

MISSISSIPPI POST-SECONDARY EDUCATION FINANCIAL ASSISTANCE BOARD



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

Friday, June 28, 2024, at 10:00 a.m.

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

Zoom : <https://itsmsgov.zoom.us/j/84051083166?pwd=Qdt0TD5rfs6sciytpSX5ZkcJEAT375.1>

Password: 799783

Agenda

CALL TO ORDER

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ADJOURNMENT

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BE IT REMEMBERED, that the Mississippi Postsecondary Education Financial Assistance Board held a regular meeting on Wednesday, May 8, 2024 at 2:30 p.m. 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:

- Ben Burnett, MAICU institutional appointee (remote)
- Barney Daly, Lt. Governor's appointee
- Jason Dean, MAICU association appointee (remote)
- Tyrone Jackson, MCCB institutional appointee (remote)
- Jim Turcotte, Governor's appointee and Chairman (remote)
- Dianne Watson, MCCB Board appointee (remote)

The following member(s) did not participate:

- Steven Cunningham, IHL Board appointee
- Mark Keenum, IHL institutional appointee

The following Advisory Board member participated remotely:

- Senator Nicole Boyd, Universities and Colleges Committee Chair

Also in attendance either in person or remotely were:

- Jennifer Rogers, Director of Student Financial Aid and Postsecondary Board Director
- Meg Harris, Assistant Director of Operations, Student Financial Aid
- Shirley Mitchell, Program Administrator, Student Financial Aid
- Adele Russell, Student Service Representative, Student Financial Aid
- Frances West, Program Administrator, Student Financial Aid
- Rachel DeVaughn, MCCB
- Laura Hipp Mayer Assistant Commissioner for Government Relations, IHL
- Dr. Dewayne Middleton, President, Copiah-Lincoln Community College
- Melissa Temple, Director of Nursing, IHL
- Nicole Patrick, Postsecondary Board Advisory Committee, Mississippi University for Women
- Heather Dearman, President of MASFAA, Mississippi Gulf Coast Community College

The meeting was called to order at 2:35 p.m. by Chairman Turcotte.

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On motion by Barney Daly and seconded by Tyrone Jackson, all Board Members legally present and participating voted unanimously to approve the minutes of the board meeting held on January 23, 2024, as originally drafted.

ITEMS FOR CONSIDERATION

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Item 1: Jennifer Rogers presented a summary of the 2024 Legislative Session. No action was taken by the Board.

1. 2024 Legislative Session Update

Summary:

State Aid Redesign:

- Changes were proposed by the State Aid Redesign Task Force to expand MTAG by removing the Pell exclusion, allowing part-time enrollment, removing initial academic eligibility requirements, and increasing award amounts.
- [HB 997: MTAG Program; revise eligibility requirements and award amounts](#) - The MTAG expansion bill proposed by the Task Force passed the House Universities and Colleges Committee unanimously, but the bill was double referred to House Appropriations and was not taken up.
- [SB 2724: Mississippi Resident Tuition Assistance and Promise Grant Program; create to provide financial assistance to students](#) - The Senate Universities and Colleges Committee passed a different version of the redesign proposal, which included the Task Force proposal plus a community college last dollar tuition guarantee program called Mississippi Promise.
- The Senate Appropriations Committee also passed the bill after adding a reverse repealer. The revised bill was adopted by the full Senate and transmitted to the House.
- In an attempt to reduce the cost of the legislation, the House Universities and Colleges Committee passed yet another committee substitute that removed all changes to expand MTAG and restricted the community college last dollar tuition guarantee program to certain CTE majors. The legislation once again was not taken up by House Appropriations.
- In a final attempt to keep the effort alive, the MTAG code section was brought forward in a Senate amendment to [HB 765: MS Critical Teacher Shortage Act; extend repealer on](#), a bill which was headed to conference. No changes to MTAG were ultimately included in the Conference Report for HB 765.

Winter-Reed Teacher Loan Repayment Program:

- Changes to the William F. Winter and Jack Reed, Sr. Teacher Loan Repayment Program were requested to extend the program beyond the repeal date of June 30, 2024, remove the arbitrary annual cap on new awards, and expand initial eligibility beyond first-year and traditional route teachers.
- SB 2146 (Blount), SB 2673 (Boyd), and HB 1672 (McCarty) were all sponsored to pass the changes as requested. Despite efforts to communicate the changes would not cost additional money, all three bills were double-referred to Appropriations in their respective chambers. All bills died at the first committee deadline.
- After communicating the importance of the changes with Senate and House leadership, the changes were incorporated into [SB 2682: MS Critical Teacher Shortage Act of 1998; extend repealer on](#) and [HB 765: MS Critical Teacher Shortage Act; extend repealer on](#). Both bills went to conference.
- All requested changes were ultimately adopted in HB 765, and the legislation is currently awaiting the Governor's signature.

Nurse Retention Loan Repayment Program:

- Changes to the Nurse Retention Loan Repayment Program, which is wholly funded with ARPA funds, were requested to expand eligibility to beyond first-year nurses and nurses in their first year of employment at a qualified facility.

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- The changes were included in [SB 2848: ARPA programs; revise and bring forward related provisions and provide for determination of unobligated funds by Nov. 1](#) (Section 2).
- The conference report was adopted and is awaiting the Governor's signature.

Annual Appropriation:

- [SB 3013: Appropriation: IHL – Student Financial Aid](#) was passed and awaits the Governor's signature.

Recommendation:

No action is required.

Item 2: Jennifer Rogers presented an update on the FY 2024 budget. No action was taken by the Board.

2. Update on FY 2024 Awards and Budget

Summary:

As expected, the FY 2024 appropriation was adequate to fully fund the undergraduate grant programs as well as the state forgivable loan programs. For the third consecutive year, the Mississippi Office of Student Financial Aid did not request additional funds mid-year through a deficit appropriation.

Recommendation:

No action is required.

Item 3: Jennifer Rogers presented an overview of the FY 2025 appropriation and a request for the Board to approve the proposed allocation of funds for the FY 2025 Annual Operating Budget. On motion by Ben Burnett, seconded by Tyrone Jackson, all Board Members legally present and participating voted unanimously to approve the request.

3. Presentation of FY 2025 Appropriation and Allocation for the Annual Operating Budget

The Mississippi Office of Student Financial Aid presents the FY 2025 Appropriation, and requests approval of the appropriation allocation for the FY 2025 Annual Operating Budget.

Summary:

Each year in June, the Board approves the Office's annual budget request, or MBR, for the subsequent fiscal year. Because of the nature of financial aid, the actual fiscal needs of the Office may vary substantially between the time the budget is requested in June and the following spring when legislators are setting budgets and making appropriations for the subsequent fiscal year beginning July 1. For this reason, the Office often submits an informal revised request to the Legislature near the end of the session.

Chart 1 on page 11 includes details of the FY 2024 Appropriation, the original FY 2025 MBR, the Revised FY 2025 request, and the FY 2025 appropriation.

- FY 25 MBR - In the official budget request submitted June 2023, the office requested \$51,811,202 in General Fund support for the existing programs, \$15,000,000 in General Fund support for the Dual Enrollment/Dual Credit Scholarship, \$4,400,000 in EEF

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Funds, \$850,000 in Re-appropriated EEF Funds, and additional spending authority of \$2,780,000 from collections and interest income. The total SFA request was \$74,841,202. We also requested \$6,000,000 in Re-appropriated ARPA funds, for a total FY25 MBR of \$80,841,202.

- Revised FY 25 Request - In March and April of 2024, the Office submitted additional information to the appropriations chairs and the Legislative Budget Office to revise the request to \$51,951,416 in General Fund support for existing programs, \$9,823,000 in General Fund support for DE/DC, \$3,350,000 in EEF Funds, \$2,000,000 in Re-appropriated EEF Funds, and additional spending authority of \$2,350,000 for a total SFA appropriation of \$69,474,416. The request for Re-appropriated ARPA Funds was reduced to \$5,670,327 due to current year awards. The total revised request was \$75,144,743.
- FY 25 Appropriation - The 2024 Mississippi Legislature passed *SB 3013, Appropriation; IHL – Student Financial Aid*. SFA will receive \$51,952,895 in General Funds; \$3,000,000 in EEF Funds; \$2,000,000 in Re-Appropriated EEF Funds; and an additional \$2,350,000 in spending authority from collections and other sources. No money was provided for the continuation of the Dual Enrollment/Dual Credit Scholarship. The total SFA appropriation is \$59,302,895. The ARPA funds for the Nurse Retention Loan Repayment Program were re-appropriated in the requested amount of \$5,670,327. The total of all appropriations for FY25 is \$64,973,222.
- (+/-) FY24 and (+/-) Revised Request - The total SFA Appropriation is \$59,302,895, which is about \$8 million *less* than the FY24 budget and about \$10.2 million *less* than the revised request. Most of the difference can be explained by the withdrawal of funding for the Dual Enrollment/Dual Credit Scholarship.

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Chart 1:

FY 2025 Appropriation						
COMBINED BUDGETS FY 2025 Funding Sources	FY24 Appropriation	FY25 MBR	Revised FY25 Request	FY25 Appropriation	(+/-) FY24	(+/-) Revised Request
SFA APPROPRIATION						
GOV. APPROPRIATIONS						
General Support (SB3013-Sect. 1)	\$ 50,649,256	\$ 51,811,202	\$ 51,951,416	\$ 51,952,895	\$ 1,303,639	\$ 1,479
Other General Support - DE/DC	\$ 9,823,000	\$ 15,000,000	\$ 9,823,000	\$ -	\$ (9,823,000)	\$ (9,823,000)
EEF-New (SB3013-Sect. 2/12)						
FAITH (New)	\$ 1,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 2,000,000	\$ -
Winter-Reed (New)	\$ 2,000,000	\$ 1,400,000	\$ 350,000	\$ -	\$ (2,000,000)	\$ (350,000)
EEF-Reapprop. (SB3013-Sect. 15)						
FAITH (Reappropriated)	\$ 1,000,000	\$ -	\$ 100,000	\$ 100,000	\$ (900,000)	\$ -
Winter-Reed (Reappropriated)	\$ 1,100,000	\$ 850,000	\$ 1,900,000	\$ 1,900,000	\$ 800,000	\$ -
Total Gov. Appropriations	\$65,572,256	\$72,061,202	\$67,124,416	\$56,952,895	\$(8,619,361)	\$(10,171,521)
GRANTS AND CONTRACTS						
Federal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Grants and Contracts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
INTEREST INCOME						
Nissan	\$ -	\$ 10,000	\$ -	\$ -	\$ -	\$ -
Total Interest Income	\$ -	\$ 10,000	\$ -	\$ -	\$ -	\$ -
OTHER SOURCES						
Law Fund	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ -	\$ -
Total Other Sources	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ -	\$ -
CASH ON HAND						
Estimated Collections	\$ 1,720,000	\$ 2,750,000	\$ 2,330,000	\$ 2,330,000	\$ 610,000	\$ -
Total Cash on Hand	\$ 1,720,000	\$ 2,750,000	\$ 2,330,000	\$ 2,330,000	\$ 610,000	\$ -
	\$67,312,256	\$74,841,202	\$69,474,416	\$59,302,895	\$(8,009,361)	\$(10,171,521)
OTHER APPROPRIATION						
STATE SPECIAL FUNDS-ARPA						
NULR/Reappropriation	\$ 6,000,000	\$ 6,000,000	\$ 5,670,327	\$ 5,670,327	\$ (329,673)	\$ -
TOTAL APPROPRIATIONS	\$73,312,256	\$80,841,202	\$75,144,743	\$64,973,222	\$(8,339,034)	\$(10,171,521)

Allocation:

Miss. Code Ann. § 37-106-14 (2) requires the Board to award grants first and limit loans on a first-come, first-served basis with preference for renewals only if funding is sufficient. The appropriation is adequate to award all grants projected at this time as well as new and renewal loans in authorized programs. The appropriation bill provides specific appropriation for certain programs as follows:

- SREB Regional Contract Program (SREB):
Section 4. It is the intention of the Legislature that...the Board...shall expend...an amount not exceeding the funding necessary, contingent upon the availability of qualified applicants, for nine (9) new entering optometry students and the number of returning

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optometry students who received funding under the program during the preceding school year.

- Law Enforcement Officers and Firefighters Scholarship (LAW):
Section 5. It is the intention of the Legislature that priority shall be given and funds shall be first allocated to all students eligible for financial aid under the provisions of Section 37-106-39, Mississippi Code of 1972.

