UPDATE

The Alaska Commission on Postsecondary Education (ACPE) - funded by the Alaska Student Loan Corporation (ASLC) - promotes access to and success in education and career training beyond high school.

NEWS

INTEREST RATES REDUCED
Borrowers can finance their education for less

LEGISLATIVE UPDATE
APS, budget, and policy proposals—and their status

COMMISSION & CORPORATION ROUNDUPS
Institutional Authorization and other action items

POLICY CORNER
Highlights from around the nation

FEATUES

COLLEGE GOAL ALASKA
Helping students with the FAFSA

WWAMI PRESENTATION
Alaska’s future physicians

WICHE PRESENTATION
Interstate compact building a workforce

PEOPLE

WELCOMING NEW MEMBERS
Get to know new ASLC and ACPE leadership

NEW TALENT JOINS THE RANKS
Meet ACPE’s newest staff

A MESSAGE FROM THE EXECUTIVE DIRECTOR
Welcome to the newly revised ACPE Update
Welcome to the newly revised ACPE Update, a quarterly newsletter designed to provide higher education stakeholders with up-to-date summary information on the activities of the Alaska Commission on Postsecondary Education and its funding partner, the Alaska Student Loan Corporation. Each quarter, the ACPE Update will provide you with news and features, including links to obtain more information.

We were very fortunate to have Joe Garcia, President of the Western Interstate Commission for Higher Education (WICHE), visit the Commission. As former Lt. Governor of Colorado and former Executive Director of the Colorado Department of Higher Education, Joe has an in-depth understanding of the urgent importance of having a trained and educated state workforce if the state is to remain competitive. Joe and I met with key leaders in Juneau to discuss WICHE programs and services, and to discuss the forecast shortage of trained Alaska workers and associated need to expand our trained workforce to ensure Alaska jobs can be filled by Alaska residents, and to attract the business and industry investment in Alaska needed to expand our economy. A summary of Joe’s presentation and link to the slide deck are included in this Update.

This edition also highlights the new, very low interest rates on Alaska education loan programs. ACPE’s new education loan refinancing loan is offered to Alaska residents at only 4.95%, and borrowers can choose how long they want to take to repay the loan. Borrowers can include federal, state, and private education loans from other lenders, and thus have just one low-cost loan with just one bill — and have all their loans serviced in Alaska. This is great news for borrowers juggling multiple loans and lenders. It’s also great news for ACPE, since increased lending volume can result in the kinds of servicing economies of scale that allow us to keep loans for our state’s students at very low rates, and free of the fees that can really add up on private student loans. We’re seeing Alaskans use this refi opportunity in great ways, including children who are now successful members of the workforce refinancing loans from their parents into their own names. What a great way to say thank you for getting me through school!

I invite you to explore the ACPE Update and the links, and to contact me with any feedback or suggestions you may have.

Best regards,

Stephanie

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Stephanie Butler
Executive Director,
Alaska Commission on Postsecondary Education
Executive Officer,
Alaska Student Loan Corporation
On May 3, 2017, the Alaska Student Loan Corporation set base interest rates for 2017-2018 student and family loans at 5.75%, including the Alaska Supplemental Education Loan (ASEL), Professional Student Education Program loan (PSEP) and the Family Education Loan (FEL). The rate for refinance loans was set at 4.95%, a very low fixed rate, available only to Alaska residents.

ASEL also offers borrower benefits to qualifying borrowers, further reducing interest rates on loans for borrowers who attend an institution in Alaska, remain in Alaska after school and/or those who choose to make electronic loan payments. An ASEL borrower who qualifies for all benefits will see an interest rate as low as 5%.

The Corporation’s public service mission drives it to set interest rates as low as possible while maintaining financial soundness. The rate reduction for next year is driven by an investment of equity, as part of a long-term strategy to maintain a loan program that provides added value to Alaskans.

