

MISSISSIPPI POST-SECONDARY EDUCATION FINANCIAL ASSISTANCE BOARD



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

June 26, 2019 at 2:00 p.m.

Teleconference
1-877-820-7831, Passcode: 1672230#

MINUTES

BE IT REMEMBERED, that the Mississippi Postsecondary Education Financial Assistance Board held a regular meeting on Wednesday, June 26, 2019 at 2:00 p.m. 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 members participated in person:

- Ben Burnett, MAICU appointee
- Lee Bush, MCCB appointee
- Ann Lamar, IHL Board appointee
- Sharon Ross, Governor's appointee
- Jim Turcotte, Governor's appointee and Chairman

The following member participated via teleconference:

- Mark Keenum, IHL Institutional appointee

The following members did not participate:

- Mack Grubbs, Lt. Governor's appointee
- Louanne Langston, MCCB Institutional appointee
- Cynthia Melvin, MAICU appointee

Also in attendance were:

- Dr. Freda Bush, Guest
- Kim Gallaspy, IHL Director of Legislative Services
- Stephanie Ganuchau, Special Assistant Attorney General, Universities Division (teleconference)
- Josh Harkins, Advisory Member and Chairman, Senate Universities and Colleges Committee
- Meg Harris, Assistant Director of Operations, Student Financial Aid
- Jennifer Rogers, Director of Student Financial Aid and Postsecondary Director
- Apryll Washington, Assistant Director Policy and Planning, Student Financial Aid

MINUTES

The meeting was called to order by Chairman Turcotte.

MINUTES

On motion by Mr. Bush and seconded by Dr. Burnett, all Board Members legally present and participating voted unanimously to approve the minutes of the board meeting held on April 11, 2019 as originally drafted.

REGULAR AGENDA ITEMS

1. Approval of the FY 2021 Budget Request

On motion by Dr. Burnett, seconded by Ms. Lamar, all Board Members legally present and participating voted unanimously to approve the FY 2021 Budget Request and Narrative. During discussion, Ms. Rogers suggested the Board entertain later discussion regarding the budget request for future years. She suggested the Board could use the Budget Request and Five-Year Strategic Plan to advocate for changes to Student Financial Aid. The Board could request the elimination, creation, or changes of programs, the conversion of loans into loan repayment programs, and/or funding changes within the request. The Board agreed to establish a subcommittee to consider the issues related to redesigning state aid. A Board member asked how many HELP Grant recipients also receive the maximum Pell grant. Ms. Rogers agreed to provide the requested information to the Board following the meeting.

Summary:

The Mississippi Office of Student Financial Aid requests approval of the FY 2021 Legislative Budget Request. Board policy Part 601, Chapter 9, Rule 9.1 (IV) states, "Annually, the Board will review the annual legislative budget request for the Mississippi Office of Student Financial Aid and make a budget recommendation to the Agency."

Exhibit 1 – FY 2021 Budget Request (Page 16)

Exhibit 2 – FY 2021 Budget Narrative (Page 17)

