

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. These Rules and Regulations apply to the general administration of all student financial assistance programs administered by the Board of Trustees of State Institutions of Higher Learning (hereafter referred to as the “Agency”) or the Mississippi Postsecondary Education Financial Assistance Board (hereafter referred to as the “Board” or “Postsecondary Board”) and are subject to change by the Board. These Rules and Regulations are meant to provide additional guidance for, not supplant the approved Rules and Regulations for each student financial assistance program. The Mississippi Office of Student Financial Aid (hereinafter referred to as the “Office”) will act on behalf of the Board and/or Agency to administer the student financial assistance programs.

I. APPLICATION PROCESS

- A. All students must complete the online application for state student financial aid. Paper applications are not accepted. The Office will consider only applications made by the published deadlines, unless an exception is granted for all applicants.
- B. A student should complete the following steps to apply for state student financial aid:
 1. Complete the online portion of the application, available at www.msfinancialaid.org by the published application deadline for the appropriate program(s). The application is available beginning October 1 each year. Students should complete an application EVERY year for which they wish to receive financial aid.
 2. Print the confirmation page at the end of the online portion of the application and keep the confirmation page for record-keeping purposes.
 3. Print and keep the confirmation email, which verifies successful completion of the online portion of the application.
 4. Receive email notification from the Office with the information needed to access a student’s secure online account.
 5. Submit all supporting documents requested via the student account. Supporting documents are essential to the application and must be received by the Office (not postmarked) by the published deadline for the appropriate program(s).

6. Check the student account often for updates and/or requests for documentation. NOTE: In certain situations, the Office may become aware of student circumstances that require the Office to collect other or additional supporting documents from the student.
- C. The following supporting documents may be requested to complete an application for state student financial aid. The documents are grouped according to the purpose for which they are requested.
1. Residency Documentation - The Office will collect two documents to determine whether or not a student is a Mississippi resident. Any combination of two of the following documents will be accepted.
 - a) Mississippi Driver's License Number - A student should submit the Mississippi Driver's License Number while completing the online application or make a color photocopy and send to the Office. Please do not fax a copy of the driver's license. Dependent students must submit a parent's Mississippi Driver's License Number. Independent students must submit his/her own Mississippi Driver's License Number.
 - b) Mississippi Tax Return (Current Year) - A student should submit the first two pages of the state tax return for the current tax year. The tax return must be signed, unless prepared by a tax preparation professional. Dependent students must submit a parent's tax return. Independent students must submit his/her own tax return.
 - c) Free Application for Federal Student Aid (FAFSA) - The FAFSA is the application for federal student aid. It is available online at www.fafsa.gov. The student must complete the FAFSA by the document deadline specified by the program. The Office will automatically receive the applicant's FAFSA results if the applicant's official state of residency is Mississippi.
 - d) Motor Vehicle Registration in Mississippi - Registration of vehicle must have been completed at least 12 months prior to the start of the term for which the student is seeking financial aid.
 - e) Proof of Homestead Exemption - Homestead Exemption must have been filed at least 12 months prior to the start of the term for which the student is seeking financial aid.
 - f) Proof of Voter Registration in Mississippi - Voter registration must have been completed at least 12 months prior to the start of the term for which the student is seeking financial aid.

- g) Other Documents for Students with Special Circumstances – Some students with special circumstances may be required to submit documents in addition to two from the preceding list.
 - (1) Military Personnel - Other residency documents may be required for students who are serving or have parents who are serving in the military.
 - (2) Part-Year Tax Filers – A residential lease agreement may be requested and accepted as residency documentation in combination with a part-year Mississippi tax return.
2. Dependency Documentation – Students with certain family circumstances may be considered “independent” for purposes of receiving financial aid. The student may be asked to verify such circumstances by providing documentation. In some cases, the Office may defer to the institution’s decision concerning the student’s dependency status.
- a) Legal Guardianship or Custody – The student must provide court documents proving legal guardianship or legal custody of student by someone other than the student’s parents.
 - b) Death Certificate – The student must provide a certificate of death for both parents.
 - c) Proof of Homelessness – A high school counselor, high school homeless liaison, or director of a youth center/transitional living program must provide certification that the student is homeless or self-supporting and at risk of being homeless.
 - d) Ward of the Court/Foster Care – The student must provide legal documentation proving that the student is under foster care or a ward of the court.
3. Merit Documentation - The Office will collect documents to determine a student’s academic or merit eligibility for state student financial aid.
- a) High School GPA - The high school grade point average (GPA) should be submitted either electronically by the high school through the approved grade file format or through the secure website. In limited cases, the Office will accept an official transcript. The GPA should be calculated on a 4.0 scale.
 - b) Official High School Transcript - The official high school transcript must include all courses attempted, completed, in progress, or to be completed; the GPA on a 4.0 scale; and the

ACT/SAT score if available. A homeschool transcript must be signed and notarized. By submitting a signed and notarized transcript, applicants certify the transcript includes a complete and accurate list of the courses attempted, completed, in progress, or to be completed. A subsequent signed and notarized transcript may be submitted to report an improved GPA, but no course-related changes on the subsequent transcript will be considered.

- c) Official College Transcript(s) or Electronic Grade Verification - The official college transcript should include all courses attempted, completed and in progress, and the overall cumulative GPA on a 4.0 scale.
- d) Certification of HELP Core Curriculum by Counselor - Students applying for the Higher Education Legislative Plan for Needy Students (HELP) Scholarship may request that their counselor certify the HELP Core Curriculum on the High School Grade File, online through the Counselor Web Application, or via file upload to the Secure Document Share Portal. The counselor certification will serve as documentation that a student has completed or will complete all courses required to be eligible for the HELP Scholarship.
- e) Certification of GEAR UP Core Curriculum by Counselor - Students applying for the GEAR UP Mississippi Scholarship may request that their counselor certify the GEAR UP Core Curriculum on the High School Grade File, online through the Counselor Web Application, or via file upload to the Secure Document Share Portal. The counselor certification will serve as documentation that a student has completed or will complete all courses required to be eligible for the GEAR UP Mississippi Scholarship.
- f) Official ACT/SAT Score Report on National Test - Students may submit a copy of the official ACT/SAT Score Report. The Office will accept ACT/SAT Superscores as calculated on the score report. The Office will not manually calculate Superscores. Scores from residual tests will NOT be accepted.
- g) Passing Praxis Score Report - Students may submit a copy of the official Praxis Score Report.
- h) Essay - Students should follow directions carefully for writing and submitting essays required for specific programs.
- i) Resume - Students should follow directions carefully for drafting and submitting resumes required for specific programs.