ASEL loans offer some of the lowest non-federal fixed rates available anywhere. Family members wishing to borrow for a student will find the FEL highly competitive, even with the federal government: The FEL loan rate of 5.75% compares to a 7% for the federal government’s Parent PLUS loan.

As a reminder, it’s important for students to access all non-loan and aid before borrowing, and research different education loan options to select the right loan.
The Alaska Performance Scholarship (APS), now beginning its seventh year, has inspired thousands of Alaska’s students to challenge themselves academically to be best prepared for postsecondary education and training. It provides our high school graduates with a strong incentive to seek higher education and career training here at home and become members of an Alaskan-grown workforce.

Despite the success of APS, Alaska’s current fiscal environment has resulted in legislation that proposes to change or eliminate the APS, both this year and last year. To date, no such legislation has passed. This year’s SB 103 was introduced by the Senate Finance committee and would have phased out and eliminated the Alaska Performance Scholarship and Alaska Education Grant programs, with the last students eligible for these programs being high school graduates of 2017 who applied by July 1, 2017.

Those students would have only four years to use the APS instead of the current six years. SB103 also eliminates the Alaska Higher Education Investment Fund (AHEIF), which was created and capitalized specifically to fund APS and AEG awards in perpetuity. The bill creates a new Alaska Education Innovation Grant Fund and transfers the balance of the AHEIF to the new fund, for use in making grants to school districts.

A later committee substitute (CS) of the bill removed Level 1 APS awards from the proposed phase-out. However, because the elimination of the AHEIF remains, funding for awards would compete with grants to school districts. The CS does not change the proposed phase-out of the Alaska Education Grant.

This bill was passed in the Senate and moved to the House of Representatives, where it’s currently in the House Education Committee waiting to receive its first hearing.

At its most recent quarterly meeting, the Commission discussed and voted in favor of a Resolution of Support for the APS. Commissioners noted that this program has not only helped thousands of Alaskans attend college, it also is a message to our students that Alaska cares deeply about education and is willing to help its youth attend school if they are willing to put in the work.
As of this writing, the second special session to which Governor Bill Walker called the 30th Legislature has completed work on the state’s FY18 operating budget (House Bill 57). The Conference Committee for HB57 was composed of Senators Lyman Hoffman, Anna MacKinnon, and Donny Olson; and Representatives Paul Seaton, Neal Foster, and Lance Pruitt. Conferencable actions included three Commission items. The Senate version of the operating budget cut three funding increases for the Alaska Performance Scholarship, Alaska Education Grant, and WWAMI programs, totaling $431,000. The House version of the budget kept this funding intact. The conference committee adopted the House’s version on the APS and AEG increments, which approved the requests. On the WWAMI, the committee adopted the Senate version, which denied the request. The WWAMI request was based on the estimated FY18 bill, which has since been revised downward, and the amount needed to meet the reduced amount has already been included in the budget, so no negative impact to WWAMI students is anticipated.

Senate Bill 23, the capital budget bill, passed the Senate in mid-May. The supplemental budget bill, Senate Bill 43, is also rolled into the Capital budget. The Alaska Student Loan Corporation has a $115,100 line item in the bill due to an increase in health insurance for FY17, which was added to the Commission’s interagency receipt funding line but not added within the Corporation’s appropriation. This item addresses a technical oversight; since the Corporation funds the Commission, it needs to be added to both.

We are also following a number of bills that would affect State employees in general and/or would directly impact ACPE’s operations. Although these bills were not up for consideration during special session, they may continue to be considered next year.

**House Bill 86**
Sponsored by Representative Matt Claman, would eliminate the Commission’s ability to prevent renewal of a borrower’s occupational license if they are in repayment and in default on their education loan(s). The agency does not currently utilize this authority and Commission leadership has testified that there are no concerns with the passage of the bill. The bill passed the House and is currently in the Senate Labor and Commerce committee.

**Senate Bill 103**
Sponsored by the Senate Finance committee, would re-designate the Alaska Higher Education Investment Fund as the Alaska Education Innovation Grant Program and phase out and eliminate the Alaska Education Grant and Alaska Performance Scholarships (see p. 4).

