MISSISSIPPI POST-SECONDARY EDUCATION FINANCIAL ASSISTANCE BOARD



IHL Executive Offices, Room 218 3825 Ridgewood Road, Jackson, MS 39211

September 24, 2020 at 10:00 a.m.

Zoom:

https://itsmsgov.zoom.us/j/95962508440?pwd=Q0JHTmdpZndvUk5kSzAzdkhYSlVJUT09

Password: 083613

Teleconference: 1-888-822-7517, Access code: 2791682#

MINUTES

BE IT REMEMBERED, that the Mississippi Postsecondary Education Financial Assistance Board held a regular meeting on Thursday, September 24, 2020 at 10:00 a.m. Due to recommendations from the Mississippi State Department of Health for social distancing due to the coronavirus, members of the Board participated in the meeting remotely via Zoom or teleconference. Members of the media and public were invited to attend the meeting in Room 218 of the Education and Research Center, 3825 Ridgewood Road, Jackson, Mississippi, 39211.

The following member(s) participated via Zoom or teleconference:

- Debbi Braswell, MAICU appointee
- Mark Keenum, IHL Institutional appointee
- Louanne Langston, MCCB Institutional appointee
- Dolly Marascalco, MCCB appointee
- Sharon Ross, Governor's appointee
- Jim Turcotte, Governor's appointee and Chairman
- Rep. Mac Huddleston, Advisory Member, Chairman, House Universities and Colleges Committee

The following member(s) did not participate:

- Ben Burnett, MAICU appointee
- Ann Lamar, IHL Board appointee

Also in attendance remotely were:

- Meg Harris, Assistant Director of Operations, Student Financial Aid
- Kim Gallaspy, IHL Director of Legislative Services
- Audra Kimble, Mississippi Community College Board
- Jennifer Rogers, Director of Student Financial Aid and Postsecondary Director
- Apryll Washington, Assistant Director of Policy and Planning, Student Financial Aid

The meeting was called to order by Chairman Turcotte.

MINUTES

On motion by Dr. Keenum and seconded by Ms. Braswell, all Board Members legally present and participating voted unanimously to approve the minutes of the board meeting held on July 1, 2020 as originally drafted.

ITEMS FOR CONSIDERATION

Item 1: Ms. Rogers presented a copy of the letter submitted to the Legislature about the FY 2020 deficit appropriation request. Discussion ensued. No action was required of the Board.

1. Legislative Request for FY 2021 Deficit Appropriation for Student Financial Aid

Summary:

The FY 2021 appropriation for Student Financial Aid (SFA) was below the anticipated need to fully fund the Mississippi Resident Tuition Assistance Grant (MTAG), the Mississippi Eminent Scholars Grant (MESG), and the Higher Education Legislative Plan Grant (HELP).

SFA needs \$6.11 million in deficit funding, including \$5.61 million in general funds and \$0.5 million in spending authority. The spending authority would include funds collected during FY 2021. Without a deficit appropriation, SFA will prorate all undergraduate grant awards by 15%. Approximately 27,070 students, representing 82 counties and attending 30 public and private colleges and universities in the state, will be impacted.

The figures here represent current projections of anticipated need. Final numbers will be available mid-February 2020, after fall grade files and spring enrollment files are received from all institutions. Nevertheless, awards must be offered early during the spring term, so legislative commitment is needed as early as possible in January during the Legislative Session.

Exhibit 1 – Letter Requesting Deficit Appropriation

Recommendation:

No action is needed at this time.

Exhibit 1

3825 Ridgewood Rd. Jackson, MS 39211

- P 601.432.6997
- F 601.432.6527



September 3, 2020

The Honorable Briggs Hopson, Chairman Senate Appropriations Committee 400 High Street Jackson, MS 39201

The Honorable John Read, Chairman House of Representatives Appropriations Committee 400 High Street Jackson, MS 39201

Dear Chairman Hopson and Chairman Read:

I am writing to request your assistance in obtaining \$6.11 million in deficit funding for Student Financial Aid (SFA) for FY 2021. The total \$6.11 million funding request includes \$5.61 million in general funds and \$0.5 million in spending authority. The FY 2021 appropriation for Student Financial Aid was below the anticipated need to fully fund the Mississippi Resident Tuition Assistance Grant (MTAG), the Mississippi Eminent Scholars Grant (MESG), and the Higher Education Legislative Plan Grant (HELP).

Without this deficit appropriation, the Office of Student Financial Aid will prorate all undergraduate grant awards by 15% in accordance with *Mississippi Code of 1972*, *Annotated* § 37-106-14. Because the entire proration will be applied to spring awards rather than fall and spring, the result will be a reduction of about 30% to each spring award. Approximately 27,070 students, representing 82 counties and attending 30 public and private colleges and universities, will be impacted.

This deficit request represents our current projections of anticipated need. Final numbers will be available mid-February 2021, after fall grade files and spring enrollment files are received from all institutions. Nevertheless, a funding *commitment* is needed as early as possible in January 2021 to allow students to make decisions and financial arrangements for the spring term.

Thank you for your assistance with this request. I look forward to working with you to provide full awards to all eligible students this year. Please let me know if I may provide additional information about this request.