- Speech-Language Pathologist Forgivable Loan (SLPL):
Section 10. Of the funds appropriated in Section 1, an amount not to exceed Seventy Thousand Dollars (\$70,000.00) is provided for the Speech-Language Pathologists Loan Forgiveness Program....

- Winter-Reed Teacher Loan Repayment Program (WRTR) and Fostering Access and Inspiring True Hope (FAITH) Scholarship:
Section 12. Of the funds appropriated in Section 2 of this act, Three Million Dollars (\$3,000,000.00) shall be derived from funds in the Education Enhancement Fund deposited pursuant to Sections 27-65-75 and 27-67-31, Mississippi Code of 1972. This amount shall be used for the Fostering Access and Inspiring True Hope (FAITH) Scholarship Program Act established by Section 37-106-81, Mississippi Code of 1972, and the William F. Winter and Jack Reed, Sr., Teacher Loan Repayment Program established by Section 37-106-36, Mississippi Code of 1972.

- Re-appropriations:
Section 15. The following sum, or so much thereof as may be necessary, is reappropriated out of any money in the Education Enhancement Fund not otherwise appropriated, to the Mississippi Office of Student Financial Aid for the purpose of reauthorizing the expenditure of Education Enhancement Funds to defray the expenses of the Mississippi Office of Student Financial Aid, as authorized in Senate Bill 3007, 2023 Regular Session, for the fiscal year beginning July 1, 2024, and ending June 30, 2025..... \$ 2,000,000.00.

This appropriation is made for the purpose of reauthorizing the expenditure of funds for the following:

- (a) William F. Winter and Jack Reed, Sr., Teacher Loan Repayment Program
..... \$ 1,900,000.00*

- (b) Fostering Access and Inspiring True Hope (FAITH) Scholarship Program Act
..... \$ 100,000.00*

Notwithstanding the amount reappropriated under this section, the amount that may be expended under the authority of this section shall not exceed the unexpended balance of the funds remaining as of June 30, 2024, from the amount authorized for the previous fiscal year. In addition, this reappropriation shall not change the purpose for which the funds were originally authorized.

Chart 2 on page 14 shows the FY 2025 Proposed Annual Operating Budget. The FY 2024 AOB Awards and Amounts represent the amounts allocated for expenditure for the current year. The FY 2025 MBR Awards and Amounts represent the proposed allocation of awards and costs at the time of submitting the MBR in June 2023, and the FY 25 Adjusted Request represents the adjusted amounts requested near the end of the 2024 Legislative Session. The FY 2025 AOB Awards and Amounts represents the allocation of the Annual Operating Budget as appropriated. The final columns show the difference between the FY25 and the FY24 budgets.

The proposed allocations for the FY25 Annual Operating Budget are as follows:

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- Fund administrative budget with 3% cost of living raises.
- Fully fund undergraduate grant budgets (MTAG, MESH, and HELP).
- Award 9 new contract seats and all renewals for SREB, as required in Section 4.
- Award the maximum \$70,000 in funding for SLPL, as allowed in Section 10.
- Award new eligible applicants on the remaining authorized forgivable loan program, CNDT.
- Award all eligible LAW applicants, as required in Section 5.
- Award new and eligible renewal teachers through WRTR, until \$1.9 million in re-appropriated funds are exhausted, as allowed in Section 15.
- Award up to \$3.1 million to as many eligible FAITH Scholarship applicants as possible, until new and re-appropriated EEF funds are exhausted, as allowed in Sections 12 and 15.

In addition to General Funds, the proposed allocation utilizes about \$2.33 million from collections.

Chart 2:

SFA Annual Operating Budget - FY 2025									
Expenditures by Program	FY24 AOB Awards	FY24 AOB Amounts	FY25 MBR Awards	FY25 MBR Amounts	FY25 Adjusted Request	FY25 AOB Awards	FY25 AOB Amounts	(+/-) FY24 AOB Awards	(+/-) FY24 AOB Amounts
1- Administration									
Salaries, Wages and Fringes		\$ 842,081		\$ 944,883	\$ 823,264		\$ 817,166		\$ (24,915)
Travel		\$ 8,000		\$ 8,000	\$ 8,000		\$ 8,000		\$ -
Contractual Service		\$ 620,000		\$ 620,000	\$ 620,000		\$ 620,000		\$ -
Commodities		\$ 10,000		\$ 10,000	\$ 10,000		\$ 10,000		\$ -
Equipment		\$ 10,000		\$ 10,000	\$ 10,000		\$ 10,000		\$ -
Total Administration		\$ 1,490,081		\$ 1,592,883	\$ 1,471,264		\$ 1,465,166		\$ (24,915)
2- MTAG/MESH and HELP									
MTAG	18,060	\$ 10,298,249	18,060	\$ 10,473,044	\$ 10,473,044	18,060	\$ 10,473,044	0	\$ 174,795
MESH	3,564	\$ 8,005,496	3,600	\$ 8,222,790	\$ 8,222,790	3,600	\$ 8,222,790	36	\$ 217,294
HELP	4,647	\$ 31,755,322	4,693	\$ 33,616,235	\$ 33,616,235	4,693	\$ 33,132,730	46	\$ 1,377,408
Total MTAG/MESH/HELP	26,271	\$50,059,067	26,353	\$52,312,069	\$52,312,069	26,353	\$51,828,564	82	\$ 1,769,497
3 - Forgivable Loan Programs									
Teacher Programs:									
CNDT (Graduate)	0	\$ -	0	\$ -	\$ -	5	\$ 50,000	5	\$ 50,000
Health/Science Programs:									
SLPL (Graduate)	5	\$ 70,000	0	\$ -	\$ -	6	\$ 70,000	1	\$ -
SREB (Graduate)	33	\$ 652,608	25	\$ 500,000	\$ 707,000	35	\$ 712,915	2	\$ 60,307
Total Forgivable Loan Programs	38	\$ 722,608	25	\$ 500,000	\$ 707,000	46	\$ 832,915	8	\$ 110,307
4 - Other									
LAW	10	\$ 117,500	15	\$ 176,250	\$ 176,250	15	\$ 176,250	5	\$ 58,750
Nissan	0	\$ -	1	\$ 10,000	\$ -	0	\$ -	0	\$ -
Winter-Reed Loan Repay	450	\$ 3,100,000	450	\$ 2,250,000	\$ 2,250,000	400	\$ 1,900,000	-50	\$ (1,200,000)
FAITH Scholarship	200	\$ 2,000,000	300	\$ 3,000,000	\$ 3,000,000	300	\$ 3,100,000	100	\$ 1,100,000
Total Other	660	\$ 5,217,500	766	\$ 5,436,250	\$ 5,426,250	715	\$ 5,176,250	55	\$ (41,250)
5- Dual Enroll/ Dual Credit Schol Prg									
DEDC	24,560	\$ 9,823,000	25,000	\$ 15,000,000	\$ 9,823,000	0	\$ -	-24,560	\$ (9,823,000)
Total DEDC	24,560	\$ 9,823,000	25,000	\$15,000,000	\$ 9,823,000	0	\$ -	-24,560	\$ (9,823,000)
TOTAL Loans, Schols, Grants	51,529	\$65,822,175	52,144	\$73,248,319	\$68,268,319	27,114	\$57,837,729	-24,415	\$ (7,984,446)
TOTAL SFA BUDGET	51,529	\$67,312,256	52,144	\$74,841,202	\$69,739,583	27,114	\$59,302,895	(24,415)	\$ (8,009,361)
NULR Annual Operating Budget - FY 2025									
1 - NULR	300	\$6,000,000.00	333	\$ 6,000,000	\$ -	333	\$ 5,670,327	33	\$ (329,673)
TOTAL NULR BUDGET	300	\$ 6,000,000	333	\$ 6,000,000	\$ -	333	\$ 5,670,327	33	\$ (329,673)
COMBINED Annual Operating Budget - FY 2025									
SFA	51,529	\$ 67,312,256	52,144	\$ 74,841,202	\$ 69,739,583	27,114	\$ 59,302,895	(24,415)	\$ (8,009,361)
NULR	300	\$6,000,000.00	333	\$ 6,000,000	\$ -	333	\$ 5,670,327	33	\$ (329,673)
TOTAL COMBINED BUDGETS	51,829	\$73,312,256	52,477	\$80,841,202	\$69,739,583	27,447	\$64,973,222	(24,382)	\$ (8,339,034)

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Recommendation:

Board staff recommends approval of this item.

Item 4: Jennifer Rogers presented a request to update APA Part 611, the Rules and Regulations for MTAG. On motion by Barney Daly, seconded by Jason Dean, all Board Members legally present and participating voted unanimously to approve the request.

4. Update APA Part 611 MTAG Rules and Regulations

Request

The Mississippi Office of Student Financial aid requests approval to update APA Part 611 to add a documentation process for certificate seeking students to complete the application for the Mississippi Resident Tuition Assistance Grant (MTAG) and to change references to the Expected Family Contribution (EFC) to the Student Aid Index (SAI)

Summary

Currently, the authorizing statute, Miss. Code Ann. § 37-106-29(4)(d), requires “a minimum score of fifteen (15) on the ACT test except that any student entering a vocational or technical program of study, or who has satisfactorily completed the High School Equivalency Diploma Test and attends a community or junior college will not be required to have a test score under the ACT unless a student enrolls in courses of academic study.”

The current Rules and Regulations include reference to this exception in Section I.D. but lack a process for students who meet the exception to apply. SFA recommends adding language in Section II.3. to allow such students to submit a letter or other proof of program participation from the college to document that they meet this exception.

The current Rules and Regulations include references to a full Federal Pell Grant and the EFC. The federal language has changed to reference the maximum Federal Pell Grant and the SAI. SFA recommends aligning the language in the Rules and Regulations.

The recommended changes are as follows:

Title 10: Education Institutions and Agencies

Part 611: Mississippi Resident Tuition Assistance Grant (MTAG)

Part 611 Chapter 1: Mississippi Resident Tuition Assistance Grant (MTAG) Rules and Regulations

Rule 1.1 Mississippi Resident Tuition Assistance Grant (MTAG) Rules and Regulations. These Rules and Regulations are subject to change by the Mississippi Postsecondary Education Financial Assistance Board (Postsecondary Board). All eligible students shall receive a Mississippi Resident Tuition Assistance Grant (MTAG) award; however, the amount of each MTAG award depends upon the availability of funds as authorized by the State Legislature.

I. GENERAL ELIGIBILITY

...

- A. The applicant must meet one of the following sets of academic criteria:
 - 1. Graduated from high school, as verified by the institution before disbursement of awards, with a minimum cumulative grade point average (GPA) of 2.5 on a 4.0 scale, as certified by the high school

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counselor or other authorized school official and scored an ACT composite score of 15 or higher from a national test or tests. In lieu of ACT scores, students may submit equivalent SAT scores according to the official ACT/SAT concordance tables in publication at the time of the test in question; or

2. Attended a home education program during grade levels 9 through 12 and scored an ACT composite score of 15 or higher from a national test or tests. In lieu of ACT scores, students may submit equivalent SAT scores according to the official ACT/SAT concordance tables in publication at the time of the test in question; or
3. Successfully completed the International Baccalaureate Program, with a minimum cumulative GPA of 2.5 on a 4.0 scale, based on that school's grading system, and scored an ACT composite score of 15 or higher from a national test or tests. In lieu of ACT scores, students may submit equivalent SAT scores according to the official ACT/SAT concordance tables in publication at the time of the test in question; or
4. Satisfactorily completed a high school equivalency diploma and scored an ACT composite score of 15 or higher from a national test or tests. In lieu of ACT scores, students may submit equivalent SAT scores according to the official ACT/SAT concordance tables in publication at the time of the test in question; or
5. Completed at least twelve (12) college hours and earned a cumulative GPA of at least 2.5 on a 4.0 scale on all college work.

B. Exception: Any student, including the entrant with a high school equivalency diploma, pursuing a ~~non-academic program of study~~ vocational or technical program of study at a community or junior college leading to a certificate or an associate of applied science degree is not required to take the ACT, unless required by the school.

...

F. The applicant must not be financially eligible for the ~~full-maximum~~ Federal Pell Grant as evidenced either by an ~~Expected Family Contribution (EFC)~~ Student Aid Index (SAI) greater than zero (0) on the Free Application for Federal Student Aid (FAFSA) or by completion of a Financial Certification Statement certifying that the family income will preclude the applicant's eligibility for the Federal Pell Grant or other need-based Title IV funds.

...

II. APPLICATION REQUIREMENTS

A. First-time applicants must:

...

