

# MISSISSIPPI POST-SECONDARY EDUCATION FINANCIAL ASSISTANCE BOARD



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

Zoom:

<https://itsmsgov.zoom.us/j/86388003943?pwd=L2xYa3BtQmVuSGJJZlFad05jR1ZiZz09>

Password: 177675

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

December 17, 2020 at 10:00 a.m.

## **Strategic Planning Committee – Meeting 3**

### **Minutes**

**BE IT REMEMBERED**, that the Mississippi Postsecondary Education Financial Assistance Board held a strategic planning meeting on Thursday, December 17, 2020 at 10:00 a.m. Due to recommendations from the Mississippi State Department of Health for social distancing due to the coronavirus, members of the Board participated in the meeting remotely via Zoom or teleconference. Members of the media and public were invited to attend the meeting in Room 218 of the Education and Research Center, 3825 Ridgewood Road, Jackson, Mississippi, 39211.

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

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

The following member(s) did not participate:

- Louanne Langston, MCCB Institutional appointee

Also in attendance remotely were:

- David Blount, Mississippi Senator
- Jennifer Rogers, Director of Student Financial Aid and Postsecondary Director
- Leah Smith, Deputy Chief of Staff, Lt. Governor Delbert Hosemann

- Apryll Washington, Assistant Director of Policy and Planning, Student Financial Aid
- Jay Woods, Special Assistant Attorney General, Universities Division

The meeting was called to order by Chairman Turcotte.

**Item 1:** On motion by Ms. Marascalco and seconded by Dr. Keenum, all Board Members legally present and participating voted unanimously to approve the minutes of the Strategic Planning Committee meeting held on September 24, 2020 as originally drafted.

**Item 2:** Ms. Rogers delivered the following introductory remarks. No action was required by the Board.

- Thank you for making the effort to meet so close to Christmas. I know there are many demands on everyone at this time of year.
- I just wanted to remind everyone briefly how we started this conversation and what we've discussed so far.
- The cost of fully funding our state student financial aid programs has been steadily increasing over the last 10 years, but the appropriation has not increased at the same rate.
- As you will recall, state law requires us to fully fund the three undergraduate grant programs first and only if money remains can we fund the forgivable loan programs that do not carry a specific line item appropriation.
- For many years, we received enough money to fully fund the three grant programs and to fund more than 20 forgivable loan programs.
- However, since 2016, funds have been insufficient to fund anything beyond the grants.
- In most recent years, we have started with a budget deficit and requested additional funds mid-year.
- Last year, we requested and spent about \$4 million in additional mid-year funds.
- That is the scenario we face again this year. Our deficit is even worse, and we will be requesting about \$5 million in additional funds.
- The current programs are not sustainable at the current levels of funding.
- There are also some disparities and inequities in who benefits from the three state aid programs.
- So, this Board is faced with a dilemma as to what budget requests and recommendations this Board should make to the Legislature.
- The Board first met in February to start a strategic planning discussion.
- Then COVID hit and we all underwent a period of adjustment.
- We did not meet again until September. During the September meeting, I provided an overview of past research, commissions, and task forces.
- At the end of that meeting, the Board asked me to put together the following:
  - A review other state aid programs with comparisons of state spending on financial aid in other states.
  - A proposal for smoothing the funding cliff for HELP and the ACT-related cliff for all programs
  - A copy of the purpose of state aid from the code.
  - Choices to give the Board a starting point.

- I have done that and provided the requested information to you a couple weeks ago.
- We also discussed the need to consider a recommendation for handling the loan programs.
- Today, Dr. Turcotte is going to lead us in a discussion of the information I have gathered and presented to you.
- But first, we are going to hear about a proposal related to teacher prep and teacher loans.
- Please join me in welcoming Senator David Blount and Leah Smith, Deputy Chief of Staff in the Lt. Governor's Office.

**Item 3:** The Board heard a presentation by Sen. David Blount about a bill to create a teacher loan repayment program. Leah Smith, Deputy Chief of Staff for Lt. Governor Delbert Hosemann was also in attendance to support Sen. Blount. On motion by Dr. Burnett and seconded by Ms. Ross, all Board Members legally present and participating voted unanimously to support and endorse the proposal.

- The new program is being proposed as a potential solution to the state's problematic teacher shortage.
- The proposed program would repay a portion of a new teacher's undergraduate loans if the teacher becomes fully licensed and works a full year in the public school system.
- Payments would be made by the Office of Student Financial Aid directly to the teacher's loan servicer on behalf of the teacher.
- The program would repay a larger portion of the loans each consecutive year for up to three years.
- The annual repayment amounts would be higher for teachers who worked in critical shortage areas.
- The proposal would discontinue the existing forgivable loan programs that are currently unfunded with the single loan repayment program.

