

# MISSISSIPPI POST-SECONDARY EDUCATION FINANCIAL ASSISTANCE BOARD



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

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

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

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

**BE IT REMEMBERED**, that the Mississippi Postsecondary Education Financial Assistance Board held a Strategic Planning meeting on Tuesday, October 12, 2021 at 10:30 a.m. immediately following a regular meeting of the Board. Members of the Board were invited to participate in the meeting in person or remotely via Zoom or teleconference. Members of the media and public were invited to attend the meeting in Room 218 of the Education and Research Center, 3825 Ridgewood Road, Jackson, Mississippi, 39211.

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

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

The following member(s) did not participate:

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

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

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

Also in attendance were:

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

**Item 1:** On motion by Dr. Keenum and seconded by Ms. Braswell, all Board Members legally present and participating voted unanimously to approve the minutes of the Strategic Planning Committee meeting held on February 15, 2021 as originally drafted.

**Item 2:** Paul McKinney, Director of Financial Aid at Mississippi State University and Chairman of the Postsecondary Board Advisory Committee, introduced the members of Advisory Committee, all of whom serve as Financial Aid Directors at Mississippi institutions. Together, they have 180 years of combined financial aid experience. McKinney delivered a PowerPoint presentation with recommendations from the Advisory Committee.

**Item 3:** The Board and meeting guests discussed the recommendations and outlined next steps.

### Discussion

Turcotte Q: If my child scores a qualifying ACT score but we don't file the FAFSA, would we not receive aid?

– McKinney A: Correct, the student would not receive either the merit or need award.

Daly Q: Any change like this might have unintended consequences. What is the biggest consequence?

- McKinney A: The very large negative impact on HELP students. There also may be more state aid applicants than there currently are.
- Rogers A: MTAG specifically excludes full-Pell eligible students from eligibility, so many students never apply for state aid, because they know they are full-Pell and not eligible. With full-Pell eligible students now potentially being eligible, more students may apply, which could change the numbers.

Sen. Blount: Like the idea of simplifying to one grant, the matrix, and smoothing the funding cliff. Would like to meet with Board/Committee to discuss further. Meet in early November and talk in greater detail. This is a very important first step/starting point for the Legislative process.

### Questions from Chat Function in Zoom

Q: How long before the legacy program is phased out?

- McKinney A: Four years from when the new program is introduced.
- Diven-Brown A: We wanted to give students a chance to complete before changing the program.

Q: Would there be any funding available for students with a 15-17 ACT under the new program?

- Rogers A: No, there would be no state funding; only federal funding would be available. Remember that under the current system, students do not have to have an ACT score to qualify for MTAG. Instead, students can take at least 12 hours and earn a 2.5 GPA on those 12 hours.

Burnett Q: Will 9 hour students at William Carey still be eligible?

- Rogers A: Yes.

Hendrick Q: I'm interested in what outcome data is projected with the new program. Under the current programs, the outcome data for HELP is impressive. The HELP students complete at very high rates. But what will happen when they no longer have the HELP grant to depend on? Under the new proposal, those HELP students would have their awards reduced on average by 2/3. With Pell and HELP, those students still often have a need gap that we can currently cover with loans. But if you reduce their state aid by so much, the gap is going to be too great to cover with loans. That means many of those HELP students will no longer be able to afford to attend a four-year school. What will happen to their completion rates then?

- McKinney A: I understand the concern, but unless you tear down the system and rebuild something similar, you are going to negatively impact that HELP population.
- Diven-Brown A: We were very concerned about that, but we had to stay within the budget. With the new program, we can award more students, but each student may receive less. One thing we did do is to put in an income cap. Students with an EFC over 100,000, those at the top of the income ladder, would no longer be eligible for any state aid.

- Williamson A: Another thing to recognize is that some students who were previously on the cusp of HELP eligibility but did not qualify with a 19 ACT would now qualify for a larger need-based award. They would previously have qualified for nothing or possibly just MTAG.

Turcotte Q: Did you say that HELP students currently receive 60% of the funding?

- McKinney A: Yes, HELP students represent 16% of the students and 60% of the funding.

Turcotte: Let's don't forget that HELP is indexed. Every time tuition goes up, the awards for that group goes up. The program went from almost obscurity to 60% of the money.

Hendrick Q: Is the charge just to award more students in general? Or are there some specific outcomes anticipated? It is easy to just award more students, but it is difficult to award more students for whom the money will make the greatest impact. So the question is what is the expected outcome? What do you hope to gain by just "awarding more students?" More students graduating, more students accessing, better filling the gap between Pell and student loans, or enabling more students to go to a four-year university?

