org/>

Southern Regional Education Board: <http://www.sreb.org/>

Stafford Loan Resource Center: <http://www.staffordloan.com/>

Student Loan Guarantee Foundation of Arkansas: <http://www.slgfa.org/>

Teach Arkansas

XAP Online Integrated Student and Educational Services: [www.xap.com](http://www.xap.com)