4. Documentation of Financial Need - For some programs, the Office will collect documents to determine a student's financial need.
 - a) Free Application for Federal Student Aid (FAFSA) - The FAFSA is the application for federal student aid. It is available online at www.fafsa.gov. The student must complete the FAFSA by the document deadline specified by the program. The Office will automatically receive the applicant's FAFSA results.
 - b) Household Verification Worksheet (HELP Worksheet) - The household verification worksheet is used to determine the number of dependents who live in the home with the applicant.
 - (1) HELP Worksheet/FAFSA Conflict – Additional information will be required if conflicting information is reported from the applicant's FAFSA and household verification worksheet. The student is required to contact the Office to receive instructions to resolve the conflicting information.
 - (2) Marial Separation – The student must provide proof of separate addresses of each parent if a parent's residency was incorrectly reported on the household verification worksheet. Current year state tax returns, current rental/purchase agreements, or utility bills may be requested for documentation.
5. Licensing Documentation - For some graduate programs, the Office will collect documents to determine a student's licensure status.
 - a) Current Teacher's License - The student may submit a copy of a valid teacher's license.
 - b) Current Nursing License - The student should go online and print a copy of the online nursing license verification available from the Mississippi Board of Nursing.
 - c) Documentation of Student Preparation for Program - For some programs, the Office will collect documents to determine a student's level of preparation for receiving state student financial aid.
6. Entrance Counseling - Entrance counseling will be provided as part of the contract for forgivable loans. As with the Master Contract and Note, the Entrance Counseling document is first presented electronically for

electronic signature. However, Entrance Counseling documents can be provided in paper format upon request. The entrance counseling document should be signed and returned by the deadline.

7. Letter of Acceptance - Letters of acceptance should be submitted as soon as they are received. Letters of acceptance should be submitted by the published deadline.
 8. Letter of Recommendation - Letters of recommendation should be submitted by the document deadline.
- D. A valid social security number shall be required from all students applying for state aid in order to create a permanent and lasting record and to facilitate student data sharing between the student's institution, the federal government, ACT, the Department of Revenue, the Department of Motor Vehicles, and the Office. An alternative number will be assigned and used for all purposes which do not require the social security number. The Office is dedicated to ensuring the privacy and proper handling of confidential information pertaining to students.
- E. Whoever, with intent to defraud the state or any department, agency, Board, Office, commission, county, municipality or other subdivision of state or local government, knowingly and willfully falsified, conceals or covers up by trick, scheme or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writings or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall upon conviction, be punished by a fine of not more than Ten Thousand Dollars (\$10,000) or by imprisonment for not more than five (5) years, or by both such fine and imprisonment.

II. DETERMINING ELIGIBILITY

A. General Requirements for Determining Initial Eligibility

In general, to be eligible for state student financial aid, a student must:

1. Be a Mississippi resident per Mississippi Statute unless the applicant is applying for a program which does not require Mississippi residency;
2. Be a citizen of the United States or eligible non-citizen. Generally, an eligible non-citizen is one of the following:
 - a) U.S. permanent resident, with a Permanent Resident Card (formerly known as an Alien Registration Receipt Card or "Green Card");
 - b) Conditional permanent resident (I-551C);

- c) Other eligible noncitizen with an Arrival-Departure Record (I-94) from the Department of Homeland Security showing any one of the following designations: “Refugee,” “Asylum Granted,” “Indefinite Parole,” “Humanitarian Parole,” or “Cuban-Haitian Entrant”; or
 - d) A citizen of the Republic of Palau (PW), the Republic of the Marshall Islands (MH), or the Federated States of Micronesia (FM).
3. Have a high school diploma or its recognized equivalent. Recognized equivalents include the General Education Diploma (GED). This requirement is applicable to students who have earned less than 12 college credits;
 4. Not be in default on any federal or state education loan or owe a repayment on a federal or state grant;
 5. Be registered with Selective Service (if required);
 6. Complete the online application by the published deadline.
 7. Provide all supporting documentation by the published deadline;
 8. Enroll for the minimum number of hours required by the appropriate program;
 9. Enroll in an approved postsecondary institution for the appropriate program;
 10. For some programs, provide proof of acceptance into the appropriate educational program at an approved location;
 11. Meet any other program-specific eligibility requirements for the appropriate program.

B. Process for Determining Initial Eligibility

To determine a student’s eligibility for state student financial aid, the Office may consider a student’s residency status, academic standing, enrollment status, licensure status, financial need, and preparation for the program. Below is the process the Office will follow:

1. The Office will receive a student’s online application.

2. The Office will notify the student of documents needed for determining initial eligibility.
3. The Office will collect the documents requested.
4. A Program Administrator will evaluate documents as they are submitted and update the student's account with information obtained from the documents (i.e. GPA, HELP core curriculum, residency, etc.), the date the document was received, and a code to signify whether the document satisfies the request.
5. After the deadline for the submission of documents, all student accounts will be reviewed electronically.
6. Students, whose accounts show missing or outstanding documents, will be considered ineligible.
7. Students, whose accounts show no missing or outstanding documents, will advance for further electronic evaluation.
8. For advancing students, information obtained from the Mississippi Aid Application and previously evaluated supporting documents will be reviewed electronically to determine if the student meets the eligibility requirements of the appropriate program.
9. Students who meet all eligibility requirements will be awarded aid, as long as money is available for making awards.
10. Students who do not meet all eligibility requirements will receive notice regarding which eligibility requirement has not been made.
11. No student should receive undergraduate grant aid through more than one state-supported undergraduate grant program in the same term of enrollment. If a student is eligible for aid through multiple grant programs, the student shall be awarded from the program that awards the larger sum.
12. No student shall receive undergraduate grant aid from any program or any combination of programs for more than eight semesters or twelve trimesters.