3. If the applicant is considered to be a first-time college student (completed fewer than twelve (12) credit hours), submit by the document deadline of October 15:
 - a) Proof of graduation from high school with a minimum cumulative GPA of 2.5 on a 4.0 scale certified by the high school counselor or other authorized school official and proof of an ACT composite score of 15 or higher from a national

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test or tests taken prior to being enrolled as a first-time college student. In lieu of ACT scores, students may submit equivalent SAT scores according to the official ACT/SAT concordance tables in publication at the time of the test in question. If the student is enrolling in a vocational or technical program of study at a community or junior college, the student may submit a letter or other proof of program enrollment from the college in lieu of the required standardized test scores; or

- b) Proof of attendance at a home education program during grade levels 9 through 12 and proof of an ACT composite score of 15 or higher from a national test or tests taken prior to being enrolled as a first-time college student. In lieu of ACT scores, students may submit equivalent SAT scores according to the official ACT/SAT concordance tables in publication at the time of the test in question. If the student is enrolling in a vocational or technical program of study at a community or junior college, the student may submit a letter or other proof of program enrollment from the college in lieu of the required standardized test scores; or
- c) Proof of successful completion of the International Baccalaureate Program, with a minimum cumulative GPA of 2.5 on a 4.0 scale, based on that school's grading system and proof of an ACT composite score of 15 or higher from a national test or tests taken prior to being enrolled as a first-time college student. In lieu of ACT scores, students may submit equivalent SAT scores according to the official ACT/SAT concordance tables in publication at the time of the test in question. If the student is enrolling in a vocational or technical program of study at a community or junior college, the student may submit a letter or other proof of program enrollment from the college in lieu of the required standardized test scores; or
- d) Proof of satisfactory completion of a high school equivalency diploma and proof of an ACT composite score of 15 or higher from a national test or tests taken prior to being enrolled as a first-time college student. In lieu of ACT scores, students may submit equivalent SAT scores according to the official ACT/SAT concordance tables in publication at the time of the test in question. If the student is enrolling in a vocational or technical program of study at a community or junior college, the student may submit a letter or other proof of program enrollment from the college in lieu of the required standardized test scores.

...

5. Complete by the document deadline of October 15 either the FAFSA to demonstrate that the applicant is not financially eligible for the ~~full~~ maximum Federal Pell Grant because the applicant has an FFC-SAI greater than zero (0), or a Financial Certification Statement certifying that the family income will preclude the applicant's eligibility for the Federal Pell Grant or other need-based Title IV funds.

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B. Renewal applicants must:

...

3. Complete by the document deadline of October 15 either the FAFSA to demonstrate that the applicant is not financially eligible for the ~~FAH~~ maximum Federal Pell Grant because the applicant has an ~~EFC~~ SAI greater than zero (0), or a Financial Certification Statement certifying that the family income will preclude the applicant's eligibility for the Federal Pell Grant or other need-based Title IV funds.

...

III. LENGTH AND AMOUNT OF AWARD

...

D. Those students eligible for less than the maximum Federal Pell Grant award shall receive an MTAG award in an amount equal to the difference between the ~~FAH~~ maximum Federal Pell Grant award amount and the award amount of the Federal Pell Grant for which the student is eligible based upon the student's ~~EFC~~ SAI as determined by the FAFSA. In no situation may the MTAG award amount exceed the maximum MTAG amount allowable for students of the same classification.

...

Source: *Miss. Code Ann.* § 37-106-29.

Recommendation

Board staff recommends approval, pending completion of the APA Process.

Item 5: Jennifer Rogers presented a request to update APA Part 615, the Rules and Regulations for HELP. On motion by Ben Burnett, seconded by Diane Watson, all Board Members legally present and participating voted unanimously to approve the request.

5. Update APA Part 615 HELP Grant Rules and Regulations

Request

The Mississippi Office of Student Financial aid requests approval to update APA Part 615 to update references to Pell eligibility and eliminate outdated language.

Summary

To qualify for the HELP Grant, a student must have a qualifying Adjusted Gross Income (AGI) and be eligible for a Federal Pell Grant. With the 2024-25 FAFSA, the process for determining eligibility for a Federal Pell Grant has changed to include a Maximum Pell indicator, a Minimum Pell indicator, and a calculated Pell based on the SAI. Nevertheless, all applicants are assigned an SAI. The updated language requested here clarifies that SFA will look only at the SAI, rather than the Maximum or Minimum Pell indicators to determine if the applicant meets this requirement.

In addition, the current HELP rules reference the Teacher Education Scholars Forgivable Loan program, which has been repealed. SFA requests the Board remove the reference.

Title 10: Education Institutions and Agencies

Part 615: Higher Education Legislative Plan for Needy Students Grant (HELP) Rules and Regulations

MINUTES

Part 615 Chapter 1: Higher Education Legislative Plan for Needy Students Grant (HELP) Rules and Regulations

Rule 1.1 Higher Education Legislative Plan for Needy Students Grant (HELP) Rules and Regulations. These Rules and Regulations are subject to change by the Mississippi Postsecondary Education Financial Assistance Board. All eligible students shall receive a Higher Education Legislative Plan for Needy Students (HELP) award; however, the amount of each award depends upon the availability of funds as authorized by the State Legislature.

I. GENERAL ELIGIBILITY

...

- G. The applicant must demonstrate financial need. For the purposes of this program, the term “family” for a dependent applicant includes the applicant’s parents and other children under age twenty-one (21) of the applicant’s parents. The term “family” for an independent applicant includes the applicant, the applicant’s spouse, and any children under age twenty-one (21) of the applicant and spouse.

...

2. The applicant must ~~file-complete~~ the Free Application for Federal Student Aid (FAFSA) and have a Student Aid Index (SAI) equal to or below the level needed to qualify for a minimum Federal Pell Grant.

...

...

III. LENGTH AND AMOUNT OF AWARD

...

- E. The applicant must not be receiving a tuition and required fees waiver or tuition and required fees award from another state financial aid source ~~including but not limited to the Teacher Education Scholars Forgivable Loan.~~

...

Source: *Miss. Code Ann.* § 37-106-75.

Recommendation

Board staff recommends approval, pending completion of the APA Process.

Item 6: Jennifer Rogers presented a request to update APA Part 623, the Rules and Regulations for the FAITH Scholarship. On motion by Barney Daly, seconded by Tyrone Jackson, all Board Members legally present and participating voted unanimously to approve the request.

6. Update APA Part 623 FAITH Scholarship Rules and Regulations

Request

The Mississippi Office of Student Financial aid requests approval to update APA Part 623 to clarify that FAITH applicants must complete the FAFSA and any required verification before receiving a FAITH award.

Summary

MINUTES

The current rules for the Fostering Access and Inspiring True Hope (FAITH) Scholarship require applicants to simply file the FAFSA. The rules do not specify that the applicant must complete the FAFSA and any verification required by Federal Student Aid or the institution before a FAITH award is disbursed. All FAITH applicants should be eligible for a Federal Pell Grant, but the student will not receive that federal support if the student does not complete the FAFSA and verification. If a student does not receive federal grant aid, their FAITH award will be much larger to meet the student's Cost of Attendance. Larger awards could strain the budget and result in the State denying FAITH awards to other students who should be eligible. The proposed change will require all FAITH applicants to complete the FAFSA and any required verification to ensure all FAITH applicants are maximizing the federal grand funding available to them.

Title 10: Education Institutions and Agencies

Part 623: State Representative Bill Kinkade Fostering Access and Inspiring True Hope (FAITH) Scholarship Rules and Regulations

Part 623 Chapter 1: State Representative Bill Kinkade Fostering Access and Inspiring True Hope (FAITH) Scholarship Rules and Regulations

Rule 1.1 State Representative Bill Kinkade Fostering Access and Inspiring True Hope (FAITH) Scholarship Rules and Regulations. These Rules and Regulations are subject to change by the Mississippi Postsecondary Education Financial Assistance Board.

...

II. APPLICATION REQUIREMENTS

A. First-time applicants must:

...

2. **File-Complete** the Free Application for Federal Student Aid (FAFSA), **including the verification process if the student is selected for verification, and** accept all available federal grant aid. The state of residency indicated on the FAFSA will be used to verify the applicant's residency status.

...

B. Renewal Applicants Must:

...

2. **File-Complete** the Free Application for Federal Student Aid (FAFSA) annually, **including the verification process if the student is selected for verification,** and continue to accept all available federal grant aid.

...

Source: *Miss. Code Ann.* § 37-106-75.

Recommendation

Board staff recommends approval, pending completion of the APA Process.

Item 7: Jennifer Rogers presented a request to update APA Part 685, the Rules and Regulations for the Winter-Reed Teacher Loan Repayment Program. On motion by Diane Watson, seconded by Jason Dean, all Board Members legally present and participating voted unanimously to approve the request.

MINUTES

7. Update APA Part 685 WRTR Rules and Regulations

Request

The Mississippi Office of Student Financial aid requests approval to update APA Part 685 Winter-Reed Teacher Loan Repayment Rules and Regulations to incorporate the changes made by the passage of HB 765.

Summary

HB 765, Section 9 changed the William F. Winter and Jack Reed, Sr. Teacher Loan Repayment Program to remove the arbitrary annual cap on new awards and expand initial eligibility beyond first-year and traditional route teachers. The legislative updates also allow the loan repayment to apply to graduate loans as well as undergraduate loans. The updates proposed below incorporate the Legislative changes.

Title 10: Education Institutions and Agencies

Part 681: Winter-Reed Teacher Loan Repayment Program (WRTR) Rules and Regulations

Part 681 Chapter 1: Winter-Reed Teacher Loan Repayment Program (WRTR) Rules and Regulations

Rule 1.1 Winter-Reed Teacher Loan Repayment Program (WRTR) Rules and Regulations. The William F. Winter and Jack Reed, Sr. Teacher Loan Repayment Program was established by the 2021 Legislature. These Rules and Regulations are promulgated to govern the program and are subject to change by the Mississippi Postsecondary Education Financial Assistance Board (hereinafter referred to as the "Board").

I. GENERAL ELIGIBILITY

...

C. The applicant must have obtained a standard five-year educator's license or a nontraditional five-year alternate route license from the State Board of Education. Persons with provisional emergency licenses shall not be eligible.

~~**D.** First time applicants must be first year teachers, and renewal applicants must be second or third year teachers.~~

D. The applicant must teach full-time, as defined by the State Board of Education. Qualifying positions include teacher and school librarian; invalid positions include, but are not limited to, the following: assistant teacher, full-time substitute, high school counselor, curriculum specialist or administrator.

E. The applicant must teach full-time for a period of not less than one (1) academic year in grades kindergarten through twelve (K-12) in a Mississippi public school or public charter school.

F. The applicant must have outstanding qualifying educational loans, received while pursuing an undergraduate or graduate degree. Qualifying educational loans ~~obtained while in undergraduate school~~ include the principal, interest, and related expenses such as the required interest premium on the unpaid balances of government (federal, state or local) and commercial loans obtained by the recipient for undergraduate or graduate educational expenses. ~~Perkins loans and loans attained for receiving a master's degree do not qualify for repayment under WRTR.~~

MINUTES

- G. The applicant must not have received funds from the William Winter Teacher Forgivable Loan Program (WWTS), William Winter Alternate Route Forgivable Loan Program (WWAR), Critical Needs Teacher Forgivable Loan Program (CNTF), Critical Needs Alternate Route Teacher Forgivable Loan Program (CNAR), or Teacher Education Scholars Forgivable Loan Program (TES) as an undergraduate student.
- H. The applicant must not presently be in default or delinquent on any federal, state, local or commercial qualifying educational loan.

II. APPLICATION REQUIREMENTS FOR LOAN REPAYMENT APPLICANT

- A. First time applicants must:
1. Complete the Mississippi Aid Application (MAAPP) online at www.msfinancialaid.org by the deadline date of September 15 of the ~~teacher's first year of teaching~~ academic year for which the teacher is seeking loan repayment. The deadline for applications submitted the inaugural 2021-2022 academic year will be extended to December 15, 2021.
 2. Submit the following documents to the Board by October 15 of the same academic year. The deadline for the following documents to be submitted for the inaugural 2021-2022 academic year will be extended to January 15, 2022.
 - a) Proof of the applicant's current, ~~standard,~~ five-year Mississippi educator's license....
- B. Renewal applicants must:
1. Complete the Mississippi Aid Application (MAAPP) online at www.msfinancialaid.org by the deadline date of September 15 of the ~~teacher's second or third year of teaching~~ academic year for which the teacher is seeking loan repayment.
 2. Submit the following documents to the Board by October 15 of the ~~teacher's second or third year of teaching~~ same academic year.
- ...