MINUTES

Exhibit 1

MBR - FY 2021	2019 Awards	FY 2019 Amount	2020 Awards	FY 2020 Amount	2021 Awards	FY 2021 Amount	Add'l Awards	Additional Needs	Change
1- Administration									
Salaries, Wages and Fringes		\$ 699,972		\$ 711,657		\$ 724,248		\$ 12,592	
Travel		\$ 8,000		\$ 8,000		\$ 8,000		\$ -	
Contractual Service		\$ 700,000		\$ 550,000		\$ 550,000		\$ -	
Commodities		\$ 10,000		\$ 10,000		\$ 10,000		\$ -	
Equipment		\$ 10,000		\$ 10,000		\$ 10,000		\$ -	
Total Administration		\$ 1,427,972		\$ 1,289,657		\$ 1,302,248		\$ 12,592	1.0%
2- MTAG/MESG and HELP									
MTAG	18,657	\$ 10,460,366	18,937	\$ 10,888,692	19,126	\$ 11,093,295	189	\$ 204,603	
MESG	3,058	\$ 6,860,361	3,119	\$ 7,330,026	3,166	\$ 7,597,884	47	\$ 267,858	
HELP	3,923	\$ 23,915,521	4,323	\$ 27,670,658	4,626	\$ 31,087,984	303	\$ 3,417,326	
Total MTAG/MESG/HELP	25,638	\$ 41,236,248	26,379	\$ 45,889,376	26,918	\$ 49,779,163	539	\$ 3,889,787	8.5%
3 - Forgivable Loan and Repayment Programs									
Teacher Programs:									
GTS (Graduate)	0	\$ -	0	\$ -	60	\$ 120,000	60	\$ 120,000	
CSA (Graduate)	0	\$ -	0	\$ -	18	\$ 43,200	18	\$ 43,200	
WWTS	0	\$ -	0	\$ -	190	\$ 760,000	190	\$ 760,000	
WWAR	0	\$ -	0	\$ -	2	\$ 8,000	2	\$ 8,000	
CNDT (Graduate)	0	\$ -	0	\$ -	40	\$ 200,000	40	\$ 200,000	
MLR (Loan Repayment)	0	\$ -	0	\$ -	200	\$ 600,000	200	\$ 600,000	
TES	6	\$ 88,316	2	\$ 30,000	35	\$ 525,000	33	\$ 495,000	
Nursing Programs:									
NELB	0	\$ -	0	\$ -	190	\$ 760,000	190	\$ 760,000	
NELM (Graduate)	0	\$ -	0	\$ -	80	\$ 320,000	80	\$ 320,000	
NELP (Graduate)	0	\$ -	0	\$ -	18	\$ 90,000	18	\$ 90,000	
NELR	0	\$ -	0	\$ -	52	\$ 208,000	52	\$ 208,000	
NERM (Graduate)	0	\$ -	0	\$ -	12	\$ 48,000	12	\$ 48,000	
NTSP (Graduate)	0	\$ -	0	\$ -	18	\$ 198,000	18	\$ 198,000	
Health/Science Programs:									
SLPL	1	\$ 12,825	0	\$ -	5	\$ 70,000	5	\$ 70,000	
SREB	35	\$ 672,000	34	\$ 652,800	33	\$ 653,400	-1	\$ 600	
Total Loan/Repay Programs	42	\$ 773,141	36	\$ 682,800	953	\$ 4,603,600	917	\$ 3,920,800	574.2%
4 - Other									
LAW	11	\$ 114,536	14	\$ 161,000	16	\$ 184,000	2	\$ 23,000	
Nissan	3	\$ 27,424	4	\$ 36,000	4	\$ 40,000	0	\$ 4,000	
Total Other	14	\$ 141,960	18	\$ 197,000	20	\$ 224,000	2	\$ 27,000	13.7%
TOTAL Loans, Schols, Grants	25,694	\$ 42,151,349	26,433	\$ 46,769,176	27,891	\$ 54,606,763	1,458	\$ 7,837,587	16.8%
TOTAL	25,694	\$ 43,579,321	26,433	\$ 48,058,833	27,891	\$ 55,909,011	1,458	\$ 7,850,179	16.3%
General Funds									
Total General Funds		\$ 39,661,874		\$ 41,721,546		\$ 54,549,011		\$ 12,827,465	30.7%
Special Funds									
Spend Auth - Investments		\$ 27,424		\$ 36,000		\$ 40,000		\$ 4,000	
Spend Auth - Collections		\$ 810,536		\$ 1,234,983		\$ 1,300,000		\$ 65,017	
Spend Auth - LAW funds		\$ 114,536		\$ 65,017		\$ 20,000		\$ (45,017)	
Spend Auth - Other		\$ 1,656,504		\$ -		\$ -		\$ -	
Total Special Funds		\$ 2,609,000		\$ 1,336,000		\$ 1,360,000		\$ 24,000	1.8%
ORIGINAL SFA BUDGET		\$ 42,270,874		\$ 43,057,546		\$ 55,909,011		\$ 12,851,465	29.8%
Deficit General Funds		\$ -		\$ 3,701,287		\$ -		\$ (3,701,287)	
Def. Spend Auth - Collections		\$ 1,500,000		\$ 1,300,000		\$ -		\$ (1,300,000)	
FINAL SFA BUDGET		\$ 43,770,874		\$ 48,058,833		\$ 55,909,011		\$ 7,850,178	
Carryover/Ret. to Collections		\$ 191,554							