**House Bill 71 and Senate Bill 31**
Sponsored by the Rules Committees on behalf of the Governor, would freeze salaries and halt merit increases for non-represented staff. These bills would affect all employees at ACPE. The bills also propose a freeze to salary increases for the governor, lieutenant governor, heads of departments, and members of the legislature. House Bill 71 is currently in the House State Affairs committee and Senate Bill 31 is in the Senate Rules committee.

**House Bill 109**
Sponsored by Representative Mike Chenault, would require State employees to be residents of Alaska. It is currently in the House State Affairs committee.

**House Bill 182**
Sponsored by Representative Gary Knopp, would change how longevity pay increases are calculated for State employees not covered by collective bargaining agreements. The bill is currently in the House State Affairs committee.
POLICY CORNER

REPORT ON HIGHER EDUCATION FINANCE

The State Higher Education Executive Officers (SHEEO) Association has published its 14th annual report on higher education finance, noting that in FY16 state and local governments provided nearly $90 billion to support higher education, which is the first decline in four years. Overall, 33 states increased their support per student and 17 reduced support. Tuition income showed its lowest increase in many years, growing by 2.1% in 2016. Despite that, the share of total educational expenditures supported by tuition rose to 47.8%, near its all-time high. Read More ›

WICHE’S TUITION AND FEES IN THE WEST 2016-17

Trends and Implications summarizes published tuition and fees at public institutions in the West, along with new and emerging trends in state higher education policy. The brief provides insight on related policy trends involving the affordability and financing of higher education – including state financial aid and student debt. Read More ›

NEED FOR IMPROVEMENT

An annual survey on higher education from New America reports that many Americans see room for improvement in higher education. Read More ›

DEGREE RECLAMATION

A report from the Institute for Higher Education provides suggestions for degree reclamation, which is one of the strategies states are considering to meet their attainment goals. Read More ›
COMMISSION MEETING ROUNDPUP

The Alaska Commission on Postsecondary Education held its quarterly meeting in Juneau on April 6, 2017. The meeting was available statewide by audioconference. The agenda included:

- Resolution of Support for the Alaska Performance Scholarship and Alaska Education Grant programs
- Policy presentations on WWAMI and WICHE (see pp. 10 and 11)
- Institutional authorization actions:
  - Renewal of Authorization: Vocational Training & Resource Center (Juneau)
  - Changes in Leadership:
    - Dr. Bob Onders, Interim President, Alaska Pacific University
    - Mr. Joshua Bicchinella, President, Charter College
- Management Updates

ELECTION OF OFFICERS:

**Joey Crum**, representing proprietary higher education in Alaska and previous Commission Vice-chair, was elected Chair. Mr. Crum is the owner of Northern Industrial Training, Inc.

**Pat Jacobson**, representing the general public, was elected Vice-chair. She also sits on the Alaska Student Loan Corporation Board. Ms. Jacobson, who resides in Kodiak, is a former member of the University of Alaska Board of Regents who previously served on the Commission in one of the two designated Board of Regents seats.
CORPORATION MEETING ROUNDUP

The Alaska Student Loan Corporation, which funds the Alaska Student Loan Programs, met via audioconference on May 3, 2017. The agenda included:

- Review of mid-year financial statements
- Setting of 2017-2018 interest rates and borrower benefits

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<th>Variable Rate ASEL&lt;sup&gt;1&lt;/sup&gt; Repayment, unless indicated otherwise</th>
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<th>Fixed Rate REFI</th>
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Note: Alaska Education Loan Borrower Benefits are cost reductions, applied when the Alaska Student Loan Corporation has the financial capacity to do so. Benefits are variable by program year.

