

MISSISSIPPI POST-SECONDARY EDUCATION FINANCIAL ASSISTANCE BOARD



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

October 12, 2021 at 10:30 a.m.

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

Zoom: <https://itsmsgov.zoom.us/j/85246758441?pwd=bWZCVE9RdkxUMDBhM29qVVk1QVBJUT09>

Minutes

BE IT REMEMBERED, that the Mississippi Postsecondary Education Financial Assistance Board held a regular meeting on Tuesday, October 12, 2021 at 10:30 a.m. Members of the Board were invited to participate in the meeting in person or 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:

- Ben Burnett, MAICU appointee
- Debbi Braswell, MAICU appointee
- Barney Daly, Lt. Governor's appointee
- Mark Keenum, IHL institutional appointee
- Sharon Ross, Governor's appointee
- Jim Turcotte, Governor's appointee and Chairman
- Dianne Watson, MCCB appointee

The following member(s) did not participate:

- Steven Cunningham, IHL Board appointee
- Tyrone Jackson, MCCB institutional appointee

The following members of the Advisory Committee participated via Zoom or teleconference:

- Terry Bland, Advisory Committee of Aid Directors, Itawamba Community College
- Laura Diven-Brown, Advisory Committee of Aid Directors, University of MS
- Isabelle Higbee, Advisory Committee of Aid Directors, Millsaps
- Garry Jones, Advisory Committee of Aid Directors, East MS Community College
- Paul McKinney, Advisory Committee of Aid Directors, MS State University
- Nicole Patrick, Advisory Committee of Aid Directors, MS University for Women
- David Williamson, Advisory Committee of Aid Directors, University of Southern MS
- Letherio Ziegler, Advisory Committee of Aid Directors, MS Valley State University

MINUTES

Also in attendance were:

- Ainsley Ash, Woodward Hines Education Foundation
- Toren Ballard, Mississippi First
- David Blount, Mississippi Senator (Zoom)
- Audra Dean, Mississippi Community College Board (Zoom)
- Rachel DeVaughan, Mississippi Community College Board (Zoom)
- Kierstan Dufour, Woodward Hines Education Foundation (Zoom)
- Kim Gallaspy, IHL Director of Legislative Services (Zoom)
- Meg Harris, Assistant Director of Operations, Student Financial Aid (Zoom)
- Ann Hendrick, Woodward Hines Education Foundation (Zoom)
- Beverly Jackson, Database Administrator and Lead Systems Analyst, Student Financial Aid (Zoom)
- Courtney Lange, Woodward Hines Education Foundation (Zoom)
- Jim McHale, Woodward Hines Education Foundation (Zoom)
- Porscha Miner, Legislative Budget Office (Zoom)
- Molly Minta, Reporter, *Mississippi Today* (Zoom)
- Jennifer Rogers, Director of Student Financial Aid and Postsecondary Board Director (Zoom)
- Kell Smith, Interim Executive Director, Mississippi Community College Board (Zoom)
- Robert Walker, Office of Governor Tate Reeves
- Apryll Washington, Director of Policy and Planning, Student Financial Aid (Zoom)
- Shanell Watson, Woodward Hines Education Foundation (Zoom)
- Jay Woods, Office of the Attorney General (Zoom)

The meeting was called to order at 10:33 a.m. by Chairman Turcotte.

MINUTES

On motion by Mr. Daly and seconded by Ms. Braswell, all Board Members legally present and participating voted unanimously to approve the minutes of the board meeting held on June 23, 2021 as originally drafted.

ITEMS FOR CONSIDERATION

Item 1: Ms. Rogers presented a request to update the disbursement policy in the General Administration Rules and Regulations. On motion by Mr. Daly, seconded by Dr. Keenum, all Board Members legally present and participating voted unanimously to approve the requested change.

- 1. Approve Update to Disbursement Policy in APA Part 605: General Administration Rules and Regulations**

Summary:

The current disbursement policy outlined in the General Administration Rules and Regulations states that “funds are considered to be disbursed to the student at the point at which the institution makes the funds unconditionally available to the student for use in payment of tuition, fees, or

MINUTES

other eligible costs of attendance”. The rules go on to state that funds do not have to be returned to the state if a student’s enrollment changes *after* the funds are disbursed.