C. Process for Determining Continuing Eligibility

To determine a student's continuing eligibility for state student financial aid, the Office may consider a student's residency status, academic standing, enrollment status, licensure status, financial need, and preparation for the program. Below is the process the Office will follow:

1. The Office will receive a student's online application.
2. The Office will notify the student of documents needed for determining continuing eligibility.
3. The Office will collect the documents requested.
4. A Program Administrator will evaluate documents as they are submitted and update the student's account with information obtained from the documents (i.e. GPA, HELP core curriculum, residency, etc.), the date the document was received, and a code to signify whether the document satisfies the request.
5. After the deadline for the submission of documents, all student accounts will be reviewed electronically.
6. Students, whose accounts show missing or outstanding documents, will be considered ineligible.
7. Students, whose accounts show no missing or outstanding documents, will advance for further electronic evaluation.
8. For advancing students, information obtained from the Mississippi Aid Application and previously evaluated supporting documents will be reviewed electronically to determine if the student meets the eligibility requirements of the appropriate program.
9. Students who meet all eligibility requirements will be awarded aid, as long as money is available for making awards.
10. Students who do not meet all eligibility requirements will receive notice regarding which eligibility requirement has not been made.
11. No student should receive undergraduate grant aid through more than one state-supported undergraduate grant program in the same term of enrollment. If a student is eligible for aid through multiple grant programs, the student shall be awarded from the program that awards the larger sum.
12. No student shall receive undergraduate grant aid from any program or any combination of programs for more than eight semesters or twelve trimesters.

D. Special Issues Related to Determining Eligibility

1. Residency

- a) For most state-supported financial aid programs legal Mississippi residency is a requirement for eligibility. Residency status for the purpose of administering state financial aid shall be determined in the same manner as residency status for tuition purposes as set forth in Sections § 37-103-1 through § 37-103-29, with the exception of § 37-103-17. For the purpose of administering state financial aid, the term “dependent” will be used in place of the term “minor” in the applicable code sections. Eligible nonprofit institutions must comply with the same statutes set forth in these sections. The Office will use the following process to make the initial determination of residency:
- (1) The Office will look at the student’s responses to certain questions on the state financial aid application and/or on the Free Application for Federal Student Aid (FAFSA), whichever application is completed and processed first.
 - (2) The Office will review supporting documents submitted by the student. A dependent student is considered a non-resident if the parent's permanent (legal) address is an out-of-state address, as reported on the supporting documents. An independent student is considered a non-resident if the student’s permanent (legal) address is an out-of-state address, as reported on supporting documents. Both dependent and independent students are considered non-residents if the permanent or legal state of residence is left blank on the FAFSA or is reported as a state other than Mississippi.
 - (3) The school should identify students where the school's residency status differs from the status reported by the Office.
 - (4) When a student with a differing residency status has been identified, the school should contact the Office and provide the appropriate documentation to show that the student should/should not be considered a Mississippi resident.
- b) Legal Residence of an Independent Student (§ 37-103-13) - The residence of an independent student is that place where he/she is domiciled, that is, the place where he/she actually physically resides with the intention of remaining there indefinitely or of returning there permanently when temporarily absent.

- c) Legal Residence of a Dependent Student (§37-103-7) - The residence of a dependent student is that of the father, the mother, or a general guardian duly appointed by a proper court in Mississippi. If a court has granted custody of the dependent to one (1) parent, the residence of the dependent is that of the parent who was granted custody by the court. If both parents are dead, the residence of the dependent student is that of the last surviving parent at the time of that parent's death unless the dependent lives with a legal guardian duly appointed by a proper court of Mississippi, in which case his/her residence becomes that of the guardian.
- d) If a dependent student resides in Mississippi, graduates from a Mississippi high school, and completes the final four years of high school in Mississippi as demonstrated by the transcript, the student shall not be required to pay out-of-state tuition. However, the dependent student's residency status continues to be that of his/her parent for financial aid purposes.
- e) Legal Residence of Person Entering State for Purpose of Attendance at Educational Institution (§ 37-103-5) - A person who enters the state of Mississippi from another state and enters a postsecondary educational institution is considered a non-resident. Even though he/she may have been legally adopted by a resident of Mississippi or may have been a qualified voter, or a landowner, or may otherwise have sought to establish legal residence, such a person will still be considered as being a non-resident of Mississippi if he/she has entered the state for the purpose of enrolling in a postsecondary educational institution.
- f) Legal Residence of Children of Parents Who Are Employed by Institutions of Higher Learning (§ 37-103-9) - Children of parents who are members of the faculty or staff of any institution under the jurisdiction of the Board of Trustees ("Agency") may be classified as residents for the purpose of attendance at the institution where their parents are faculty or staff members.
- g) Effect of Removal of Parents from Mississippi (§ 37-103-11) - If the parents of a dependent who is enrolled as a student in an institution of higher learning move their legal residence from the State of Mississippi, the dependent is immediately classified as a non-resident student. If a student is determined to be a non-resident before state financial aid funds are disbursed to the school, the funds will be cancelled. The student will not be eligible for state financial aid since the student is considered a non-resident. If a student is determined to be a non-resident after state financial aid

funds are disbursed to the school, the student may keep the funds for that term. However, the student will not be eligible for state financial aid for subsequent terms.