III. AWARD RECIPIENTS

- A. Awards will be made to applicants with outstanding qualifying educational loans obtained while in undergraduate or graduate school. Qualifying educational loans ~~obtained while in undergraduate school~~ include the principal, interest, and related expenses such as the required interest premium on the unpaid balances of government (federal, state or local) and commercial loans obtained by the recipient for undergraduate or graduate educational expenses. *Perkins loans ~~and loans attained for receiving a master's degree~~ do not qualify for repayment under WRTR.*

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- B. Recipients shall be selected on a first-come, first-served basis of all eligible applicants and shall be limited by the annual funding appropriated for the program by the Mississippi Legislature. ~~to one hundred fifty (150) first time, first year recipients each year. After three years, the program will never award more than 450 recipients each year.~~
- C. Among first-time, ~~first year~~ teacher recipients applicants, priority consideration shall be given to persons who are teaching in a public school district designated as a geographical critical teacher shortage area by the State Board of Education.
- D. In the second and subsequent years of the program, priority consideration shall first be given to renewal applicants.

IV. AMOUNT AND LENGTH OF LOAN REPAYMENT

- A. Awards for recipients who have signed a contract to teach in a public school district that is not designated as a geographical critical teacher shortage area by the State Board of Education shall be as follows:
 - 1. One thousand five hundred dollars (\$1,500) for the first year of teaching an award or the balance of the loan, whichever is less;
 - 2. Two thousand five hundred dollars (\$2,500) for the second year of teaching an award or the balance of the loan, whichever is less;
 - 3. Three thousand five hundred dollars (\$3,500) for the third year of teaching an award or the balance of the loan, whichever is less.
- B. Awards for recipients who have signed a contract to teach in a public school district that is designated as a geographical critical teacher shortage area by the State Board of Education shall be as follows (NOTE: Designation as a Title I school does not necessarily mean that the school qualifies as a geographical critical teacher shortage area):
 - 1. Four thousand dollars (\$4,000) for the first year of teaching an award or the balance of the loan, whichever is less;
 - 2. Five thousand dollars (\$5,000) for the second year of teaching an award or the balance of the loan, whichever is less, provided the recipient continues to teach in the same public school district or another public school district designated a geographical shortage area by the State Board of Education;
 - 3. Six thousand dollars (\$6,000) for the third year of teaching an award or the balance of the loan, whichever is less, provided the recipient continues to teach in the same public school district or another public school district designated a geographical shortage area by the State Board of Education;
 - ...
- D. The annual award amount shall never exceed the outstanding balance of the qualifying ~~undergraduate~~ educational loan.

MINUTES

...

~~G. Funds are provided for the repayment of undergraduate loans only.~~

V. RECIPIENT RESPONSIBILITIES

- C. The recipient must maintain a standard current five-year Mississippi educator's license while participating in the program.

...

Source: *Miss. Code Ann.* § 37-106-36.

Recommendation

Board staff recommends approval, pending completion of the APA Process.

Item 8: Jennifer Rogers presented a request to update APA Part 687, the Rules and Regulations for the Nurse Retention Loan Repayment Program. On motion by Barney Daly, seconded by Diane Watson, all Board Members legally present and participating voted unanimously to approve the request.

8. Update APA Part 687 NULR Rules and Regulations

Request

The Mississippi Office of Student Financial aid requests approval to update APA Part 687 Nurse Retention Loan Repayment Rules and Regulations to incorporate the changes made by the passage of SB 2848.

Summary

SB 2848, Section 2 changed the Skilled Nursing Home and Hospital Nurses Retention Loan Repayment Program to expand eligibility beyond first-year nurses and nurses in their first year of employment at a qualified facility. The updates proposed below incorporate the Legislative changes.

Title 10: Education Institutions and Agencies

Part 687: Nurse Retention Loan Repayment Program (NULR) Rules and Regulations

Part 687 Chapter 1: Nurse Retention Loan Repayment Program (NULR) Rules and Regulations

Rule 1.1 Nurse Retention Loan Repayment Program (NULR) Rules and Regulations. The Skilled Nursing Home and Hospital Nurses Retention Loan Repayment Program was established by the 2023 Legislature. These Rules and Regulations are promulgated to govern the program and are subject to change by the Mississippi Postsecondary Education Financial Assistance Board (hereinafter referred to as the "Board").

I. GENERAL ELIGIBILITY

...

- C. First-time applicants must have gained employment within the preceding year for the first time as a full-time licensed practical nurse or licensed registered

MINUTES

nurse at a skilled nursing home in the State of Mississippi or a general acute care hospital in the State of Mississippi that is licensed by the Mississippi State Department of Health.

...

II. APPLICATION REQUIREMENTS FOR LOAN REPAYMENT APPLICANT

A. First time applicants must:

1. Complete the Mississippi Aid Application (MAAPP) online at www.msfinancialaid.org by the deadline date of September 15 of the ~~nurse's first year of nursing~~ for which the nurse is seeking loan repayment.
2. Submit the following documents to the Board by October 15 of the ~~nurse's first year of nursing~~ same year.

...

...

Source: *SB 2373, 2023 Legislative Session*

Recommendation

Board staff recommends approval, pending approval by HORNE and completion of the APA Process.

Item 9: Jennifer Rogers announced that Dr. Jason Dean has been reappointed to represent the Mississippi Association of Independent Colleges on the Postsecondary Board. Dr. Dewayne Middleton, President of Copiah-Lincoln Community College, has been appointed as the institutional representative for the Mississippi Community College Board. Dr. Tyrone Jackson was thanked for his service to the Board. The governor has not yet announced his appointments. The Board will need to meet again in late June to approve the FY2026 Budget Request. Information will be forthcoming. No action was taken by the Board.

9. Updates and Announcements

Board Member Appointments

June Meeting

ADDITIONAL AGENDA ITEMS IF NECESSARY

The Board did not consider any additional agenda items.

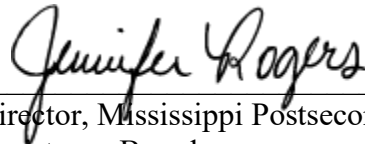
MINUTES

EXECUTIVE SESSION IF DETERMINED NECESSARY

The Board did not determine the need for an Executive Session.

ADJOURNMENT

There being no further business to come before the Board, on motion by Barney Daly, seconded by Jason Dean, all Board Members legally present and participating voted unanimously to adjourn the meeting.



Director, Mississippi Postsecondary Education Financial
Assistance Board

REGULAR AGENDA

1. Final Approval of the FY 2025 Annual Operating Budget

Request:

The Mississippi Office of Student Financial Aid requests final approval of the Fiscal Year 2025 Annual Operating Budget and Program Allocation.

Summary:

The FY 2025 Annual Operating Budget and the 2024-25 Program Allocation were presented to the Board in May for approval. Since May, the amount available for the Nurse Retention Loan Repayment program decreased due to additional awards made in FY 2024, thereby decreasing the overall budget from \$64,973,222 to \$64,688,719. The fringe benefit rate also decreased from an estimated 34% to 33.5%, which decreased the Salaries, Wages, and Fringe line item from \$817,166 to \$814,116. To balance the budget, these administrative funds were moved to the Higher Education Legislative Grant Program line, increasing it from \$33,132,730 to \$33,135,780. No other changes have been made to the Operating Budget or the Program Allocation.

Exhibit 1 shows the FY 2025 Annual Operating Budget, which includes details of the FY 2024 Appropriation, the original FY 2025 MBR, the FY 2025 Revised Request, the FY 2025 Appropriation, and the change from FY 2024 and from the FY 2025 Revised Request. The only change from what was approved in May is highlighted in orange.

Exhibit 2 shows the 2024-25 Program Allocations. The FY 2024 AOB Awards and Amounts represent the amounts allocated for expenditure for the current year. The FY 2025 MBR Awards and Amounts represent the proposed allocation of awards and costs at the time of submitting the MBR in June 2023, and the FY 25 Adjusted Request represents the adjusted amounts requested near the end of the 2024 Legislative Session. The FY 2025 AOB Awards and Amounts represent the allocation of the Annual Operating Budget as appropriated. The final columns show the difference between the FY25 and the FY24 budgets. The changes from what was approved in May are highlighted in orange.

Recommendation:

Board staff recommends approval of this item.

REGULAR AGENDA

Exhibit 1

FY 2025 Annual Operating Budget						
COMBINED BUDGETS FY 2025 Funding Sources	FY24 Appropriation	FY25 MBR	Revised FY25 Request	FY25 Appropriation	(+/-) FY24	Change
SFA APPROPRIATION						
GOV. APPROPRIATIONS						
General Support	\$ 50,649,256	\$ 51,811,202	\$ 51,951,416	\$ 51,952,895	\$ 1,303,639	2.6%
General Support Re-appropriated	\$ -	\$ -	\$ -	\$ -	\$ -	-
Other General Support - DE/DC	\$ 9,823,000	\$ 15,000,000	\$ 9,823,000	\$ -	\$ (9,823,000)	-100.0%
EEF-New						
FAITH & Winter-Reed	\$ -	\$ -	\$ -	\$ 3,000,000	\$ 3,000,000	-
FAITH	\$ 1,000,000	\$ 3,000,000	\$ 3,000,000	\$ -	\$ (1,000,000)	-100.0%
Winter-Reed	\$ 2,000,000	\$ 1,400,000	\$ 350,000	\$ -	\$ (2,000,000)	-100.0%
EEF-Re-appropriated						
FAITH & Winter-Reed	\$ -	\$ -	\$ -	\$ -	\$ -	-
FAITH	\$ 1,000,000	\$ -	\$ 100,000	\$ 100,000	\$ (900,000)	-90.0%
Winter-Reed	\$ 1,100,000	\$ 850,000	\$ 1,900,000	\$ 1,900,000	\$ 800,000	72.7%
Total Gov. Appropriations	\$65,572,256	\$72,061,202	\$67,124,416	\$56,952,895	\$(8,619,361)	-13.1%
OTHER SPECIAL FUNDS						
GRANTS AND CONTRACTS						
Federal	\$ -	\$ -	\$ -	\$ -	\$ -	-
State	\$ -	\$ -	\$ -	\$ -	\$ -	-
Total Grants and Contracts	\$ -	\$ -	\$ -	\$ -	\$ -	-
INTEREST INCOME						
Nissan	\$ -	\$ 10,000	\$ -	\$ -	\$ -	-
Total Interest Income	\$ -	\$ 10,000	\$ -	\$ -	\$ -	-
OTHER SOURCES						
Law Fund	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ -	0.0%
Total Other Sources	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ -	0.0%
CASH ON HAND						
Estimated Collections	\$ 1,720,000	\$ 2,750,000	\$ 2,330,000	\$ 2,330,000	\$ 610,000	35.5%
Total Cash on Hand	\$ 1,720,000	\$ 2,750,000	\$ 2,330,000	\$ 2,330,000	\$ 610,000	35.5%
Total Other Special Funds						
Total SFA Appropriation	\$67,312,256	\$74,841,202	\$69,474,416	\$59,302,895	\$(8,009,361)	-11.9%
OTHER APPROPRIATION						
STATE SPECIAL FUNDS-ARPA						
NULR/Reappropriation	\$ 6,000,000	\$ 6,000,000	\$ 5,670,327	\$ 5,385,824	\$ (614,176)	-10.2%
TOTAL APPROPRIATIONS	\$73,312,256	\$80,841,202	\$75,144,743	\$64,688,719	\$(8,623,537)	-11.8%