**Item 4:** Dr. Turcotte led the Board in a discussion of the materials provided to the Board by Ms. Rogers. The major discussion points are included below. The following supporting materials are available under separate cover: Exhibit 1: Strategic Planning Summary Information; Exhibit 2: Strategic Planning Data (Multi-Tab Spreadsheet); Exhibit 3: One-Grant Proposal; and Exhibit 4: One-Grant Proposal Matrix. The Board took no action but agreed to invite several active directors of financial aid in the state to serve as an advisory committee to the Board to help the Board design recommendations.

- Turcotte: Called attention to some highlights from the data spreadsheet provided by Ms. Rogers before the meeting.
- Turcotte: If money were to be redistributed, what would the redistribution look like?
- Keenum: Problems with MTAG include small award amounts and students with a low ACT score being eligible for that money at any institution.
- Keenum: Need to find a way to better reward a broader spectrum of merit; seems unfair that Valedictorian student with 28 ACT and 4.0 GPA is technically eligible for the same state funds as a student with 16 ACT and 2.5 GPA. Need-based aid is also very important, because MS has low per-capita income and many students with great need. Full Pell-grant currently does not even cover full tuition at MSU. Difficult, complex problem to address.

- Turcotte: Perhaps consider a bifurcated approach with sliding scale for merit and sliding scale for need.
- Rogers: Caution to avoid recommendations that are too complicated for students and parents to understand and count on.
- Turcotte: Perhaps we should continue to discuss a bifurcated approach, but instead of a single program, think about how much would we want to spend on merit and how much on need.
- Rogers: Total current appropriation of about \$51-52 million; Many considerations including enrollment trends, cost of tuition, etc.; MS is an outlier in the average need-based award amount; HELP awards full tuition, which is far more generous than the average per-student need-based award in other states; Consider lowering the HELP award amount to be able to award more students
- Braswell: This was part of the larger conversation during the 2018 Financial Aid Director's meetings. The question is about the goal of the aid. Is the goal to help 100 students cover tuition or to help 50 students cover the entire cost of college?
- Turcotte: HELP has become an overreach that has taken over more than half the budget. I propose, and request pushback, that the Board consider a move away from the current programs altogether. Who would support something totally new as opposed to recommending minor changes to the current programs?
- Keenum: I would be supportive of a conversation to move away from the current system and do something different that does not sacrifice merit but that finds a way to get more money to more students.
- Burnett: I support any effort to move away from the status quo and make recommendations to do something new.
- Turcotte: So, what is the purpose of state aid?
- Rogers: Reads the purpose of the state aid as state in Miss. Code Ann. 37-106-3. Notes that Mississippi, through the Education Achievement Council, has recently set a goal to raise the education attainment level in the state. Financial aid will play a role in meeting that goal.
- Turcotte: Are there any goals we have that go beyond the vague language? What are the priorities?
- Keenum: Rewarding merit is a priority. Then, figure out what we can do for need after merit program is designed. Try to smooth the cliffs on both the merit and needs sides. To further complicate this entire conversation is the matter of ACT scores. Many schools are waiving ACT scores. What does that mean for the recommendations we make? Do we continue to rely on test scores?
- Turcotte: How would the state create a merit system without standardized test scores?
- Keenum: Schools have rankings. Some schools are more rigorous. Those rankings are out there and schools use them to compare students.
- Turcotte: We need to take a stab at creating a proposal that designs a merit system and a need system. If we don't make recommendations, the Legislature is going to solve the problem for us.
- Rogers: What would be the general reaction if I proposed eliminating MTAG and putting that money elsewhere? Consider that MTAG awards the largest number of students.
- Keenum: I would be willing to consider that since that money would be redirected.

- Braswell: I agree, but we need to be ready for some political resistance, because there is a large public attachment to MTAG and many people may not want to let go.
- Burnett: I certainly would be willing to entertain that proposal.
- Ross: There is no way to help everyone. We can't be all things to all people. Therefore, I am supportive of making some drastic changes or recommendations.
- Keenum: Recommend bringing in advisory group of financial aid experts
- Rogers: That is what we did with Financial Aid Directors' meetings in 2018
- Keenum: Maybe a smaller group would be more effective
- Turcotte: We can certainly call a small group of experts
- Rogers: Point of clarification - when we are talking about smoothing the merit cliff, does financial means play any role at all? If we are talking about expanding the reach of merit aid to more students, that could become very costly.
- Keenum: I don't think we need to consider means at all for merit aid.
- Rogers: Meeting scheduled on January 13 to approve the Annual Report; will need to schedule another separate meeting in February to continue Strategic Planning discussions

### **ADJOURNMENT**

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

  
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Director, Mississippi Postsecondary Education Financial  
Assistance Board