- h) Legal Residency Status of a Married Student (§ 37-103-13) - A married person may claim the residency status of his or her spouse, or he/she may claim residency status as any other independent student. A student who marries a Mississippi resident is considered a resident the day he/she marries.
- i) Legal Residence of Active Duty Military Personnel Stationed in Mississippi (§ 37-103-17) - The residency requirements for members of the armed forces (and their spouses and dependents) stationed on full-time active duty in Mississippi are waived for tuition purposes only, not for student financial aid. Non-resident military personnel (or their spouses or dependents) stationed in Mississippi are not eligible for state financial aid. The financial aid applicant will be required to document legal residence by providing the military Leave and Earnings Statement listing Mississippi as the Home of Record. In cases where an active duty military applicant is determined to be a non-resident according to military documentation, the Board may request additional documentation to determine if the applicant has resident status under a different residency code section.
- j) Children of Military Personnel (§ 37-103-19) - The dependent children of legal Mississippi residents who are members of the armed forces on extended active duty away from Mississippi shall be eligible for state financial aid, even when those dependents live out-of-state and receive their high school diplomas from non-Mississippi schools. The student will be required to document that legal residence has been maintained by providing the military Leave and Earnings Statement listing Mississippi as the Home of Record. Other documents may be requested.
- k) Military Personnel - If the student was a legal resident of Mississippi when he/she entered into the service and has maintained that legal residence while in the service, the student is presumed to meet the residency requirement. The student will be required to document that legal residence has been maintained by providing the military Leave and Earnings Statement listing Mississippi as the Home of Record. Other documents may be requested.
- l) Residency Status of Aliens (§ 37-103-19) - Aliens are considered non-residents by the Mississippi Code of 1972. However, all state

financial aid programs require the student to meet certain requirements relating to U.S. citizenship. Students will be considered to have fulfilled the citizenship requirement for state aid if they meet this requirement for federal programs. If the institution has any information that would cast doubt on an award recipient's ability to meet the citizenship requirement, the institution should notify the Office.

- m) Duration of Residency - For grant and forgivable loan programs requiring award recipients to be Mississippi residents, the student must be a legal resident of Mississippi for at least 12 months before the term for which assistance is sought. Students who resided in Mississippi before meeting citizenship requirements are considered to meet Mississippi residency requirements for any term of study beginning after they have met citizenship requirements if they have resided in the state for at least 12 months.
- n) Responsibility for Registration Under Proper Residence Status Is Placed Upon the Student (§ 37-103-27) - Any student who willfully presents false evidence as to his residency status shall be deemed guilty of a misdemeanor, and upon conviction thereof may be fined not to exceed one hundred dollars.

2. Dependency Status

- a) For the purpose of awarding state financial aid, the Office will follow the federal guidelines for classifying a student as “dependent” or “independent.”
- b) To be “independent”, a student must:
 - (1) Be at least 24 years old;
 - (2) Be married;
 - (3) Be pursuing a graduate degree;
 - (4) Be serving on active duty in the U.S. Armed Forces for purposes other than training;
 - (5) Be a veteran of the U.S. Armed Forces;
 - (6) Have a child or children for which the student provides more than half of the support;

- (7) Have other dependents who live with the student for which the student provides more than half of the support;
- (8) At any time since the age of 13, both parents of the student have been deceased, the student has been in foster care, or the student has been a dependent ward of the court;
- (9) Be in a legal guardianship or legal custodial relationship as determined by a court in Mississippi; or
- (10) Be an unaccompanied youth who is homeless or self-supporting and at risk of being homeless as determined by the high school or school district homeless liaison, by the director of an emergency shelter or transitional housing program funded by the U.S. Department of Housing and Urban Development, or by the director of a runaway or homeless youth basic center or transitional living program.
- (11) Emancipation solely for purposes of financial aid is not recognized to establish independent student status.

3. First-time College Student

- a) A first-time college student is any student who has fewer than 12 hours of postsecondary academic credit.
 - (1) Postsecondary academic credit earned prior to or during the summer immediately subsequent to receiving a high school diploma or earned while dually enrolled in secondary and postsecondary educational institutions, or while enrolled in the early admission program of a postsecondary institution shall not be considered when determining if a student is a first-time college student.
 - (2) Postsecondary academic credit granted by an institution for Advanced Placement (AP) or International Baccalaureate (IB) courses completed in high school shall not be considered when determining if a student is a first-time college student.

4. Continuous Full-Time Enrollment

- a) Full-time Enrollment - For some state aid programs, a student must enroll full-time and maintain continuous full-time enrollment as a requirement for eligibility.

- (1) Full time enrollment for undergraduate students is defined as follows, unless exceptions are made for all students in a specific program at a specific institution:
 - (a) Fifteen (15) earned semester hours each academic term (excluding summer) or nine (9) earned trimester hours per academic term or twenty-four (24) earned clock hours per week for a program using clock hours.
 - (b) Hours must be reported by a single institution.
 - (c) Hours may be undergraduate or graduate course hours as long as the student is pursuing an undergraduate degree.
 - (2) Full-time enrollment for graduate students will be determined by the attending institution.
- b) Grade of “Incomplete” and Full-time Enrollment - If a student benefits from state aid during any term and the student receives one or more grades of “incomplete”, and the “incomplete” causes the number of hours reported as earned by the institution to be less than full-time, the Office will not disburse funds scheduled for the next period of enrollment until the “incomplete” is successfully removed and the student is otherwise eligible.
 - c) Intersession or Minisession and Full-time Enrollment - The Office will follow the federal guidelines for considering enrollment in intersessions or minisessions. A short nonstandard term may be treated as part of one of the standard terms, and the combined terms may be considered to be a single standard term as long as the combined term is the same for all students at the institution. Hours taken in the intersession must count towards a student’s enrollment status for the combined term and costs for the intersession must be appropriately included in the cost of attendance.
 - d) Continuous Full-time Enrollment - Continuous full-time enrollment is defined as full-time enrollment for two consecutive semesters, three consecutive trimesters, or the equivalent in each successive academic year. The summer term will not qualify as a period of full-time enrollment since funds for most programs are not available for summer terms. The following examples demonstrate how this policy will be administered:

- (1) Example 1: A student fails to enroll for fall or is enrolled less than full-time, but subsequently enrolls full-time for spring. The student is not eligible to receive the funds for fall or spring as the student does not meet the continuous enrollment requirement.
 - (2) Example 2: A student is enrolled full-time for spring, but withdraws (without cause) or drops below full-time status after receiving state financial aid funds for spring. The student is not eligible to receive funds for the following fall term.
- e) Cooperative Education Programs and Continuous Full-time Enrollment - A student who participates in an approved Cooperative Education Program and therefore attends school on alternate semesters is considered to have maintained continuous enrollment for state aid purposes. The eligible institution where the student is enrolled will report the student as being enrolled in an approved Cooperative Education Program on the Enrollment Verification Report. The student will not need to provide any special documentation to the Office.
 - f) Internships and Continuous Full-time Enrollment - A student who experiences a break in continuous full-time enrollment due to the completion of a qualifying internship during the fall, winter, or spring term(s) may submit an appeal to receive aid the following term. To qualify, an internship must either be required by the attending institution or lead to earned credit hours.
 - g) Remedial Courses and Full-time Enrollment - Remedial or developmental courses should be graded as PASS or FAIL. Grades earned in developmental courses should not be calculated into the cumulative grade point average; however, hours enrolled in developmental courses may be counted to determine enrollment status.
5. Contractual Agreements and Study Abroad - For the purposes of state financial aid, a contractual agreement is a written agreement between an eligible Mississippi school and an ineligible school. Study abroad programs will be treated as contractual agreements. A student, who is participating in a contractual agreement, including a study abroad program, may be eligible for state financial aid if the student meets all applicable requirements of continuous full-time enrollment at an eligible Mississippi institution. The eligible institution's registrar must consider the student to be a student at that school, and the student must be billed through the Business or Bursar's Office as a registered student.

6. Consortium Agreements - For the purposes of state financial aid, a consortium agreement is a written agreement between two eligible Mississippi schools. The home school is the school where the student is enrolled in a degree or certificate program. The host school is the school where the student is taking part of his or her program requirements. A student who is participating in a consortium agreement may be eligible for state financial aid if the student meets all applicable requirements of continuous full-time enrollment. The home institution's registrar must consider the student to be a student at that school, and the student must be billed through the Business or Bursar's Office as a registered student.
7. Grade Point Average - To be eligible and maintain eligibility for state financial aid, recipients must have a minimum Grade Point Average (GPA).
 - a) For first-time college students, the Office accepts the seven-semester high school GPA, as certified by the high school counselor or other school administrator. Most Mississippi high schools submit a high school Grade File directly to the Office, which includes the seven-semester high school GPA and ACT/SAT scores for all graduating seniors. However, the Office may request this information from a student if the high school does not submit a Grade File. The Office will not calculate GPAs. After a student's initial year in college, the Office will not accept high school GPAs that have been recalculated for reasons such as a change in the high school grading scale or high school grading policy.
 - b) For continuing college students, the Office accepts the overall cumulative college GPA, as calculated and certified by the registrar at the end of each term or year. The college GPA is reported directly to the Office at the end of each term by the college in a Grade Report. A student should not submit a transcript at the end of each term unless requested by the Office. The Office will not calculate GPAs, but will accept the GPA calculated by the college.
8. ACT/SAT Scores - To be eligible for some state financial aid, recipients must document a certain minimum score on the ACT or SAT, as determined by the program for which the applicant is applying. Only scores on the national ACT (includes state-wide weekday testing) or national SAT will be accepted. ACT/SAT Superscores as calculated on an official ACT/SAT score report will be accepted. The Office will not manually calculate ACT/SAT Superscores. Scores on residual tests will not be accepted.

9. Satisfactory Academic Progress (SAP) - All students must make Satisfactory Academic Progress (SAP) toward a certificate or degree to maintain eligibility for state financial aid. To make SAP, a student must have attempted fewer than 96 credit hours at the two-year college level and fewer than 192 credit hours at the four-year college level to maintain eligibility. Each term, the Office will review the total number of hours attempted by each student to determine continued eligibility for state financial aid. However, a student may appeal SAP rulings by following the approved Appeal Process and may be granted an exception for cause. In addition, if a student has appealed a SAP ruling by the school and been granted eligibility for federal student aid, the Office will defer to the ruling made by the attending institution.
10. Eligible Institutions - All state financial aid programs require recipients to attend an eligible institution. Some state financial aid programs are not available to students at all “eligible” institutions. An eligible institution for state aid purposes is an institution of higher learning, public or private, located in Mississippi, which is accredited by the Southern Association of Colleges and Secondary Schools, or its equivalent, or a business, vocational, technical or other specialized school recognized and approved by the Board. In keeping with the Legislative intent established in Miss. Code Ann. § 37-101-241, the Board hereby approves any community, junior, or senior college or university with the main campus in Mississippi that was chartered, authorized, or approved by the Mississippi Commission on College Accreditation prior to July 1, 1988. Eligible institutions for the SREB Regional Contract Program are not in Mississippi.

a) Eligible In-State Institutions:

Alcorn State University
Delta State University
Jackson State University
Mississippi State University
Mississippi University for Women
Mississippi Valley State University
University of Mississippi
University of Mississippi Medical Center
University of Southern Mississippi
Coahoma Community College
Copiah-Lincoln Community College
East Central Community College
East Mississippi Community College
Hinds Community College
Holmes Community College

Itawamba Community College
Jones County Junior College
Meridian Community College
Mississippi Delta Community College
Mississippi Gulf Coast Community College
Northeast Mississippi Community College
Northwest Mississippi Community College
Pearl River Community College
Southwest Mississippi Community College
Belhaven University
Blue Mountain College
Millsaps College
Mississippi College
Rust College
Tougaloo College
William Carey University

b) Eligible Out-of-State Institutions (for certain programs)

Southern College of Optometry (TN)
University of Alabama Birmingham (AL)

11. Default on Student Loan or Refund - A student is not eligible for state student financial assistance if he or she is in default on a federal or state loan or owes a refund on a federal or state award. If the student has defaulted but repaid the loan in full or has refunded the award in full, the student is eligible for state funds. To demonstrate that the student meets this eligibility requirement, the student must either complete the FAFSA or the Certification Statement on the state financial aid application.