REGULAR AGENDA

Exhibit 2

2024-25 Program Allocation									
Expenditures by Program	FY24 AOB Awards	FY24 AOB Amounts	FY25 MBR Awards	FY25 MBR Amounts	FY25 Adusted Request	FY25 AOB Awards	FY25 AOB Amounts	(+/-) FY24 AOB Awards	(+/-) FY24 AOB Amounts
1- Administration									
Salaries, Wages and Fringes		\$ 842,081		\$ 944,883	\$ 823,264		\$ 814,116		\$ (27,965)
Travel		\$ 8,000		\$ 8,000	\$ 8,000		\$ 8,000		\$ -
Contractual Service		\$ 620,000		\$ 620,000	\$ 620,000		\$ 620,000		\$ -
Commodities		\$ 10,000		\$ 10,000	\$ 10,000		\$ 10,000		\$ -
Equipment		\$ 10,000		\$ 10,000	\$ 10,000		\$ 10,000		\$ -
Total Administration		\$ 1,490,081		\$ 1,592,883	\$ 1,471,264		\$ 1,462,116		\$ (27,965)
2- MTAG/MESG and HELP									
MTAG	18,060	\$ 10,298,249	18,060	\$ 10,473,044	\$ 10,473,044	18,060	\$ 10,473,044	0	\$ 174,795
MESG	3,564	\$ 8,005,496	3,600	\$ 8,222,790	\$ 8,222,790	3,600	\$ 8,222,790	36	\$ 217,294
HELP	4,647	\$ 31,755,322	4,693	\$ 33,616,235	\$ 33,616,235	4,693	\$ 33,135,780	46	\$ 1,380,458
Total MTAG/MESG/HELP	26,271	\$50,059,067	26,353	\$52,312,069	\$52,312,069	26,353	\$51,831,614	82	\$ 1,772,547
3 - Forgivable Loan Programs									
Teacher Programs:									
CNDT (Graduate)	0	\$ -	0	\$ -	\$ -	5	\$ 50,000	5	\$ 50,000
Winter-Reed Loan Repay	450	\$ 3,100,000	450	\$ 2,250,000	\$ 2,250,000	400	\$ 1,900,000	-50	\$ (1,200,000)
Health/Science Programs:									
SLPL (Graduate)	5	\$ 70,000	0	\$ -	\$ -	6	\$ 70,000	1	\$ -
SREB (Graduate)	33	\$ 652,608	25	\$ 500,000	\$ 707,000	35	\$ 712,915	2	\$ 60,307
Total Forgivable Loan Programs	488	\$ 3,822,608	25	\$ 2,750,000	\$ 2,957,000	446	\$ 2,732,915	-42	\$ (1,089,693)
4 - Other									
LAW	10	\$ 117,500	15	\$ 176,250	\$ 176,250	15	\$ 176,250	5	\$ 58,750
Nissan	0	\$ -	1	\$ 10,000	\$ -	0	\$ -	0	\$ -
FAITH Scholarship	200	\$ 2,000,000	300	\$ 3,000,000	\$ 3,000,000	300	\$ 3,100,000	100	\$ 1,100,000
Total Other	210	\$ 2,117,500	766	\$ 5,436,250	\$ 5,426,250	315	\$ 3,276,250	105	\$ 1,158,750
5- Dual Enroll/Dual Credit Schol Prg									
DEDC	24,560	\$ 9,823,000	25,000	\$ 15,000,000	\$ 9,823,000	0	\$ -	-24,560	\$ (9,823,000)
Total DEDC	24,560	\$ 9,823,000	25,000	\$15,000,000	\$ 9,823,000	0	\$ -	-24,560	\$ (9,823,000)
TOTAL Loans, Schols, Grants	51,529	\$65,822,175	52,144	\$73,248,319	\$68,268,319	27,114	\$57,840,779	-24,415	\$ (7,981,396)
TOTAL SFA BUDGET	51,529	\$67,312,256	52,144	\$74,841,202	\$69,739,583	27,114	\$59,302,895	(24,415)	\$ (8,009,361)
2024-25 NULR Program Allocation									
1 - NULR	300	\$6,000,000.00	333	\$ 6,000,000	\$ -	333	\$ 5,385,824	33	\$ (614,176)
TOTAL NULR BUDGET	300	\$ 6,000,000	333	\$ 6,000,000	\$ -	333	\$ 5,385,824	33	\$ (614,176)
2024-25 Combined Program Allocation									
SFA	51,529	\$ 67,312,256	52,144	\$ 74,841,202	\$ 69,739,583	27,114	\$ 59,302,895	(24,415)	\$ (8,009,361)
NULR	300	\$6,000,000.00	333	\$ 6,000,000	\$ -	333	\$ 5,385,824	33	\$ (614,176)
TOTAL COMBINED BUDGETS	51,829	\$73,312,256	52,477	\$80,841,202	\$69,739,583	27,447	\$64,688,719	(24,382)	\$ (8,623,537)

2. Approve the FY 2026 Budget Request

Request:

The Mississippi Office of Student Financial Aid requests approval of the Fiscal Year 2026 Budget Request.

Summary:

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.”

REGULAR AGENDA

Exhibit 3 is the 2025-26 Combined Program Allocation for the Budget Request. The chart includes the FY 2024 actual awards and expenditures, the FY 2025 Program Allocation, the FY 2026 Program Allocation for the MBR, and the change from FY 2025. Highlights of the Program Allocation for the MBR are as follows:

- Administration: Additional funds are requested in FY26 to provide 3% cost of living salary increases for all current employees.
- MTAG/MESG and HELP: MTAG is unavailable to students who qualify for the maximum federal Pell grant. The formula for determining eligibility for the federal Pell grant changed for the 2024-25 aid year. More Mississippi residents are expected to be eligible for the maximum Pell grant under the new formula. Therefore, fewer students will be eligible for MTAG. However, lack of information from the federal government has limited our ability to project program costs for the coming years, and the 2024-25 aid year is not yet underway. Due to this lack of information, the number of recipients is projected to remain unchanged for MTAG and HELP. A 1% increase in recipients is projected for MESG. The HELP Grant program budget also anticipates tuition increases of 1.75%.
- Forgivable Loan and Repayment Programs: SFA requests full funding for the legislatively authorized forgivable loan and loan repayment programs.
- Other: Fewer students have been seeking funding through the LAW program than in past years. SFA anticipates the Nissan trust will have grown enough to make an award in FY26. SFA anticipates the FAITH Scholarship program will grow steadily each year for the first five years of the program. FY26 will be the third year for awards, and SFA anticipates the annual program cost to be around \$4,000,000,
- NULR: The Nurse Retention Loan Repayment Program was funded with \$6,000,000 in Coronavirus State and Local Fiscal Recovery Funds to cover awards through December 2026. SFA anticipates no more than \$3,000,000 (likely less) will remain available for re-appropriation and awarding in FY26.

REGULAR AGENDA

Exhibit 3

2025-26 Program Allocation for MBR									
Expenditures by Program	FY24 Actual Awards	FY24 Actual Expenditures	FY25 AOB Awards	FY25 AOB Amounts	FY26 MBR Awards	FY26 MBR Amounts	(+/-) FY25 AOB Awards	(+/-) FY25 AOB Amounts	Change
1- Administration									
Salaries, Wages and Fringes		\$ 800,000		\$ 814,116		\$ 841,680		\$ 27,564	
Travel		\$ 8,000		\$ 8,000		\$ 8,000		\$ -	
Contractual Service		\$ 620,000		\$ 620,000		\$ 620,000		\$ -	
Commodities		\$ 10,000		\$ 10,000		\$ 10,000		\$ -	
Equipment		\$ 10,000		\$ 10,000		\$ 10,000		\$ -	
Total Administration		\$ 1,448,000		\$ 1,462,116		\$ 1,489,680		\$ 27,564	1.9%
2- MTAG/MESG and HELP									
MTAG	17,307	\$ 9,783,128	18,060	\$ 10,473,044	18,060	\$ 10,473,044	0	\$ -	
MESG	3,515	\$ 8,073,428	3,600	\$ 8,222,790	3,636	\$ 8,305,018	36	\$ 82,228	
HELP	4,265	\$ 30,047,991	4,693	\$ 33,135,780	4,693	\$ 33,715,656	0	\$ 579,876	
Total MTAG/MESG/HELP	25,087	\$47,904,547	26,353	\$51,831,614	26,389	\$52,493,718	36	\$ 662,104	1.3%
3 - Forgivable Loan & Repayment Prgs									
Teacher Programs:									
CNDT (Graduate)	0	\$ -	5	\$ 50,000	5	\$ 50,000	0	\$ -	
Winter-Reed Loan Repay	318	\$ 1,200,000	400	\$ 1,900,000	425	\$ 2,000,000	25	\$ 100,000	
Health/Science Programs:									
SLPL (Graduate)	1	\$ 14,010	6	\$ 70,000	6	\$ 70,000	0	\$ -	
SREB (Graduate)	34	\$ 672,384	35	\$ 712,915	36	\$ 762,624	1	\$ 49,709	
Total Forgivable Loan Programs	353	\$ 1,886,394	446	\$ 2,732,915	472	\$ 2,882,624	26	\$ 149,709	5.5%
4 - Other									
LAW	6	\$ 66,831	15	\$ 176,250	10	\$ 100,000	-5	\$ (76,250)	
Nissan	0	\$ -	0	\$ -	1	\$ 11,000	1	\$ 11,000	
FAITH Scholarship	199	\$ 1,900,000	300	\$ 3,100,000	400	\$ 4,000,000	100	\$ 900,000	
Total Other	205	\$ 1,966,831	315	\$ 3,276,250	411	\$ 4,111,000	96	\$ 834,750	25.5%
5- Dual Enroll/Dual Credit Schol Prg									
DEDC	7,230	\$ 2,108,136	0	\$ -	0	\$ -	0	\$ -	-
Total DEDC	7,230	\$ 2,108,136	0	\$ -	0	\$ -	0	\$ -	-
TOTAL Loans, Schols, Grants	32,875	\$53,865,908	27,114	\$57,840,779	27,272	\$59,487,342	158	\$ 1,646,563	2.8%
TOTAL SFA BUDGET	32,875	\$55,313,908	27,114	\$59,302,895	27,272	\$60,977,023	158	\$ 1,674,127	2.8%
NULR Combined Budget - FY 2026									
1 - NULR	103	\$ 614,176.00	333	\$ 5,385,824	333	\$ 3,000,000	0	\$ (2,385,824)	-44%
TOTAL NULR BUDGET	103	\$ 614,176	333	\$ 5,385,824	333	\$ 3,000,000	0	\$ (2,385,824)	-44.3%
COMBINED Budget Request - FY 2026									
SFA	32,875	\$ 55,313,908	27,114	\$ 59,302,895	27,272	\$ 60,977,023	158	\$ 1,674,127	2.8%
NULR	103	\$ 614,176.00	333	\$ 5,385,824	333	\$ 3,000,000	0	\$ (2,385,824)	-44.3%
TOTAL COMBINED BUDGETS	32,978	\$55,928,084	27,447	\$64,688,719	27,605	\$63,977,023	158	\$ (711,697)	-1.1%

The FY 2024 AOB showed \$73,312,256 in available funds. Exhibit 3 above shows SFA expended only \$55,928,084, a difference of \$17,312,256. Exhibit 4 was added below to account for the unspent funds, some of which will lapse and some of which will be available for re-appropriation in FY 2025 and FY 2026. The unspent funds are attributable as follows:

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- For the first time in more than ten years, SFA did not spend all the General Support funds appropriated due to an unexpected drop in HELP Grant recipients. SFA will have at least \$563,484 which can be re-appropriated in FY 2026.
- The Dual Enrollment/Dual Credit Scholarship program was funded for a full year at \$9.8 million, but SFA was only able to get the program operational for the Spring semester and was unable to spend all the funds appropriated. The program was not continued, so the approximately \$7.7 million will lapse.
- SFA utilized re-appropriated EEF funds for the Winter-Reed Teacher Loan Repayment Program in FY 2024, so about \$2 million has already been re-appropriated for FY 2025.
- SFA did not need to spend any of the cash on hand from collections for which spending authority was appropriated.
- 2023-24 was the first year for NULR awards. Because the program is funded with Coronavirus funds, the full \$6 million was appropriated for expenditure in FY 2024, but SFA only made \$614,176 worth of awards, so \$5,385,824 is available for expenditure in FY 2025 and FY 2026.

Exhibit 4

Unspent Funds Available for Re-appropriation				
COMBINED BUDGETS FY 2026 Funding Sources	Unspent FY24	Available FY25	Available FY26	
<i>End of Year Balance</i>	\$17,384,172			
SFA APPROPRIATION				
GOV. APPROPRIATIONS				
General Support	\$ 563,484	\$ -	\$ 563,484	
Other General Support - DE/DC	\$ 7,714,864	\$ -	\$ -	
EEF - FAITH	\$ 100,000	\$ 100,000	\$ -	
EEF - Winter-Reed	\$ 1,900,000	\$ 1,900,000	\$ -	
Total Gov. Appropriations	\$10,278,348	\$ 2,000,000	\$ 563,484	
OTHER SOURCES				
Law Fund	\$ -	\$ 20,000	\$ 20,000	
Total Other Sources	\$ -	\$ 20,000	\$ 20,000	
CASH ON HAND				
Estimated Collections	\$ 1,720,000	\$ 2,330,000	\$ 2,330,000	
Total Cash on Hand	\$ 1,720,000	\$ 2,330,000	\$ 2,330,000	
	\$11,998,348	\$ 4,350,000	\$ 2,913,484	
OTHER APPROPRIATION				
STATE SPECIAL FUNDS-ARPA				
NULR/Reappropriation	\$ 5,385,824	\$ 5,385,824	\$ 3,000,000	
TOTAL APPROPRIATIONS	\$17,384,172	\$ 9,735,824	\$ 5,913,484	

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Exhibit 5 is the FY 2026 Combined Budget Request with Funding by Source. The chart shows the FY 2024 AOB, the FY 2025 AOB, the FY 2026 MBR, and the difference between FY 2025 and FY 2026. This chart includes the funding sources for both the SFA and NULR budgets.