<sup>1</sup> No longer originated but rate is reset annually for existing variable rate loans.
<sup>2</sup> Applicable in-school interest rate.
<sup>3</sup> Applicable only on loans in repayment not in deferment, forbearance, or past due status.
<sup>4</sup> Applicable in-school interest rate.
ACPE Supports Alaska Students

OVER A DOZEN YEARS INTO THE PROGRAM, COLLEGE GOAL ALASKA STILL PERFORMS BY HELPING FAMILIES MEET THEIR FINANCIAL AID NEEDS

“”I WAS SO HAPPY THAT I WON THE SCHOLARSHIP BECAUSE IT’S GOING TO MAKE THE DIFFERENCE.”

MEGAN KEENE [BETHEL]

More than 850 students and parents attended 71 College Goal Alaska (CGA) events statewide to receive assistance filing the Free Application for Federal Student Aid (FAFSA). CGA relies heavily on local event coordinators and volunteers from Alaska’s postsecondary institutions. With the FAFSA’s release date shifted to October, this year’s CGA season began in early fall and ended in April.

Individuals seeking grants, scholarships and loans to attend any college or technical school nationwide are required to submit the FAFSA.

One special scholarship is awarded just for participation in the CGA event: all students who completed an evaluation were entered to win a randomly drawn $700 scholarship sponsored by Bilan Chiropractic. This year’s winner is Megan Keene from Bethel.

When contacted about her award, Megan was not yet sure if she would be able to attend postsecondary education this fall. But she’s now going to be able to use it - at UAA.

Scholarship winner was Megan Keene poses with her grandmother at the presentation of the CGA scholarship check at the Bilan Chiropractic office.

Learn more about College Goal Alaska by visiting CollegeGoalAK.org
WWAMI, which stands for Washington, Wyoming, Alaska, Montana, and Idaho, is a publically supported medical education partnership between the University of Washington School of Medicine and a partner school in each state. In Alaska, that school is the University of Alaska Anchorage (UAA).

Speaking to the commission in April, Dr. Jane Shelby, Ph.D., Director of the Alaska WWAMI Medical Education Program, and Dr. Suzanne Allen, M.P.H., M.D., Vice Dean for Academic, Rural and Regional Affairs at the University of Washington School of Medicine, reported the successes of the WWAMI program in bringing practicing physicians to high demand areas in rural Alaska.

The WWAMI program is designed to create community-based medical education which teaches students to become physicians, with opportunities to learn where they can eventually practice medicine. Students complete classroom work at UAA and their clinical education in the partner states, including a variety of residency opportunities in Alaska.

Dr. Allen noted that Alaska students can complete everything except two rotations of medical school, totaling eight weeks, without having to leave the state. Drs. Allen and Shelby further discussed the different opportunities for medical students in Alaska to become completely immersed into a community and its health care system.

Well over 200 Alaskan students who have completed the WWAMI program have returned to the state to work.

Dr. Meganne Hendricks is an emergency room physician at Alaska Providence Medical Center and says that she may not have been able to become a doctor if not for the WWAMI program.
The Importance of Building Alaska’s Workforce

WICHE COMMISSION PRESENTATION

Alaska’s membership, through ACPE, in the Western Interstate Commission for Higher Education (WICHE), gives Alaskans, including students, educators, and policy-makers, access to extensive resources and opportunities. WICHE and its 16 members work collaboratively to expand educational access and excellence for all citizens of the West. By promoting innovation, cooperation, resource sharing, and sound public policy, WICHE strengthens higher education’s contributions to the region’s social, economic, and civic life.

Joe Garcia, President of the Western Interstate Commission for Higher Education (WICHE), provided a presentation to the Commission on WICHE’s programs and services, and on Alaska’s participation and benefits. Mr. Garcia provided Alaska-specific data on workforce outcomes, student exchange statistics, and national reports on student graduation numbers.

Mr. Garcia also discussed WICHE’s goals and the goals of interstate compacts in general; he highlighted that since 1988, the Western Undergraduate Exchange program has saved Alaskan students and their families over $200 million in tuition.