MINUTES

Exhibit 2

NARRATIVE FY 2021 BUDGET REQUEST

State Student Financial Aid

The Mississippi Office of Student Financial Aid (MOSFA) is the administering agency for all state-funded student financial aid programs. The office is guided by a two-fold public service mission to provide financial assistance to students in pursuit of educational and professional goals and to help the state fulfill workforce needs in specific service areas and achieve the goal of a more educated citizenry. The office seeks to build public awareness of the diverse financial resources available through ongoing communication with individuals, colleges and universities, secondary schools, governing boards, legislators, communities, and other constituency groups.

MOSFA works independently and in partnership with other college prep and planning organizations to build public awareness of the financial resources offered by the state. The office provides information through high school counselors, college nights, parent association meetings, college fairs, and publications. Due in part to these ongoing efforts, the ever-increasing cost of attendance, and the college readiness efforts at the K-12 level, more students than ever before are expected to pursue postsecondary education, and their families are expected to seek financial assistance.

FY 2020 Deficit Appropriation Request

On behalf of the students and the state of Mississippi, MOSFA requests a **deficit appropriation of \$4,287,959 for FY20**, which represents an **increase of 11.6%** over the original FY20 appropriation. The deficit request includes an additional **\$3,701,287 in General Funds**, which represents an **increase of 8.9%** over the original FY20 General Fund appropriation, and an additional **\$1,300,000 in Special Funds**, which represents an **increase of 97.3%** over the original FY20 Special Funds appropriation.

FY 2021 Appropriation Request

On behalf of the students and the state of Mississippi, MOSFA requests **\$54,616,011 for FY21**, which represents an **increase of \$11,558,465 or 26.8%** over the original FY20 appropriated dollars. The FY21 request includes a request for **\$53,256,011 in General Funds**, which represents an **increase of \$11,534,465 or 27.6%** over the original FY20 appropriation and a request for **\$1,360,000 in Special Funds**, which represents an **increase of \$24,000 or 1.8%** over the original FY20 appropriation.

1-Administration

- I. Program Description: MOSFA is responsible for the comprehensive planning, management and evaluation processes required to administer the state's many, diverse financial assistance programs. The office assesses and allocates resources, implements fiscal accountability measures, and annually evaluates all program components for compliance with statutes and legislative intent as well as for effectiveness in recruiting and retaining students in higher education in Mississippi.
- II. Program Objective: MOSFA seeks to communicate the accomplishments, needs, and value of the state's financial assistance programs to numerous and varied constituency

MINUTES

Exhibit 2

groups; to implement effective management strategies; to be wise stewards of state resources; and to provide prompt, quality service.

- III. Current program activities as supported by the funding in Columns 5-12 (FY20 Estimated and FY21 Increase/Decrease for continuations) of MBR-1-03 and designated Budget Unit Decisions columns of MBR-1-03-A:
(D) Additional Needs – **(\$12,592)**: Funds are requested to provide cost of living salary increases for all employees.