All institutions are required to submit enrollment files to the state aid office immediately following the final add/drop date at the beginning of the term. SFA does not send money to the institutions on behalf of eligible students until after receiving the enrollment file. SFA then sends funds based on a student’s actual enrollment as reported in the enrollment file. Most institutions wait for SFA to process the enrollment file and send funds before “disbursing” funds to the student. These institutions will simply waive a portion of tuition or fees in anticipation of receiving state aid. Despite not being the norm, it is perfectly allowable for an institution to advance payment to the student using the institution’s own funds, thereby “disbursing” funds to the student before SFA sends the funds to the institution.

A problem occurs when an institution pays the student in advance, but then the student stops out or drops below full-time enrollment before SFA sends funds. According to the rules as currently written, in such a situation, the student is entitled to keep the funds because the funds were “disbursed” to the student before the student’s enrollment changed. This is a loophole. The reason SFA processes enrollment files before sending funds is to ensure that SFA is only disbursing state aid to students who are currently enrolled and meeting the program requirements.

Request

The Office requests approval to update the rule to clarify that no funds may be considered “disbursed to the student” prior to receipt of enrollment verification. Below is an excerpt from the General Administration Rules and Regulations with the proposed update tracked.

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.

IV. DISBURSEMENT PROCESS

State financial aid funds will be disbursed directly to the approved institution on behalf of the eligible student. Money will never be disbursed directly to the student.

- A. Enrollment Verification - No state financial aid funds will be disbursed until the Office receives verification of enrollment. Each approved institution will submit an Enrollment Verification Report after the final add/drop date at the beginning of each term. The Office will process the Enrollment Verification Reports in the order in which they are received.
- B. Requesting Funds - After the Office has processed the Enrollment Verification Report, the Office requests that funds be disbursed to the institution for eligible students with confirmed enrollment.
- C. Transferring Funds to the Institution - State financial aid funds will be transferred to the institution by check or electronic funds transfer. After funds are requested, the transfer of funds may take as long as 14-21 days. Once the funds have been transferred to the institution, the institution will be responsible for crediting each student’s account with the correct award amount.

MINUTES

- D. Disbursing Funds to the Student - Funds are considered to be disbursed to the student at the point at which the institution makes the funds unconditionally available to the student for use in payment of tuition, fees, or other eligible costs of attendance. Funds are considered to be disbursed to the student if the institution uses its own funds to advance payment of the funds and later requests the Board for reimbursement. Funds are not considered to be disbursed if the institution merely waives payment of costs pending receipt of payment from the Office. In no case are funds considered to be disbursed to the student before the Office receives verification of enrollment.
- E. Returning Funds to the State - If a student, who is required to maintain continuous full-time enrollment for continued eligibility, withdraws or drops to below full-time status before state financial aid funds are disbursed to the student, the institution should return the funds to the state. The student will not be eligible for state financial aid for the subsequent term since he/she did not maintain continuous full-time enrollment. If a student, who is required to maintain continuous full-time enrollment for continued eligibility, withdraws or drops to below full-time status after state financial aid funds are disbursed to the student, the student may keep the funds. However, the student will not be eligible for state financial aid for the subsequent term since he/she did not maintain continuous full-time enrollment.

Recommendation: Board staff recommends approval of this item.

Item 2: On motion by Dr. Burnett, seconded by Dr. Keenum, all Board Members legally present and participating voted unanimously to select Dr. Jim Turcotte to continue as Chairperson for 2021-2022.

2. Selection of Chairperson for 2021-22

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 2020. The Board should elect a chairperson to serve during 2021-2022 academic/aid year. The rules allow a chairperson to serve consecutive terms.

Item 3: The following announcements were made:

- Renotta Shed, who has been with the Mississippi Office of Student Financial Aid since 2009, has left to take another position out of state.
- Shirley Mitchell, who has also been with the Office for many years, has been promoted to the position of Program Administrator.
- Efforts may be made later in the year to fill Ms. Mitchell's current position, but she will continue to handle those tasks in addition to her new responsibilities for the current time.

4. Updates and Announcements

ADDITIONAL AGENDA ITEMS IF NECESSARY

MINUTES

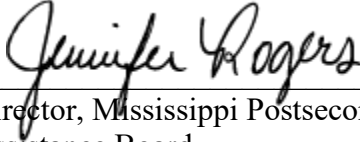
The Board did not consider any additional agenda items.

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