E. Appealing Determinations of Ineligibility

1. A student who applies for state financial aid and is determined to be ineligible due to 1) full-time enrollment status, 2) continuous full-time enrollment status, or 3) satisfactory academic progress may appeal to the Office in writing.
2. The Office will not hear appeals related to deadline dates, residency, grade point average (either high school or college), and ACT/SAT scores. If the Office has made a determination of eligibility based on an incomplete/incorrect transcript or grade verification, the student should have the high school or college submit an official updated grade verification directly to the Office.
3. The appeal process is as follows:

- a) Student submits a Mississippi Office of Student Financial Aid Appeal Form which addresses the reason why the student was deemed ineligible and the reason why the Office should consider making an exception to the eligibility requirement. Acceptable reasons for appeal include:
- (1) Student or, in some cases, an immediate family member undergoes a significant personal event that prevents the student from maintaining continuous full-time enrollment.
 - (a) An immediate family member is defined as a parent, spouse, sibling, or child.
 - (b) A significant personal event includes serious medical problem or illness, accident or injury, divorce, abuse, death of an immediate family member, or military service.
 - (2) Student is nearing degree completion and does not have enough hours remaining to warrant continuous full-time enrollment. Such students may appeal for an exception for a single term. No appeal will be accepted, and no aid will be disbursed for any semester carrying less than 6 hours.
 - (3) Student experiences a break in continuous full-time enrollment due to the completion of a qualifying internship during the fall, winter, or spring term(s). To qualify, an internship must either be required by the attending institution or lead to earned credit hours.
- b) The personal event appeal should be accompanied by appropriate supporting documentation
- (1) For a medical problem or serious illness (physical or mental), the supporting documentation must include appropriate medical reports that identify the inception and duration of the illness. Supporting document(s) should clearly indicate whether the medical condition is under control, thus allowing the student to meet all eligibility requirements. Supporting documents should include, but are not limited to, medical reports and letters from a doctor or professional counselor.
 - (2) For an accidents or injury, the supporting documentation must identify the date of the accident or injury and describe the resultant medical problems. Supporting documents

should include, but are not limited to, police and medical reports.

- (3) For a family problem such as divorce, abuse, and death or serious illness of an immediate family member, the supporting documentation must identify the student's relationship to the family member(s) involved and the inception and duration of the problem. Clearly state what actions have been taken to manage the problem, thus allowing the student to meet all eligibility requirements. Appropriate supporting documents include, but are not limited to, police and/or medical report(s), death certificate, divorce decree, and letter(s) from a professional counselor.
 - (4) For military service, supporting documentation must identify the dates and status of the student's military tours of duty. Appropriate supporting documents include military orders and discharge papers.
- c) Only one appeal will be considered per personal event. Any additional appeals must demonstrate a new mitigating circumstance beyond the student's control.
 - d) The nearing degree appeal should be accompanied by a letter on institutional letterhead from the appropriate dean, director, or academic advisor. The letter from the faculty/administrator should indicate 1) the expected graduation date, 2) the total number of hours the student needs to complete his/her degree, and 3) the number of hours the student intends to take each term.
 - e) The internship appeal should be accompanied by a letter on institutional letterhead from the appropriate dean, director, or academic advisor that states the date of the internship, the number of credits received, and if required by the institution.
 - f) The Mississippi Office of Student Financial Aid Appeal Form and supporting documentation should be mailed to the Mississippi Office of Student Financial Aid, 3825 Ridgewood Road, Jackson, MS 39211. The Appeal Form and documentation may also be faxed to 601-432-6527 or emailed to sfa@mississippi.edu.
 - g) The Mississippi Office of Student Financial Aid Appeal Form along with supporting documentation is reviewed by a Program Administrator to ensure that the issue may be considered for appeal.

- h) The Program Administrator presents the Mississippi Office of Student Financial Aid Appeal Form, supporting documentation, and any other necessary documentation/data related to the student's file to the Appeals Committee.
- i) The Appeals Committee reviews information. The Committee may request additional information from the student and/or other parties.
- j) The Appeals Committee issues a decision. The Committee's decision is final. The Director of Student Financial Aid is not authorized to overturn the decision of the Appeals Committee.
- k) The decision is delivered in writing to the student and a copy is kept for the student's file.
- l) There is no deadline for appeals. Appeals are received and considered year-round.

F. Application Status

A student may check the status of an application online at www.msfinancialaid.org at any time after the application has been processed. To check the status of an application, a student must log in to his/her student account.

G. Updating an Application

A student should update the online application if any of the following information changes after an application has been completed online during a given aid year:

- 1. School attending
- 2. Enrollment status
- 3. Terms of enrollment
- 4. Contact information

III. AWARD OFFER AND ACCEPTANCE PROCESS

A. Award Offer and Acceptance Process for Grant and Scholarship Programs

- 1. The Office will notify students of award offers through email or mail, depending on the type of communication requested by the student at the point of application.