- Diven-Brown A: I think the idea of collecting outcome data is very important. We were just asked to get aid to more students with the expectation that those additional students would consider higher education.

Q: With the average ACT at or below 18, that would exclude about 50% of high school graduates. So, why was 18 chosen?

- McKinney A: When we looked at the current state aid recipients with a 15-17 ACT, we realized there weren't that many with low EFCs. Also, we were asked to work within the existing budget, so that group didn't seem like a priority.

Turcotte: There is one pie, and we can divide it in a number of different ways. We still have one pie of the same size, but we want more students to have a bite of the pie.

Q: It doesn't appear that this proposal makes any provision for non-traditional or adult students, but they are a huge part of the population that would benefit from higher ed. They are also critical to the state's attainment goals.

- McKinney A: The community colleges enroll more of those students and they were part of this proposal. They wanted something less than a 15-hour requirement, which is how we decided to require only 12 hours.

Q: So does this proposal require students to come straight out of high school?

- A: There was discussion on that, but the Advisory Committee ultimately agreed they did not discuss that specific requirement; that could be figured out in the final rule-making.
- Diven-Brown A: We really did have a lot of discussion about part-time students, but in the end we were constrained by the budget. We talked about the possibility of the state developing a separate program that could address part-time students, but ultimately felt our focus needed to be on the full-time students.

Rogers Q: How did the committee decide to include an ACT Range of 21-24 as eligible for a merit award? Did the committee discuss at all maybe removing that ACT bonus range and instead putting that money into increased awards for need or extend need awards to a larger group?

- McKinney A: We looked at that, but we are trying to build a balanced program. Ziegler and Higbee agreed.
- Jones A: This new proposal would help more of our students at my institution.
- Hendrick statement: Please just consider need-based aid. There is so much research to show the impact on those who need it the most and gain the most, those who are at greatest risk of not getting a postsecondary credential. Pell plus tuition and fees, or Pell plus HELP, still leaves a gap for four-year university students, but the gap can be closed with a loan. The new program creates a gap that is too big for low-income students to attend a four-year college. A \$5500 loan, which is the max a student can get under the federal loan program, would not cover the gap with the new grant program.

Higbee – We talked about the fact that institutions have need-based aid that they can put on the table to help cover those gaps.

Lange Q: Does prorating the community college award in this plan undermine the affordability of community colleges?

- Bland A: At community colleges, our HELP students are already having their awards prorated, because their awards would otherwise exceed Cost of Attendance. At ICC, we leave a couple hundred thousand on the table currently. So reducing the awards for us allows us to award more students.
- Jones A: This will allow us to help more students at my institution.

Washington Q: Did the committee take into consideration student loan debt in this model? Because HELP students will be negatively impacted, will these students see an increase in their borrowing.

- Williamson A: That may happen, but other students will receive more aid, so their borrowing may now be reduced, so we think it will just be a tradeoff.
- McKinney A: There is a multi-pronged approach to helping students pay for college. There is federal aid, state aid, and institutional aid. And you're right, some of those HELP students, their student loan debt may go up, but as a first-generation student myself, it is one of the few debts that pays off and has a positive return.
- Diven-Brown A: The debt question is important, and we at the institutions need to take a close look at how we are spending our institutional aid to meet the needs of our students. We will be looking at what we can do to create safety nets for students as these changes occur.

Turcotte: Thank you to the Advisory Committee. We could certainly spend much more time on this, but we need to take something to our elected officials. The question is, do we accept this proposal as a recommendation that we will take to the Legislature as a starting point?

Keenum: Echo compliments to the Advisory Committee. I will make a motion to approve the Advisory Committee's recommendation as a starting point for a dialogue with the Legislature.

Daly: Second

No dissenting opinion - unanimous acceptance

### Next Steps

Turcotte will draft a letter to elected officials.

We will hope and plan to meet with officials beginning in November.

### Other Comments

Braswell: Thank you to the Committee. I appreciate the simplicity of the new matrix. I also agree this is a good starting point for further discussion. I'm not sure that simply putting more money in more hands is exactly what we want to do. We may want to be more strategic than that. I do have concerns about the current HELP grant recipients. Am I correct that HELP is the most effective program?

- Rogers A: Yes, HELP grant recipients complete more hours and graduate at higher rates than similar students who don't receive HELP. We do not see similar results with MTAG and MESH. So, yes, HELP is a highly effective program.

Braswell: I would just hate to see a very effective program get watered down because we want to get more money to more students.

Turcotte: Jennifer, thank you for your work and support of the committee.