The presentation next focused on Alaska’s need for building a competitive workforce in a changing economy. In WICHE states, the average gap between current workforce education attainment and the projected workforce need is between 25 and 35 percent. Alaska is projected to have 66 percent of our jobs requiring some kind of postsecondary education. With a current attainment level of 36 percent, there is a gap of 30 points that Alaska must meet if we want to fill Alaska jobs with Alaska residents. Mr. Garcia pointed out this figure does not include the approximately 7 percent of Alaskans with education certificates. But even with those included, the state still has a significant gap in current attainment versus the state’s future demands.

Mr. Garcia next highlighted the importance of postsecondary education and discussed the economic recession of 2008 and America’s recovery in 2010. Over 99 percent of job growth during that economic recovery period went to workers with more than a high school degree.

Many states in the WICHE compact have pledged a higher education attainment goal with 29 states nationwide setting some kind of goal. In Alaska, our goal is for 65 percent of our workforce to have a postsecondary credential, either a degree or a vocational certification, by 2025.

Mr. Garcia wrapped up the presentation by talking about Alaska’s attainment goal, which is essential in a changing economy. The state also has many areas of opportunity to build a credentialed workforce, including easing transfers to help students complete their education, maintaining the Alaska Performance Scholarship and Alaska Education Grant programs, and expanding pathways for adults who have some college but no degree. There are also opportunities through concurrent and dual enrollment, CTE pathways, distance and hybrid courses, and partnerships with the private sector.

View the complete presentation here.
WELCOMING NEW MEMBERS
DEDICATION IN LEADERSHIP FOR ACPE AND ASLC

**Harriet Drummond**
*Alaska House of Representatives*

Representative Harriet Drummond grew up in New York City and earned a bachelor of science at Cornell University in 1974. She’s lived in Anchorage since 1976. In 1994, she was elected to the Anchorage School Board, where she served three consecutive terms. Upon retiring from the school board in 2003, Ms. Drummond continued her neighborhood activism through the North Star Community Council, serving in many positions including chair, and as a delegate to the Federation of Community Councils, where she also served as chair.

Ms. Drummond was elected to the Anchorage Municipal Assembly in 2008 and the Alaska State House of Representatives in 2012.

**Lisa Parker**
*University of Alaska Board of Regents*

Lisa Parker has a bachelor of science from The American University, Washington D.C., Cum Laude and is a Harry S. Truman Scholar with a Certificate in Corporate Community Outreach from Boston College.

Ms. Parker served as Planning Director for the Kenai Peninsula Borough, Community-Government Relations Manager for Agrium Kenai Nitrogen Operations and helped create Alaska’s first non-persistent oil spill cooperative, Alaska Chadux Corporation. She joined Apache Corporation in 2010. Ms. Parker is involved in many different organizations including the Board of Directors for the Resource Development Council, Alaska State Chamber, Kenai Peninsula Food Bank, and American Heart Association Go Red for Women.

**Dr. Pearl Kiyawn Brower**
*Community Colleges*

Dr. Pearl Brower is the President of Ilisaġvik College, Alaska’s only Tribal College. She has been with the College since 2007 working in External Relations, Institutional Advancement, Student Services, and Marketing. She has served as President since 2012. Dr. Brower is active in her community and serves as the Vocational/Tribal representative on the Alaska Postsecondary Access and Completion Network and numerous other organizations.

Dr. Brower holds a Bachelor of Arts in Anthropology; a Bachelor of Arts in Alaska Native Studies; a Masters in Alaska Native and Rural Development; and a Ph.D. in Indigenous Studies from the University of Alaska Fairbanks.
WELCOMING NEW MEMBERS
DEDICATION IN LEADERSHIP FOR ACPE AND ASLC

Les Morse
General Public

Les Morse began his education career in 1986 as a teacher in rural Alaska—teaching in Hooper Bay. He later moved to Juneau where he taught at Juneau-Douglas High School, and became a principal of Dzantik’i Heeni Middle School. Mr. Morse moved to the Alaska Department of Education and Early Development in 2003 where he served as Director of Assessment and Accountability and later as Deputy Commissioner. He retired in 2016.