2-MTAG/MESG and HELP

- I. Program Description: MOSFA is responsible for the comprehensive management, including budgeting, disbursement of funds and evaluation, of three (3) grant programs. In March of 1995, two (2) grant programs, the Mississippi Tuition Assistance Grant (MTAG) and the Mississippi Eminent Scholars Grant (MESG), were created to assist Mississippi students who do not qualify for full Pell grants. In April of 1997, an additional grant program, the Higher Education Legislative Plan for Needy Students (HELP), was created to provide need-based financial assistance, as determined by parental adjusted gross income.
- II. Program Objective: Provide adequate resources to support the delivery of the three (3) grant programs and to ensure compliance with the appropriate state laws in delivering financial aid.
- III. Current program activities as supported by the funding in Columns 5-12 (FY20 Estimated and FY21 Increase/Decrease for continuations) of MBR-1-03 and designated Budget Unit Decisions columns of MBR-1-03-A:
(D) Additional Needs - **\$3,889,787**: The cost of MTAG decreased during FY17 because the state transitioned from a definition of full-time enrollment as 12 hours per term to 15 hours per term. The 2017 Legislature then passed a rule to eliminate the “stacking” of state aid that further impacted program participation rates and projections. MTAG expenditures dropped again FY18. Nevertheless, the program saw modest growth in FY19, and additional modest growth is expected to continue. The income threshold for HELP eligibility was scheduled to increase to \$42,500 in the 2016-17 academic year, but the threshold has been frozen at \$39,500 since the FY17 SFA appropriation bills. This budget anticipates that the freeze will continue in future years. The **MTAG request is \$11,093,295**, which represents an **increase of \$204,603 over FY20 projections**. The **MESG request is \$7,597,884**, which represents an **increase of \$267,858 over FY20 projections**. The **HELP request is \$31,087,984**, which represents an **increase of \$3,417,326 over FY20**.

3-FORGIVABLE LOAN AND REPAYMENT PROGRAMS

- I. Program Description: MOSFA operates the following student financial aid teacher programs: Graduate Teacher Forgivable Loan Program (GTS), Counselor and School Administrator Forgivable Loan Program (CSA); William F. Winter Teacher Forgivable Loan Program (WWTS) and William Winter Alternate Route Teacher Forgivable Loan Program (WWAR); Critical Needs Dyslexia Therapy Teacher Forgivable Loan Program (CNDT); Mississippi Teacher Loan Repayment Program (MTLR); and the Teacher Education Scholars Forgivable Loan (TES) Program. MOSFA operates the following student financial aid nursing programs: Nursing Education Forgivable Loan Programs for baccalaureate, masters, and Ph.D. study (NELB, NELR, NELM, NERM, and NELP) and

MINUTES

Exhibit 2

Nursing Teacher Stipends (NTSP). MOSFA operates the following student financial aid health/science related programs: Speech-Language Pathologist Forgivable Loan Program (SLPL) and the Southern Regional Education Board Forgivable Loan Program for optometry (SREB). Funding for the Graduate and Professional Degree Forgivable Loan Program for study in chiropractic medicine, orthotics, prosthetics, or podiatry (STSC); Medical and Dental Education Forgivable Loan Programs (MED and DENT); and Health Care Professions Forgivable Loan Program (HCP) has been discontinued by the Mississippi Legislature.

- II. Program Objective: Student Financial aid programs have been developed:
 - a. To meet demonstrated critical shortages in the fields of medicine, nursing, nursing education, physical and natural sciences, and teacher education;
 - b. To attract, educate, and retain qualified teachers and medical personnel to serve the people of Mississippi;
 - c. To ensure that the best interest of Mississippi is served by providing students with financial assistance for programs of study not offered in regularly supported Mississippi institutions; and
 - d. To manifest the belief that the continued growth and development of Mississippi requires improved levels of postsecondary educational attainment; and
 - e. To meet the needs of specific student groups.

- III. Current program activities as supported by the funding in Columns 5-12 (FY20 Estimated and FY21 Increase/Decrease for continuations) of MBR-1-03 and designated Budget Unit Decisions columns of MBR-1-03-A:
 - (D) Additional Needs - **\$3,920,800**: An increase in expenditures for the Forgivable Loan and Loan Repayment Programs is requested in order to restore funding for these programs.