2. Award notices are typically made beginning in July, but will be made only after an application is considered complete and eligible.
 3. Students who wish to accept a grant or scholarship award offer do not need to take any action.
 4. Students who wish to decline a grant or scholarship award should notify the Office in writing of that decision.
- B. Award Offer and Acceptance Process for Forgivable Loan Programs
1. The Office will notify students of award offers through email or mail, depending on the type of communication requested by the student at the point of application.
 2. Award notices are typically made beginning in July, but will be made only after an application is considered complete and eligible.
 3. First-time forgivable loan applicants who wish to accept a forgivable loan award offer must complete, sign, and submit the following documents:
 - a) Entrance Counseling
 - b) Master Contract and Note incorporating the program Rules and Regulations
 - c) Self-Certification Form
 4. Renewing forgivable loan applicants who wish to accept a forgivable loan award offer must complete, sign, and submit the Self-Certification Form each year.
 5. Some documents may be available for signature electronically, but the student may request a paper document for signature.
 6. Students who wish to decline a forgivable loan award offer should notify the Office in writing of that decision.
- C. The Office will create and distribute Award Reports to notify each approved institution of the students at the institution who have received an award offer. New Award Reports are posted regularly (typically once a week), and may include changes to an award amount, reasons for cancellation of an award, and other information.
- D. Some state financial aid awards may be used only for tuition, but other awards may be used for other costs of attendance. Consult the Rules and Regulations of a

particular program to determine what may/may not be covered by an award. In no case shall any student receive any combination of financial aid that would be more than the cost of attendance. The Office encourages the institutions to reduce other aid (excluding Pell Grant) which it controls prior to returning state funds.

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.
- 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.

V. Loan Repayment and Servicing Process

A. Third-party Servicer

1. A third-party vendor will service all the state's forgivable loan accounts.
2. The vendor will provide an online platform where a student may electronically participate in Entrance Counseling and sign the Master Contract and Note before receiving funds.
3. The vendor will complete all billing and collections functions on behalf of the Office.
4. The vendor will supply online account access for every student borrower, where the borrower may make payments, download and file deferment and cancellation forms, set up automatic payments, etc.
5. The vendor will provide customer service representatives to answer questions related to the deferment, cancellation, and repayment of forgivable loans.

B. Loan Recipient Responsibilities

1. While receiving funds, the loan recipient must at all times keep the Office informed of the recipient's current, correct, and complete contact information. This information may be updated via the student account online at www.msfinancialaid.org. Once in repayment, the recipient must at all times keep the loan servicer informed of the recipient's current, correct, and complete contact information until the debt is completely satisfied.
2. A loan recipient should address in writing to the Office or the loan servicer any special circumstances regarding enrollment status, withdrawal from school, or failure to complete the approved program of study.

C. Repayment

1. A forgivable loan recipient enters repayment when the recipient completes the approved program of study, withdraws from school, fails to complete the approved program of study, or fails to obtain the necessary license (if required for employment).

2. Repayment with service or money must begin by the month after the applicable event outlined in section V.C.1.a) above, unless the recipient is granted a grace period, in which case repayment must begin by the month after the expiration of the grace period.
3. The recipient may repay the loan debt either through service or by making monetary payments.

D. 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
 - a) Loan recipients who complete their approved program of study receive a grace period, which is outlined in the Master Contract and Note signed by the student prior to receiving any award from the Office.
 - b) Most forgivable loans carry a 12-month grace period, but some carry only a 1-month grace period. The Master Contract and Note details the duration of the grace period.
 - c) The student borrower may utilize the grace period to seek and secure qualifying employment.
 - d) A loan recipient who does not complete the approved program of study will not be granted a grace period and will enter repayment immediately upon separation from the approved program of study. In some cases, such a recipient may be eligible for an in-school deferment.
2. Residency Deferment
 - a) A residency deferment is available to students in specific loan programs. These deferments are outlined in the Master Contract and Note.
 - b) At the beginning of each year of residency, the loan recipient should submit a Residency Deferment Form.
3. In-School Deferment

- a) A loan recipient who does not complete the approved program of study, but remains enrolled at least part-time, may request deferment for the purpose of remaining in school.
- b) The in-school deferment must be requested in writing to the loan servicer and must be accompanied by verification of at least part-time enrollment from the attending institution.
- c) The in-school deferment must be requested by the recipient and approved every term (except Summer) throughout the duration of the deferment.

4. Temporary Disability Deferment

- a) A loan recipient who is unable to secure or continue employment because of temporary disability may request deferment.
- b) To qualify, a recipient must be unable to work and earn money due to the disability for at least sixty (60) days or be providing continuous care for a dependent or spouse during a period of at least (90) consecutive days.
- c) The temporary disability deferment must be requested in writing to the loan servicer and must be accompanied by certification from a Doctor of Medicine or Osteopathy who is legally authorized to practice medicine.
- d) The temporary disability deferment must be requested by the recipient and approved every six (6) months throughout the duration of the deferment and condition for a total period of time not to exceed three (3) years.

5. Military Service Deferment

- a) In terms of military service, the following definitions shall apply:
 - (1) **REQUIRED** military service is that service which is required of an individual in the service of the Armed Forces of the United States; it does not include a military service obligation incurred to repay a grant, stipend or scholarship.
 - (2) **OBLIGATED** or **VOLUNTARY** military service is that service which is performed by the individual in repayment of a debt owed the United States government as a result of military scholarships, ROTC scholarships, etc. received by the individual. Service is **VOLUNTARY** if the individual

is not obligated to incur a period of military service but chooses to incur the service obligation.

- b) A loan recipient may request deferment during the time of required military service.
- c) The military deferment must be requested in writing to the loan servicer, stating the beginning and ending dates of the required military service, and must be accompanied by a copy of the military orders.
- d) The military deferment must be requested and approved on a year-to-year basis (annually).
- e) If a loan recipient continues military service for any reason beyond the REQUIRED time, then that person shall be declared ineligible for additional military deferment.
- f) If a recipient obligates himself/herself to VOLUNTARY military service, then the recipient shall be declared ineligible for military deferment.

E. Repayment through Service

1. Service Deferment

- a) The loan recipient who completes the approved program of study, earns the necessary license (if required), and obtains appropriate employment may request a service deferment.
- b) The loan recipient must submit to the third-party servicer a Service Deferment Form at the beginning of each and every year of employment until the debt is paid in full.
- c) The deferment form must be submitted by the month after the expiration of the grace period.

2. Service Cancellation

A cancellation is a clearing of all or part of the debt.

- a) Loan recipients who render employment according to the terms of their Master Contract and Note may request service cancellation.

- b) For service cancellation, the loan recipient should submit to the third-party servicer a Service Cancellation Form at the end of each and every year of employment until the debt is paid in full.