Mr. Morse holds a Bachelor of Science degree from Montana State University – Northern, and two Master of Education degrees from the University of Alaska Southeast. He has held a professional teaching certificate with endorsements in history, business and technology, and continues to hold an administrative certification with endorsements for principal and superintendent.

Shelley Hughes
Alaska State Senate

Senator Shelley Hughes was elected to the Alaska State House in 2012 and is currently serving in the Alaska State Senate. Ms. Hughes graduated Summa Cum Laude from the University of Alaska with a Bachelor of Arts in English. Prior to her service in the Alaska State Legislature, Ms. Hughes held a directorship at the Alaska Primary Care Association and was an academic instructor at Mat-Su Pre-Trial facility.

Ms. Hughes is the founder and past president of the Alaska All Academies Association—a support organization for military cadets/plebes and families at 5 military academies. Ms. Hughes has lived in Alaska for more than 40 years and has roots in Hoonah, Bethel, Fort Yukon, Fairbanks, Seward and now Palmer.

Leslie Ridle
ASLC Designee for the Commission of Administration, Sheldon Fisher

Leslie Ridle’s portfolio as Deputy Commissioner at the Department of Administration includes the Divisions of Personnel and Labor Relations, General Services, Motor Vehicles, the Public Defender Agency, Office of Public Advocacy and the Alaska Public Offices Commission.

Ms. Ridle started her professional career as an 8th grade English and Social Studies teacher in Eagle River. After teaching, she transitioned to a career in state government with the Alaska Legislature and Governor Tony Knowles. After working with the Knowles Administration, Ms. Ridle moved to Anchorage in 2002 and worked for Mayor Mark Begich. In 2009, she moved to Washington, DC, to work as Deputy Chief of Staff for Senator Mark Begich.
NEW STAFF JOIN THE ACPE TEAM
WE WELCOME NEW TALENT TO OUR RANKS

Elissa Lipham
Financial Aid Specialist

Elissa comes to ACPE from Aetna Insurance. Her experience resolving complicated health insurance claims and assisting customers with challenging questions will prove beneficial to her duties processing a variety of claims and collection actions. Elissa will also provide assistance with entering and awarding alternative and refinanced loans and processing daily disclosures.

Ezra Stephens
Financial Aid Specialist

Having worked as a loan financing specialist at a car dealership, Ezra brings background knowledge in lending. He is becoming the agency expert on the Alaska Performance Scholarship (APS) and Alaska Education Grant (AEG) programs. His work also includes processing forbearance applications. Ezra is also training on Service Member Civil Relief Act processing and will serve as back up for credit reporting dispute responses and updates.

Erwin Fariolan
Financial Aid Specialist

Erwin is specializing in the collection liaison role and will work closely with the agency collection vendor. He is also training to provide back up to the position responsible for processing bankruptcies and a variety of federal and state loan claims. His previous position at Catholic Community Services, where he helped needy families obtain financial assistance, will be beneficial in analyzing information and processing claims.

Adelina Rodriguez
College & Career Specialist

Arriving from the southwest of New Mexico, Adelina brings over 8 years of experience in higher education recruitment and retention. Adelina will use her experience in her new position at the ACPE Success Center as she collaborates with schools and community agencies to promote postsecondary education and training. Adelina will be providing higher education and career planning assistance to students, parents, and the general public. Adelina has a Bachelor of Business Administration and a Master of Arts in Education from New Mexico State University.
The Alaska Commission on Postsecondary Education, funded by the Alaska Student Loan Corporation, promotes access to and success in education and career training beyond high school. The commission provides:

- programs creating early awareness of the importance of preparing for higher education success
- education planning tools and resources
- advocacy and support for postsecondary participation in Alaska
- financial aid for college and career training
- education consumer protection through institutional authorization and complaint investigation

**ASLC Mission:**
Operate as an enterprise agency of the State of Alaska to finance the Alaska Student Loan Program.