TEACHER PROGRAMS:

The Graduate Teacher Forgivable Loan (GTS) and Counselor and School Administrator Forgivable Loan (CSA) Programs support classroom teachers and administrators who seek graduate level education to improve their skills and abilities, desperately needed in Mississippi's public schools. The **GTS request is \$120,000**, which represents an **increase of \$120,000 over FY20**. The **CSA request is \$43,200**, which represents an **increase of \$43,200 over FY20**. The programs were not funded in FY20 due to insufficient funds. The requested amount should fully fund both programs. Applicant demand will be down following years without funding.

The William Winter Teacher Forgivable Loan (WWTS) and William Winter Alternate Route Teacher Forgivable Loan (WWAR) Programs seek to relieve the state's teacher shortage. The **WWTS request is \$760,000**, which represents an **increase of \$760,000 over FY20**. The **WWAR request is \$8,000**, which represents an **increase of \$8,000 over FY20**. The programs were not funded in FY20 due to insufficient funds. The requested amount should fully fund both programs. Applicant demand will be down following years without funding.

The Critical Needs Dyslexia Therapy Teacher Forgivable Loan (CNDT) funds are available to Mississippi teachers who are seeking a Class AA Educator's License with a

MINUTES

Exhibit 2

203 Endorsement for Dyslexia Therapy. Due to budget constraints, no applicants were awarded during FY20. The **CNDT request is \$200,000**, which represents full funding of two cohorts and an **increase of \$200,000 over FY20**.

The Mississippi Teacher Loan Repayment Program (MTLR) funds are used to repay a portion of the undergraduate loans of eligible Mississippi teachers in exchange for their service or continued teaching service in Mississippi's public schools. Due to budget constraints, no applicants were awarded during FY20. The **MTLR request is \$600,000**, which represents full funding and an **increase of \$600,000 over FY20**.

The Teacher Education Scholars Forgivable Loan Program (TES) was established by the 2013 Legislature to make awards of up to \$15,000 to students with a 28 ACT who commit to teach in a public school for five years following degree completion and licensure. Due to budget constraints, only two renewal applicants were awarded TES during FY20. The **TES request is \$525,000**, which represents full funding of the anticipated demand and an **increase of \$495,000 over FY20**. Applicant demand will be down following years without sufficient funding.

NURSING PROGRAMS:

The Nursing Education Forgivable Loan Programs – Bachelor's (NELB); Master's (NELM); Ph.D./DNP (NELP); RN to BSN (NELR); and RN to MSN (NERM) funds assist the state's efforts to recruit and retain nurses. Master's and Ph.D. level nursing students will also have the education required to teach in nursing education programs. Due to budget constraints, no applicants were awarded during FY20. The **NELB request is \$760,000**, which represents an **increase of \$760,000 over FY20**. The **NELM request is \$320,000**, which represents an **increase of \$320,000 over FY20**. The **NELP request is \$90,000**, which represents an **increase of \$90,000 over FY20**. The **NELR request is \$208,000**, which represents an **increase of \$208,000 over FY20**. The **NERM request is \$48,000**, which represents an **increase of \$48,000 over FY20**. The programs were not funded in FY20 due to insufficient funds. The requested amount should fully fund the programs. Applicant demand will be down following years without funding.

The Nursing Teacher Stipend Forgivable Loan Program (NTSP) funds eligible Master's and Ph.D. level nursing students in nursing education tracks who commit to serve as nurse educators upon completion of their education. The **NTSP request is \$198,000**, which represents an **increase of \$198,000 over FY20**. The program was not funded in FY20 due to insufficient funds. The requested amount should fully fund the program. Applicant demand will be down following years without funding.

HEALTH/SCIENCE RELATED PROGRAMS:

The Speech-Language Pathologist Forgivable Loan Program (SLPL) was first created by the 2012 Legislature for students seeking a first master's degree in Speech-Language Pathology, Communicative Disorders, or Communication Sciences and Disorders. The loan will be forgiven for recipients who serve as licensed speech-language pathologists in a Mississippi public or charter school for one year for each year of funding received. The **SLPL request is \$70,000**, which represents an **increase of \$70,000 over FY20**. The

MINUTES

Exhibit 2

program was not funded in FY20 due to insufficient funds. The requested amount should fully fund the program.