Exhibit 5

FY 2026 Budget Request (MBR)					
COMBINED BUDGETS FY 2026 Funding Sources	FY24 AOB	FY25 AOB	FY26 MBR	(+/-) FY25	Change
SFA APPROPRIATION					
GOV. APPROPRIATIONS					
General Support	\$ 50,649,256	\$ 51,952,895	\$ 52,052,538	\$ 99,643	0.2%
General Support (Reappropriated)	\$ -	\$ -	\$ 563,484	\$ 563,484	-
Other General Support - DE/DC	\$ 9,823,000	\$ -	\$ -	\$ -	-
EEF - New					
FAITH & Winter-Reed	\$ -	\$ 3,000,000	\$ 6,000,000	\$ 3,000,000	100.0%
FAITH	\$ 1,000,000	\$ -	\$ -	\$ -	-
Winter-Reed	\$ 2,000,000	\$ -	\$ -	\$ -	-
EEF - Reappropriated					
FAITH & Winter-Reed	\$ -	\$ -	\$ -	\$ -	-
FAITH	\$ 1,000,000	\$ 100,000	\$ -	\$ (100,000)	-100.0%
Winter-Reed	\$ 1,100,000	\$ 1,900,000	\$ -	\$ (1,900,000)	-100.0%
<i>Total Gov. Appropriations</i>	\$65,572,256	\$56,952,895	\$58,616,023	\$ 1,663,128	2.9%
OTHER SPECIAL FUNDS					
GRANTS AND CONTRACTS					
Federal	\$ -	\$ -	\$ -	\$ -	-
State	\$ -	\$ -	\$ -	\$ -	-
<i>Total Grants and Contracts</i>	\$ -	\$ -	\$ -	\$ -	-
INTEREST INCOME					
Nissan	\$ -	\$ -	\$ 11,000	\$ 11,000	-
<i>Total Interest Income</i>	\$ -	\$ -	\$ 11,000	\$ 11,000	-
OTHER SOURCES					
Law Fund	\$ 20,000	\$ 20,000	\$ 20,000	\$ -	0.0%
<i>Total Other Sources</i>	\$ 20,000	\$ 20,000	\$ 20,000	\$ -	0.0%
CASH ON HAND					
Estimated Collections	\$ 1,720,000	\$ 2,330,000	\$ 2,330,000	\$ -	0.0%
<i>Total Cash on Hand</i>	\$ 1,720,000	\$ 2,330,000	\$ 2,330,000	\$ -	0.0%
<i>Total Other Special Funds</i>	\$ 1,740,000	\$ 2,350,000	\$ 2,361,000	\$ 11,000	0.5%
<i>Total SFA Appropriation</i>	\$67,312,256	\$59,302,895	\$60,977,023	\$ 1,674,128	2.8%
OTHER APPROPRIATION					
STATE SPECIAL FUNDS-ARPA					
Nursing Loan Repayment	\$ 6,000,000	\$ 5,385,824	\$ 3,000,000	\$ (2,385,824)	-44.3%
TOTAL APPROPRIATIONS	\$73,312,256	\$64,688,719	\$63,977,023	\$ (711,696)	-1.1%

REGULAR AGENDA

Exhibit 6 is the FY 2026 SFA Budget Narrative, which corresponds to the SFA budget.

Exhibit 6

NARRATIVE FY 2026 BUDGET REQUEST

State Student Financial Aid

The Mississippi Office of Student Financial Aid (SFA) 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.

SFA 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 direct information through high school counselors, counselor association meetings, and counselor training events. College access partners in turn provide direct information to students. 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 state-supported financial assistance.

FY 2026 Appropriation Request

On behalf of the students and the state of Mississippi, SFA requests **\$60,977,023 for FY26**, which represents **an increase of \$1,674,127 or 2.8%** over FY25. The FY26 request includes:

- **\$52,052,538 in General Support Funds**, which represents **an increase of \$99,643 or 0.2%** over FY25;
- **\$563,484 in Re-appropriated General Support Funds** for unspent funds from FY24;
- **\$6,000,000 in New Education Enhancement Funds** (\$4,000,000 for FAITH and \$2,000,000 for WRTR), which represents **an increase of \$3,000,000 or 100%** over FY25;
- **\$0 in Re-appropriated Education Enhancement Funds;**
- **\$2,361,000 in Other Special Funds** (includes Federal and State Grants and Contracts, Interest Income, Cash on Hand and Other Sources), which represents **an increase of \$11,000 or 0.5%** over FY25.

1-Administration

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- I. Program Description: SFA 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: SFA seeks to administer the legislatively authorized state student financial aid programs; communicate the accomplishments, needs, and value of the state's financial assistance programs to numerous and varied constituency 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 (FY25 Estimated and FY26 Increase/Decrease for continuations) of MBR-1-03 and designated Budget Unit Decisions columns of MBR-1-03-A: (D) Additional Needs – **\$27,564**: Funds are requested to provide 3% cost of living salary increases for all current employees.

2-MTAG/MESG and HELP

- I. Program Description: SFA 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 (FY25 Estimated and FY26 Increase/Decrease for continuations) of MBR-1-03 and designated Budget Unit Decisions columns of MBR-1-03-A: (D) Additional Needs – **\$662,104 or 1.3%**: MTAG is unavailable to students who qualify for the maximum federal Pell grant. The formula for determining eligibility for the federal Pell grant changed for the 2024-25 aid year. More Mississippi residents are expected to be eligible for the maximum Pell grant under the new formula. Therefore, fewer students will be eligible for MTAG. Lack of information from the federal government has limited our ability to project program costs for the coming years, and the 2024-25 aid year is not yet underway. Due to this lack of information, the number of recipients is projected to remain unchanged for MTAG and HELP. A 1% increase in recipients is projected for MESG. The HELP Grant program budget also

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anticipates tuition increases of 1.75%. The MTAG/MESG and HELP request includes:

- **\$10,473,044 for MTAG**, which represents **no change** from FY25;
- **\$8,305,018 for MESG**, which represents an **increase of \$82,228** over FY25;
- **\$33,715,656 for HELP**, which represents an **increase of \$579,876** over FY25.

3-FORGIVABLE LOAN AND REPAYMENT PROGRAMS

- I. Program Description: SFA operates one forgivable loan program, the Critical Needs Dyslexia Therapy Forgivable Loan Program (CNDT), and one loan repayment program, the Winter-Reed Teacher Loan Repayment Program (WRTR), to support teachers and education. SFA also administers two health/science related programs, the Speech-Language Pathologist Forgivable Loan Program (SLPL) and the Southern Regional Education Board Forgivable Loan Program for optometry (SREB).
- II. Program Objective: Student Financial aid programs have been authorized by the Legislature:
 - 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; and
 - c. To insure 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.
- III. Current program activities as supported by the funding in Columns 5-12 (FY25 Estimated and FY26 Increase/Decrease for continuations) of MBR-1-03 and designated Budget Unit Decisions columns of MBR-1-03-A: (D) Additional Needs – **\$149,709**: An increase in expenditures for the Forgivable Loan and Loan Repayment Programs is requested to fully fund the Winter-Reed Teacher Loan Repayment Program at \$2,000,000 as it has been for every year prior to FY25 and to award all 36 SREB Regional Contract Program seats at the projected rate for 2025-26.

TEACHER PROGRAMS:

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 203 Endorsement for Dyslexia Therapy. The loan will be forgiven for recipients who serve as licensed dyslexia therapist in a Mississippi public or charter school for one year for each year of funding received. The **CNDT request for FY26 is \$50,000**, which represents **no change from FY25**.

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The William F. Winter – Jack Reed, Sr. Teacher Loan Repayment Program (WRTR) helps teachers repay their student loans. The **FY26 WRTR request is \$2,000,000**, which represents an **increase of \$100,000 from FY25**.

Additional funding was appropriated for WRTR in FY24 than was needed. The \$1,900,000 funding to be utilized in FY25 will be in re-appropriated funds unspent in FY24. For FY26, \$2,000,000 is requested in new EEF funds.

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 for FY26 is \$70,000** which represents **no change from FY25**.

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 contracts 9 seats per entering class, for a total of 36 contract seats each year. The cost of each contract seat typically increases annually. Rates for FY26 will be \$21,184. The **SREB request is \$762,624 for 36 seats**, which represents an **increase of \$49,709 from FY25**.

4. OTHER

- I. Program Description: SFA started operating the FAITH Scholarship beginning in the 2023-24 aid year. SFA operates the Law Enforcement Officers and Firemen Scholarship Program (LAW), which is funded by the Mississippi Legislature and partially through a special fund; the Nissan Scholarship (NISS), which is funded through the Nissan Trust; and the Fostering Access and Inspiring True Hope Scholarship (FAITH), which is funded through EEF funds deposited in the FAITH Scholarship Trust.
- 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 (FY25 Estimated and FY26 Increase/Decrease for continuations) of MBR-1-03 and designated Budget Unit Decisions columns of MBR-1-03-A: (D) Additional Needs – **\$834,750**: An overall increase in expenditures for the

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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 dependent children or spouses of deceased or disabled service men and women. The **FY26 LAW request is \$100,000**, which represents a **decrease of \$76,250 from FY25**.

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 \$11,000**, which represents an **increase of \$11,000 over FY25**.

The Representative Bill Kinkade Fostering Access and Inspiring True Hope (FAITH) Scholarship was created during the 2022 Legislative Session to make full awards to students who have interacted with the state's foster care system. SFA started making awards in 2023-24. The **FAITH FY26 request is a total of \$4,000,000**, which represents a **\$900,000 increase over the FY25 budget**. For the total requested, \$4,000,000 is requested in new EEF funds.

Funding Request Explanation:

SFA requests a total of \$60,977,023 for FY26.

The request includes \$52,054,020 in General Funds (Section 1); \$8,361,000 in Special Funds (Section 2), and \$563,484 in Re-appropriated Funds unspent from FY24.

The \$52,054,020 General Fund request is for \$52,054,020 in new funds. The FY26 budget request also includes \$563,484 in re-appropriated funds that were unspent in FY24. According to Mississippi Code Section 37-106-14(3), "At the end of the fiscal year, any unexpended balances appropriated by the Legislature for the implementation or administration of programs provided for in this chapter shall not lapse into the State General Fund but shall carry over and be available for expenditure in the succeeding fiscal year, subject to appropriation therefor by the Legislature."

The \$8,361,000 Special Fund request includes \$6,000,000 in new EEF Funds (\$4,000,000 for FAITH and \$2,000,000 for WRTR) and \$2,361,000 in spending authority for investments (\$11,000 for NISS and \$20,000 for LAW) and cash on hand from collections (\$2,330,000).

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Exhibit 7 is the FY 2026 NULR Budget Narrative, which corresponds to the NULR budget.

Exhibit 7

NARRATIVE
FY 2026 BUDGET REQUEST

Nurse Retention Loan Repayment Program

The Mississippi Office of Student Financial Aid (SFA) is the administering agency for the Nurse Retention Loan Repayment Program, which was created by the 2023 Mississippi Legislature in SB 2373.

FY 2026 Appropriation Request

SFA requests a re-appropriation of **\$3,000,000 for FY26**, which represents a **decrease of \$ 2,385,824 or 44.3%** from FY25.

1-NULR

- I. Program Description: SFA is responsible for the comprehensive management of the Nurse Retention Loan Repayment Program.
- II. Program Objective: To minimize the healthcare industry's workforce shortages by creating an incentive and reducing barriers in the form of loan repayment program for RNs and LPNs to enter the nursing profession and become established on a solid career pathway.
- III. Current program activities as supported by the funding in Columns 5-12 (FY24 Estimated and FY25 Increase/Decrease for continuations) of MBR-1-03 and designated Budget Unit Decisions columns of MBR-1-03-A: (D) Additional Needs – (**\$2,385,824**): No additional funds are requested, but SFA requests a re-appropriation of \$3,000,000.