F. Monetary Payments

- 1. The loan recipient who does not repay the loan through service must begin making payments by the month after the recipient completes the approved program of study, withdraws from school, fails to complete the approved program of study, fails to obtain the necessary license (if required for employment), or the expiration of the grace period if granted.

- 2. Amount, Frequency, and Duration of Payments

- a) The loan recipient is liable for the sum of all loan awards made to that person less the corresponding amount of debt previously cancelled through service, plus a penalty of 5% of the outstanding principal, and interest on the combined outstanding principal and penalty.
- b) The rate of interest is the current unsubsidized Federal Direct Loan rate at the time of the occurrence of one of the events outlined in section V.F.2.a). Interest begins accruing at the time of occurrence of one of the events outlined in Section V.F.2.a).
- c) To keep the account current, loan recipients must repay the loan (principal, penalty, and interest) in equal consecutive monthly installments. The number of installments is outlined in the recipient's Master Contract and Note.

- 3. Past Due and Delinquent Accounts

- a) An account becomes past due when the recipient fails to make the minimum monthly payment.
- b) An account becomes delinquent when the account becomes 4 months past due.
- c) A loan recipient with a past due or delinquent account may request to "reschedule" the minimum monthly payments to keep the account from being turned over to a collection recovery agency. "Rescheduled" accounts are still considered to be past due or delinquent until any past due balance is paid in full.
- d) Delinquent accounts are considered to be in default during the 5th month past due. At such time, the account is accelerated and

placed with a collection recovery agency and submitted for tax offset.

- (1) When an account is accelerated, the sum of the outstanding principal, penalty, and interest becomes the new balance due.
- (2) A collection commission is applied to the new balance, and interest accrues on the sum of the new balance and collection commission.

G. Collection of Defaulted Forgivable Loan Accounts

1. Collection Agencies

- a) The Office partners with third-party collection recovery agencies to collect on defaulted accounts.
- b) Collection efforts by these agencies include, but are not limited to paper correspondence, electronic correspondence, and phone calls.
- c) Collection costs are borrower-paid. When an account is placed with a collection agency, a collection commission is added to the accelerated balance. Interest then accrues on the combined accelerated balance and collection commission.

2. Tax Offset

- a) When a borrower's account is placed with a collection agency, the third-party servicer also reports the account to the Mississippi Department of Revenue.
- b) The Department of Revenue may intercept individual and joint State of Mississippi income tax returns in an effort to collect on defaulted forgivable loan balances.
- c) The intercepted tax return is applied first to past due interest, then to current interest, and lastly to the outstanding principle balance.
- d) Refunding of Tax Offset Intercepts
 - (1) If the tax offset payment is intercepted from a joint return, a not-at-fault spouse may be entitled to a portion of the refund. In this case, the borrower may appeal to the Office on behalf of the not-at-fault spouse in order to procure a portion of the refund for said spouse.

- (2) The Refund Process for State Tax Offset Payments is as follows:
 - (a) The borrower receives the initial notification letter from the Mississippi Department of Revenue confirming their state tax refund has been intercepted by the Mississippi Institutions of Higher Learning to repay a defaulted forgivable loan debt.
 - (b) The borrower may submit a written appeal to the Office for the portion of the refund due to the not-at-fault spouse.
 - (c) The appeal must be received by the Office no later than 30 days after the date of issuance of the letter from the Department of Revenue.
 - (d) The Office will request W-2 employment wage verification forms from each spouse to verify the proportionate amount of tax each spouse contributed within the last calendar year.
 - (e) After reviewing the W-2 documents, the office will make a determination of the percentage of the refund attributed to the not-at-fault spouse.
 - (f) A refund check reflecting the proportionate amount of tax available to return along with a finalization letter will be issued to the not-at-fault spouse.

H. Credit Reporting

1. State Forgivable Loans are reported to the credit bureaus monthly.
2. Credit reporting is completed by the third-party servicer.
3. Accounts are reported using the standard credit reporting codes.

I. Cancellation through Death or Disability

1. Death
 - a) If a loan recipient dies, then the recipient's obligation to repay the loan or render service is canceled.

- b) The Board shall require a copy of the death certificate or other proof of death that is acceptable under applicable State Law. If a death certificate or other acceptable proof of death is not available, the recipient's obligation for service or repayment on the loan is canceled only upon a determination by the Board on the basis of other evidence that the Board finds conclusive.
- c) The Board may not attempt to collect on the loan from the deceased recipient's estate.

2. Total and Permanent Disability

- a) If a loan recipient becomes totally and permanently disabled, the recipient may request cancellation of the outstanding balance.
- b) A recipient is not considered totally and permanently disabled on the basis of a condition that existed before he/she applied for the forgivable loan, unless the recipient's condition has substantially deteriorated since he/she submitted the forgivable loan application, so as to render the recipient totally and permanently disabled.
- c) To demonstrate total and permanent disability, the recipient or the recipient's representative must submit the Disability Cancellation Form. The form must include a certification from a physician, who is a doctor of medicine or osteopathy and legally authorized to practice, on a form provided or approved by the Board, that the recipient is totally and permanently disabled.
- d) Other documents may be requested.
- e) Collection efforts will continue until the physician certification is received or until notice is received from the physician stating that the certification has been requested and additional time is needed.
- f) The physician certification and all requested documents must be submitted within 60 days of the borrower's request for cancellation.
- g) The borrower's outstanding debt will be cancelled only after the borrower is deemed to be totally and permanently disabled in accordance with the physician certification and supporting documents.

3. State of Mississippi forgivable loans cannot be discharged or cancelled through bankruptcy.

4. Forgivable loan cancellation forms can be found at the following link:
www.msfinancialaid.org/repayment.

Source: *Miss. Code Ann.* § 37-106-1 through § 37-106-79; *Miss. Code Ann.* § 37-103-1 through § 37-103-29; and *Miss. Code Ann.* § 27-7-701.