The Southern Regional Education Board Forgivable Loan Programs (SREB) awards students in out-of-state optometry programs contracted through the SREB Regional Contract Program. Mississippi previously contracted 11 seats per entering class, for a total of 44 contract seats each year. The 2017 Legislature reduced the number of contracted seats from 11 to 9. The cost of each contract seat increases annually. The contract seat cost was \$19,200 per seat in FY20 and will increase to \$19,800 in FY21. **The SREB request is \$653,400 for 33 seats, which represents an increase of \$6,000 from FY20.**

Funding for the Graduate and Professional Degree Forgivable Loan Program (STSC); Medical and Dental Education Forgivable Loan Programs (MED and DENT); and Health Care Professions Forgivable Loan Program (HCP) has been discontinued by the Mississippi Legislature. **Funding is not requested for FY21.**

4. OTHER

- I. Program Description: MOSFA operates the Law Enforcement Officers and Firemen Scholarship Program (LAW), which is funded by the Mississippi Legislature as well as the Nissan Scholarship, which is funded through special source funds for which MOSFA must request spending authority. MOSFA no longer administers the Public Management Graduate Intern Program (PMGT), which was discontinued by the Mississippi Legislature, or the GEAR UP Scholarship, which was a federal grant that concluded.
- II. Program Objective: Student Financial aid programs have been developed:
 - a. To manifest the belief that the continued growth and development of Mississippi requires improved levels of postsecondary educational attainment and
 - b. To meet the needs of specific student groups.
- III. Current program activities as supported by the funding in Columns 5-12 (FY20 Estimated and FY 21 Increase/Decrease for continuations) of MBR-1-03 and designated Budget Unit Decisions columns of MBR-1-03-A: (D) Additional Needs – **\$27,000**: An overall increase in expenditures for the Other programs is expected. Increases and decreases are requested as follows for the following programs based on increases and decreases in demand and eligibility.

The Law Enforcement Officers and Firemen Scholarship Program (LAW) provides education to the dependents of deceased or disabled service men and women. **The LAW request is \$184,000, which represents an increase of \$23,000 over FY20.**

The Nissan Scholarship Program (NISS) provides aid to students at public institutions who major in a field that will advance the automotive industry in Mississippi. **The NISS request is \$40,000, which represents an increase of \$4,000 over FY20.**

MINUTES

2. Table Consideration of Updates to Rules for Active Programs to Change Application Deadlines

Ms. Rogers recommended the Board table further consideration of changing the deadline dates for state aid programs. The Board agreed considering the previous budget discussion and decision to establish a subcommittee.

Summary:

In the April 2019 Postsecondary Board meeting, the Mississippi Office of Student Financial Aid requested approval to change the application deadline to May 1 and the supporting document deadline to June 1 for most active programs, beginning with the 2020-2021 application cycle, which opens October 1, 2019. The Office requests the Board table further consideration of the request to allow for additional data collection through the complete 2019-2020 application cycle, which concludes September 15, 2019. Additional data will help the Board make a more informed decision to impact subsequent aid years.

Recommendation: No action required.

3. Updates and Announcements

Sharon Ross has been reappointed by Governor Bryant to serve another four-year term. Debbi Braswell has been appointed by the Mississippi Association of Independent Colleges and Universities to serve a four-year term beginning July 1, 2019. Despite her absence, Ms. Rogers thanked the outgoing MAICU Representative Dr. Cynthia Melvin for her service.

ADDITIONAL AGENDA ITEMS IF NECESSARY

The Board did not consider any additional agenda items.

EXECUTIVE SESSION IF DETERMINED NECESSARY

The Board did not determine a need to enter Executive Session.

ADJOURNMENT

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



Director, Mississippi Postsecondary Education Financial
Assistance Board