Recommendation:

Board staff recommends approval of this item.

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3. Approve the FY 2026-30 Five-Year Strategic Plan

The Mississippi Office of Student Financial Aid requests approval of the FY 2026-30 Five-Year Strategic Plan. Board policy does not currently require approval of the Five-Year Strategic Plan, but the Plan is required annually by the Legislative Budget Office.

Exhibit 8 is the FY 2026-30 Five-Year Strategic Plan with Expenditures by Program. The plan includes the SFA budget, the NULR budget, and the Combined budgets. There is no written strategic plan for the NULR budget, because the program is funded with Coronavirus State and Local Fiscal Recovery Funds. Beyond the FY 2026 request noted above, the plan anticipates the following changes:

- Administration: Funds are requested to provide 3% cost of living salary increases for all current employees.
- MTAG/MESG and HELP: Lack of information about the impact of the upcoming Pell formula changes has limited our ability to project program costs for the coming years. A modest growth rate of 1% is anticipated in the number of recipients for MESG through FY 2028. The HELP Grant program budget also anticipates tuition increases of 2% each year.
- Forgivable Loan Programs: SFA requests the Legislature either phase out or transition the remaining forgivable loan programs to loan repayment programs.
- Other: SFA anticipates growth of the FAITH Scholarship program during the first five award years, and then expects the program to stabilize beginning in FY 2029.
- NULR: No new funds will be requested, but SFA will request any remaining funds be re-appropriated through FY 2027, since all awards must be paid by December 2026.

Exhibit 9 is the FY 2026-30 Five-Year Strategic Plan with Funding by Source. The plan includes the SFA budget, the NULR budget, and the combined budgets.

Exhibit 10 is the FY 2026-30 SFA Five-Year Strategic Plan Narrative.

Recommendation:

Board staff recommends approval of this item.

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Exhibit 8

5-Year Strategic Plan with Expenditures by Program (FY 2026 - FY 2030)					
Expenditures by Program	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
1- Administration					
Salaries, Wages and Fringes	\$ 841,680	\$ 866,931	\$ 892,939	\$ 919,727	\$ 947,319
Travel	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000
Contractual Service	\$ 620,000	\$ 620,000	\$ 620,000	\$ 620,000	\$ 620,000
Commodities	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Equipment	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Total Administration	\$ 1,489,680	\$ 1,514,931	\$ 1,540,939	\$ 1,567,727	\$ 1,595,319
2- MTAG/MESG and HELP					
MTAG	\$ 10,473,044	\$ 10,473,044	\$ 10,473,044	\$ 10,473,044	\$ 10,473,044
MESG	\$ 8,305,018	\$ 8,388,068	\$ 8,471,949	\$ 8,471,949	\$ 8,471,949
HELP	\$ 33,715,656	\$ 34,389,969	\$ 35,077,769	\$ 35,779,324	\$ 36,494,911
Total MTAG/MESG and HELP	\$52,493,718	\$53,251,081	\$54,022,761	\$54,724,317	\$55,439,903
3 - Forgivable Loan & Repayment Prgs					
Teacher Programs:					
CNDT (Graduate)	\$ 50,000	\$ 30,000	\$ -	\$ -	\$ -
Winter-Reed Loan Repay	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
Health/Science Related Programs:					
SLPL	\$ 70,000	\$ 35,000	\$ -	\$ -	\$ -
SREB	\$ 762,624	\$ 606,285	\$ 428,436	\$ 113,536	\$ -
Total Forgive Ln/Repay Programs	\$ 2,882,624	\$ 2,671,285	\$ 2,428,436	\$ 2,113,536	\$ 2,000,000
4 - Other					
LAW	\$ 100,000	\$ 110,000	\$ 120,000	\$ 130,000	\$ 140,000
Nissan	\$ 11,000	\$ 22,000	\$ 22,000	\$ 22,000	\$ 22,000
FAITH Scholarship	\$ 4,000,000	\$ 5,000,000	\$ 6,000,000	\$ 6,000,000	\$ 6,000,000
Total Other	\$ 4,111,000	\$ 5,132,000	\$ 6,142,000	\$ 6,152,000	\$ 6,162,000
TOTAL Lns, Schols, Grants	\$59,487,342	\$61,054,366	\$62,593,197	\$62,989,852	\$63,601,903
TOTAL SFA BUDGET	\$60,977,023	\$62,569,297	\$64,134,136	\$64,557,579	\$65,197,222
NULR 5-Year Strategic Plan (FY 2025 - FY 2029)					
1 - NULR	\$ 3,000,000	\$ 1,500,000	\$ -	\$ -	\$ -
TOTAL NULR BUDGET	\$ 3,000,000	\$ 1,500,000	\$ -	\$ -	\$ -
COMBINED BUDGETS 5-Year Strategic Plan (FY 2025 - FY 2029)					
SFA	\$ 60,977,023	\$ 62,569,297	\$ 64,134,136	\$ 64,557,579	\$ 65,197,222
NULR	\$ 3,000,000	\$ 1,500,000	\$ -	\$ -	\$ -
TOTAL COMBINED BUDGETS	\$63,977,023	\$64,069,297	\$64,134,136	\$64,557,579	\$65,197,222

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Exhibit 9

5-Year Strategic Plan with Funding by Source (FY 2026 - FY 2030)					
COMBINED BUDGETS					
FY 26-30	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Funding Source					
SFA APPROPRIATION					
GOV. APPROPRIATIONS					
General Support	\$ 52,052,538	\$ 54,527,297	\$ 55,092,136	\$ 55,765,579	\$ 56,405,222
General Support (Re-appropriated)	\$ 563,484	\$ -	\$ -	\$ -	\$ -
Other General Support - DE/DC	\$ -	\$ -	\$ -	\$ -	\$ -
EEF - New					
FAITH & Winter-Reed	\$ 6,000,000	\$ 7,250,000	\$ 8,250,000	\$ 8,250,000	\$ 8,250,000
FAITH	\$ -	\$ -	\$ -	\$ -	\$ -
Winter-Reed	\$ -	\$ -	\$ -	\$ -	\$ -
EEF - Re-appropriated					
FAITH & Winter-Reed	\$ -	\$ -	\$ -	\$ -	\$ -
FAITH	\$ -	\$ -	\$ -	\$ -	\$ -
Winter-Reed	\$ -	\$ -	\$ -	\$ -	\$ -
Total Gov. Appropriations	\$58,616,023	\$61,777,297	\$63,342,136	\$64,015,579	\$64,655,222
OTHER SPECIAL FUNDS					
GRANTS AND CONTRACTS					
Federal	\$ -	\$ -	\$ -	\$ -	\$ -
State	\$ -	\$ -	\$ -	\$ -	\$ -
Total Grants and Contracts	\$ -	\$ -	\$ -	\$ -	\$ -
INTEREST INCOME					
Nissan	\$ 11,000	\$ 22,000	\$ 22,000	\$ 22,000	\$ 22,000
Total Interest Income	\$ 11,000	\$ 22,000	\$ 22,000	\$ 22,000	\$ 22,000
OTHER SOURCES					
Law Fund	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
Total Other Sources	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
CASH ON HAND					
Estimated Collections	\$ 2,330,000	\$ 750,000	\$ 750,000	\$ 500,000	\$ 500,000
Total Cash on Hand	\$ 2,330,000	\$ 750,000	\$ 750,000	\$ 500,000	\$ 500,000
Total Other Special Funds	\$ 2,361,000	\$ 792,000	\$ 792,000	\$ 542,000	\$ 542,000
Total SFA Appropriation	\$60,977,023	\$62,569,297	\$64,134,136	\$64,557,579	\$65,197,222
OTHER APPROPRIATION					
STATE SPECIAL FUNDS-ARPA					
Nursing Loan Repayment	\$ 3,000,000	\$ 1,500,000	\$ -	\$ -	\$ -
TOTAL APPROPRIATIONS	\$63,977,023	\$64,069,297	\$64,134,136	\$64,557,579	\$65,197,222

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Exhibit 10

The Mississippi Office of Student Financial Aid 157-00

2026-2030 Five-Year Strategic Plan

1. Comprehensive Mission Statement

The two-fold public service mission of the Mississippi Office of Student Financial Aid is to provide financial assistance to students in pursuit of educational and professional goals and to help the state achieve the goal of a more educated citizenry while alleviating critical workforce needs in specific service areas.

2. Philosophy

The Mississippi Office of Student Financial Aid is committed to the advancement of our state through education and workforce development. It is our belief that student financial assistance benefits not only the individual but also the general public. The philosophy of the Office is to alleviate the familial burden of paying for college, while being good stewards of the state's limited resources. The Office strives to operate efficiently by utilizing technology and leveraging partnerships; transparently by reporting on our operations and being accessible to the public; and safely by complying with all state and federal laws enacted for the protection of privacy.

3. Relevant Statewide Goals and Benchmarks

Statewide Goal #1: Economic Development – To develop a robust state economy that provides the opportunity for productive employment for all Mississippians.

Relevant Benchmarks #1:

- Percentage of the civilian non-institutional population 16 years and over employed
- Job vacancy rate, by industry and occupation
- Wage and salary disbursements (total earnings)
- Average annual pay
- Median household income
- Percentage of workers whose family income falls above 150% of the federal poverty guidelines

Statewide Goal #2: Public Schools - To make available a quality K-12 public education for all Mississippians that prepares them, upon high school graduation, to either enter the labor force with an employable skill or to successfully complete a higher education program.

Relevant Benchmarks #2:

- Percentage of public-school core academic subject classes staffed with teachers who are highly qualified

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- Percentage of public-school teachers certified through alternative programs

Statewide Goal #3: Higher Education - To make available an accessible, quality public higher education at an affordable cost that prepares Mississippians to become productive, financially self-sufficient members of society while meeting the human resource needs of Mississippi and its employers, including the creation of new jobs through the commercialization of university-based research.

Relevant Benchmarks #3:

- Percentage of full-time, first-time enrollment cohort who earns half of the total required credit hours for graduation by the end of the first year at a community college or by the end of the second year at a university
- Percentage of full-time, first-time enrollment cohort who graduate with a college credential in the appropriate timeframe
- Percentage of state's population age 25 years and over with a bachelor's degree or higher
- Number of graduates in high-need disciplines (i.e., science, technology, engineering, math, education, including non-teaching areas and nursing), by discipline
- Number of graduates in teaching from Mississippi public higher educational institutions
- Percentage of teacher candidates from Mississippi public higher educational institutions who become Mississippi public school teachers following graduation
- Percentage of graduates in high-need disciplines practicing in Mississippi, by discipline
- Percentage of Mississippi median family income required to cover tuition and fees at Mississippi community colleges and at Mississippi public four-year higher educational institutions
- Average student debt upon graduation

Statewide Goal # 5: To create an efficient government and an informed and engaged citizenry that helps to address social problems through the payment of taxes, the election of capable leaders at all levels of government, and participation in charitable organizations through contributions and volunteerism.

Relevant Benchmarks #5:

- Administrative efficiency: Expenditures on state government administrative activities as a percentage of total operational expenditures
- Number and average cost of regulatory actions taken, by regulatory body and type of action
- State dollars saved by providing government services online (e.g., document retrieval, issuance of new business permits, license renewal)

4. Overview of the Agency 5-Year Strategic Plan:

The Mississippi Office of Student Financial Aid will continue to administer effectively and efficiently the state's many, diverse financial assistance programs. The Office will budget

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responsibly and provide meaningful support to the Postsecondary Education Financial Assistance Board. The Office seeks to make college more accessible to and affordable for Mississippi students through the timely, simple disbursement of financial aid.

The Office will continue efforts to improve communication with students, parents, and high school counselors about the state-supported financial aid programs available. The Office partners closely with the staff of Get2College, a program of the Woodward Hines Education Foundation (WHEF). Get2College offers free college planning and financial aid help to students statewide. The staff of Get2College is highly knowledgeable of college access and is cross trained on state financial aid. The Office will continue to utilize social media and conduct workshops for high school counselors, but the Office will rely more heavily on partners like Get2College to represent state aid at college fairs, college nights/parent nights, and other outreach initiatives. The Office will also coordinate its efforts with the Mississippi Association of Student Financial Aid Administrators, the ACT Council and State Organization, College Countdown, Mississippi Counselors Association, and the Magnolia School Counselors Association among others.