Sincerely,

Jennifer Rogers

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Director of Student Financial Aid

Director, Postsecondary Education Financial

Assistance Board

cc: Lt. Governor Delbert Hosemann

Speaker Philip Gunn Chairman Jim Beckett

Chairman Jenifer Branning

Howard Brown, Legislative Budget Office Porscha Miner, Legislative Budget Office

Lee Anne Robinson, Legislative Budget Office Corbin Stanford, Legislative Budget Office

Item 2: Ms. Rogers presented a request for the Board to extend the temporary rule to allow hardship deferments for another 30 days. On motion by Ms. Braswell, seconded by Ms. Langston, all Board Members legally present and participating voted unanimously to approve the request.

2. Extend the Temporary Rule to Allow Hardship Deferments

Summary

The rules and regulations of state forgivable loans outline provisions for an initial grace period and the following types of deferment: service, residency, in-school, temporary disability, and military. No standing provision is made for a hardship deferment. In anticipation of the economic downturn expected as a result of the COVID-19 pandemic, in March 2020, the Board approved a temporary rule to authorize provisions for a hardship deferment of no more than six months to be granted upon written request from borrowers in the programs listed below. The rule was filed with the Secretary of State's Office in April 2020. Per the state's Administrative Procedures Act, a temporary rule can remain in effect for 120 days, after which time it can be extended for another 90 days.

- Critical Needs Alternate Route Teacher Forgivable Loan (CNAR)
- Critical Needs Teacher Forgivable Loan (CNTP)
- Teacher Education Scholars Forgivable Loan (TES)
- William Winter Alternate Route Teacher Forgivable Loan (WWAR)
- William Winter Teacher Forgivable Loan (WWTS)
- Health Care Professions Forgivable Loan (HCP)
- Nursing Education Forgivable Loan, BSN (NELB); RN to BSN (NELR); MSN (NELM); RN to MSN (NERM); and Ph.D./DNP (NELP)
- Family Protection Specialist Social Worker Forgivable Loan (SWOR)
- Counselor and School Administrator Forgivable Loan (CSA)
- Graduate Teacher Forgivable Loan (GTS)
- Southern Region Education Board Doctoral Scholars Forgivable Loan (SDSP)
- Critical Needs Dyslexia Therapy Teacher Forgivable Loan (CNDT)
- Nursing Teacher Stipend (NTSP)
- State Dental Education Forgivable Loan (DENT)
- State Medical Education Forgivable Loan (MED)
- Southern Regional Education Board Regional Contract Forgivable Loan (SREB)
- Graduate and Professional Degree Forgivable Loan (STSC)
- Veterinary Medicine Minority Forgivable Loan (VMMP)
- Speech-Language Pathologists Forgivable Loan (SLPL)

Request

The Office requests approval to extend the temporary rule an additional 90 days through November 2020. Below is an excerpt from the General Administration Rules and Regulations with the temporary rule authorizing provision of a hardship deferment.

Title 10: Education Institutions and Agencies

Part 605: General Administration Rules and Regulations

Part 605 Chapter 1: General Administration Rules and Regulations

Rule 1.1 General Administration Rules and Regulations.

- V. Loan Repayment and Servicing Process
- A. Grace Period and Other Deferments

A deferment is a postponement of payment for a defined period of time for a specific purpose. The grace period is a type of deferment.

1. Grace Period

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2. Residency Deferment

. . .

3. In-School Deferment

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4. Temporary Disability Deferment

...

5. Military Service Deferment

...

6. <u>Hardship Deferment</u>

- a) A loan recipient who is unable to make payments because of financial hardship as a result of COVID-19 may request deferment.
- b) The hardship deferment must be requested in writing to the loan servicer along with an explanation for the request.
- c) The hardship deferment may be approved for a total period of time not to exceed six (6) months.

Recommendation: Board staff recommends approval of this item.

Item 3: On motion by Dr. Keenum, seconded by Ms. Braswell, all Board Members legally present and participating voted unanimously to select Dr. Jim Turcotte to continue as Chairperson for 2020-2021.

3. Selection of Chairperson for 2020-21

Summary:

According to APA Part 601, Chapter 2, Rule 2.1, Section III, the board shall elect from its membership a chairman. Dr. Jim Turcotte was elected as chairman in September 2019. The Board should elect a chairperson to serve during 2020-2021 academic/aid year. The rules allow a chairperson to serve consecutive terms.

Item 4: Ms. Rogers provided the following updates and announcements:

- Welcome Dolly Marascalco as the newest Board member. She has been appointed by the Mississippi Community College Board to complete the term of Lee Bush, whose MCCB term concluded June 30, 2020.
- The Lt. Governor has not yet made an appointment to replace Mack Grubbs, who stepped down in December 2019.
- The Mississippi Office of Student Financial Aid continues to work from home but is fully operational. The Office will resume working from the office when IHL allows.
- No additional meetings are scheduled for the remainder of the year, unless the Board determines the need for another Strategic Planning Meeting. Ms. Rogers will send out a

Doodle Poll to determine the best date in early January for a meeting to approve the Annual Report.

4. Updates and Announcements

ADDITIONAL AGENDA ITEMS IF NECESSARY

The Board did not consider any additional agenda items.

EXECUTIVE SESSION IF DETERMINED NECESSARY

The Board did not consider the need the enter Executive Session.

ADJOURNMENT

There being no further business to come before the Board, Dr. Turcotte declared the meeting adjourned.

Director, Mississippi Postsecondary Education Financial

Assistance Board