The accessibility of all state-funded financial aid programs will be evaluated annually through careful monitoring of program rules and regulations and the application process to determine if any such rules and regulations and/or the application process have consistently limited student access to a program or created an undue hardship to eligible applicants.

The Office will maximize its use of technology to provide efficient delivery of financial resources to students, accurate assessment of program development, and increased personnel productivity.

The Office will implement management strategies that ensure all authorized programs grow and develop in an orderly and rational manner, that the resources entrusted to the office are used effectively and efficiently, and that the programs and services of the system are of the highest quality.

The Office will administer the residency-based Mississippi Resident Tuition Assistance Grant (MTAG) and the merit-based Mississippi Eminent Scholars Grant (MESG) according to law to make college more accessible and affordable for some Mississippi students. MTAG is unavailable to students who qualify for the maximum federal Pell grant. The formula for determining eligibility for the federal Pell grant changed for the 2024-25 aid year. More Mississippi residents are expected to be eligible for the maximum Pell grant under the new formula. Therefore, fewer students will be eligible for MTAG. Lack of information from the federal government has limited our ability to project program costs for the coming years. At this time, no increase in appropriation is requested for MTAG in the upcoming years. A modest growth rate of 1% is anticipated in the number of recipients for MESG through FY 2028.

The Office will continue to advocate for more need-based aid programs to ensure that low- and moderate-income Mississippi students have access to affordable higher education opportunities. Currently, low-income students (full Pell-eligible) cannot by law qualify for

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MTAG, but can qualify for the Higher Education Legislative Plan for Needy Students (HELP) by also meeting certain academic requirements. The HELP program provides full tuition scholarships to students with demonstrated financial need who are college ready upon graduating from high school. The program grew rapidly in recent years, but the rapid annual growth has stabilized as expected. The number of HELP recipients decreased unexpectedly in the 2023-24 aid year, but SFA believes the number will stabilize over the course of the 2024-25 and 2025-26 aid years. Additional growth is not projected beyond FY 2026. The HELP Grant program budget does anticipate modest tuition increases of 2% every year.

The Office will administer the state's forgivable loan programs according to law to help the state achieve the goal of a more educated citizenry while alleviating critical workforce needs in specific service areas. Nevertheless, data show forgivable loan programs to be ineffective and inefficient. The Office will continue to work with the Postsecondary Board and legislators to make data-driven recommendations for the elimination, consolidation, and/or conversion to loan repayment programs of the state's three remaining forgivable loan programs.

5. Agency's External/Internal Assessment:

External Assessment:

- a) Funding - Funding instability is an ongoing threat to the effective and efficient administration of student financial aid. Annually, the Office requests the funds needed to fully award all students who demonstrate eligibility for the programs as established by state law. When the amount appropriated is less than the amount needed, the Office must work with the Postsecondary Board to make difficult decisions regarding who will and will not be awarded to balance the budget as required by law. Mississippi law requires that awards be made first to all undergraduate grant applicants, then to loan applicants on a first-come, first-served basis. If funds are still inadequate, then grant funds must be pro-rated. In recent years, the uncertainty of receiving a deficit appropriation resulted in late awards and student frustration and fear.
- b) Timing – The timing of the budget process coupled with the uncertainty of full funding results in SFA making award offers to students in July before they plan to start college in August. Ideally, a mechanism to “forward fund” financial aid would be created so that the appropriation received in one year could fund the awards made in the next aid year. This would require two years of funding in the initial year but would allow the Office to make award offers to students as they apply and become eligible rather than waiting until a month before school starts to make awards.
- c) Newly Created Programs - The creation of new state student financial aid programs places an increased administrative burden on the Office. Although funding is often appropriated for the purpose of making awards through newly created programs, additional funding for administration is typically not provided. Adequate time for implementation often is not allowed. The Office cannot implement a grant or loan program in three to five months. A full aid year is needed between the creation of a program and the anticipated implementation of said program.

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- d) Need-Based Aid – Despite the growth of the HELP grant, additional need-based aid is needed to improve college access and affordability to help the state meet its education attainment goal, Ascent to 55%.
- e) Program Changes - Legislative changes to existing programs will impact student eligibility rates, award rates, and the amount of money needed to award eligible students.
- f) Student Choice - Student choice and performance continuously impact award rates and award amounts. The student's institution and major can impact whether or not a student is eligible for some state aid as well as the amount of aid for which the student is eligible. Academic performance, such as hours completed and GPA, can also impact whether or not a student establishes and/or maintains aid eligibility.
- g) Student Aid Index (SAI, formerly known as Expected Family Contribution or EFC) - Changes to the SAI formula for federal aid eligibility impact eligibility for the Mississippi Resident Tuition Assistance Grant. There is an inverse relationship between SAI and MTAG eligibility. If more students qualify for a zero SAI (and maximum Pell grant), fewer students will qualify for MTAG. If fewer students qualify for a zero SAI, more students will qualify for MTAG. The new federal SAI formulas went into effect for the 2024-25 aid year. Projections from national organizations indicate that more students nationally will be eligible for maximum Pell grants. However, lack of information from Federal Student Aid has prevented SFA from modeling this change to determine its impact on projected program costs.
- h) Interest Rate - The interest rate charged on state forgivable loans is equal to the unsubsidized federal student loan rate at the time a student enters repayment. As the federal rate increases and decreases, so does the state rate. The federal rate changes annually with the 10-Year Treasury Note. Due to the future variability of federal student loan interest rates, it is difficult to estimate the future revenue stream from interest income collected on the repayment of state forgivable loans.
- i) Collections - As a result of past efforts to improve default prevention practices, more students are completing the service obligation and fewer are defaulting or entering repayment. Also, fewer loans have been issued in recent years due to budget shortfalls and the elimination of forgivable loan programs. Therefore, the revenue collected on the repayment of loans declined significantly in FY 2023 and is expected to remain depressed in future years as fewer students enter monetary repayment, leaving the Office more dependent upon General Fund appropriations to meet budgetary demands.
- j) Administrative Burden - Federal regulations can impact the administration of state financial aid, particularly the administration of loans. In recent years, the Office has responded to new regulations requiring multiple disclosures on all non-federal loans (even state loans); intensified identity theft protection rules; changes to allowable collection costs; and restrictions on the use of telephone technology to contact borrowers. The Office incurs costs to comply with new federal and state regulations.

Internal Assessment:

- a) All funds administered by the Board shall be accounted for in an annual report that shall be submitted to the Legislature within ten (10) days after the convening of each new legislative session. The report should detail for each grant, scholarship, or

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forgivable loan program the number of recipients, the total amount of awards made, and the average award amount. The report shall include the number of students at each institution receiving financial assistance and the amount of such assistance. For forgivable loan programs, the report shall also include a summary of the repayment status and method of repayment for student cohorts as well as an accounting of the receipt of funds in repayment. Furthermore, all funds received and expended shall be reported and otherwise accounted for in accordance with the provisions of Section 37-106-11, Mississippi Code of 1972, except where individual identifying information must be withheld pursuant to the Family Educational Rights and Privacy Act (FERPA), 20 U.S.C. § 1232g; 34 CFR Part 99.

- b) The Office continuously assesses the state's financial aid programs.
 - 1. The Office worked with the Harvard University Kennedy School of Government on a project using Regression Discontinuity Design Method to evaluate the Mississippi Eminent Scholars Grant (MESG) and the Mississippi Resident Tuition Assistance Grant (MTAG) on their impact on in-state enrollment and degree completion.
 - 2. The Office applied for and received "Technical Assistance" from the Education Commission of the States as part of its Redesigning State Financial Aid project. ECS reviewed Mississippi's state aid programs through the lens of four principles of redesign. These four principles maintain that 1) aid programs should be student centered; 2) aid programs should be goal driven and data informed; 3) aid programs should be timely and flexible; and 4) aid programs should be broadly inclusive.
 - 3. Lifetracks has been expanded to include data from Student Financial Aid. NSPARC published a report in 2018 regarding the effectiveness of state aid programs; however, the report should be completed annually.
 - 4. The Office continues to work with the Postsecondary Board to develop recommendations to be presented to the Mississippi Legislature for redesigning the state student financial aid programs to be more effective and efficient.

Internal Management System

The Office operates under the auspices of the Mississippi Institutions of Higher Learning, which oversees the daily administration of state student financial aid. The Office works closely with the Mississippi Postsecondary Education Financial Assistance Board, which bears authority for all aspects of the state financial aid programs and the administrative rules governing those programs. The Postsecondary Board meets about four or five times a year to address program and budget-related issues.

6. Agency Goals, Objectives, Strategies and Measures for FY 2026 through FY 2030:

Budget Program 1: Administration

Goal: Effectively and efficiently administer the state's many diverse financial assistance programs.

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Objective: Manage the application and award process for all programs as the primary function of the Mississippi Office of Student Financial Aid.

Outcome: Number of new applicants supported as evidenced by the number of new applications received

Outcome: Number of renewal applicants supported as evidenced by the number of renewal applications received

Outcome: Number of applicants supported throughout the application process as evidenced by the number of applicants who receive awards

Strategy: Administer all Student Financial Aid programs and carry out the functions of the Mississippi Postsecondary Education Financial Assistance Board.

Output: Total cost of Administration program

Output: Total amount of SFA annual operating budget

Output: Number of full-time employees

Efficiency: Administrative cost as a percentage of the total budget

Strategy: Promote awareness of the available state-supported financial aid programs among students, parents, and school counselors.

Output: Number of outreach events for students, parents, and counselors

Output: Number of ads and/or articles in publications

Output: Number of social media followers

Output: Number of school districts and private high schools with an active data-sharing agreement in MAAPP

Output: Number of high school counselors with an active account in MAAPP

Efficiency: Administrative cost per applicant

Efficiency: Administrative cost per award recipient

Objective: Manage the servicing of the state forgivable loans programs.

Outcome: Minimized percentage of defaults on all state forgivable loan programs for all cohorts

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Outcome: Maximized average rate of on-time repayment through service on all state forgivable loan programs for all cohorts

Strategy: Conduct default prevention activities and exercise due diligence in collection practices.

Output: Number of separation, grace-ending, service deferment/cancellation, and past due notices mailed/emailed

Output: Funds collected in repayment of forgivable loans

Output: Tax offset funds collected

Efficiency: Average collections per repayment account

Budget Program 2: MTAG/MESG and HELP

Goal: Effectively and efficiently administer the state's undergraduate grant programs.

Objective: Make financial aid awards to Mississippi residents who qualify for one of the state's primary undergraduate grant programs (MTAG, MESG, and HELP).

Outcome: Percentage of eligible applicants who receive an undergraduate grant award

Strategy: Administer the primary undergraduate grant programs.

Output: Total number of students receiving financial aid through the primary undergraduate grant programs (MTAG, MESG, and HELP)

Output: Total amount of funds awarded through the primary undergraduate grant programs (MTAG, MESG, and HELP)

Output: Total number of primary undergraduate grant programs

Efficiency: Average student award through the primary undergraduate grant programs

Strategy: Administer the Mississippi Resident Tuition Grant Program (MTAG) to assist with the cost of tuition for full-time Mississippi students with a 15 ACT and/or 2.5 GPA who are not eligible for a maximum federal Pell grant.

Output: Number of MTAG recipients

Output: Amount of MTAG awarded

Efficiency: Average student award through the MTAG program

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Strategy: Administer the Mississippi Eminent Scholars Grant Program (MESG) to reward full-time Mississippi students for excellent academic achievement (29 ACT and 3.5 GPA) in high school and to encourage high achieving students to stay in-state for college.

Output: Number of MESG recipients

Output: Amount of MESG awarded

Efficiency: Average student award through the MESG program

Strategy: Administer the Higher Education Legislative Plan for Needy Students (HELP) scholarship to provide financial assistance for full-time Mississippi students with financial need who demonstrate college readiness with a 20 ACT, 2.5 GPA, and completion of a college prep curriculum.

Output: Number of HELP recipients

Output: Amount of HELP awarded

Efficiency: Average student award through the HELP program

Budget Program 3: Forgivable Loan and Repayment Programs

Goal: Effectively and efficiently administer the state's forgivable loan and loan repayment programs.

Objective: Make financial aid awards to Mississippi residents who qualify for one of the state's forgivable loan or loan repayment programs (CNDT, SLPL, SREB, or WRTR).

Outcome: Percentage of eligible applicants who receive a forgivable loan or loan repayment award

Strategy: Administer the state forgivable loan programs.

Output: Total number of students receiving financial aid through the forgivable loan or loan repayment programs

Output: Total amount of funds expended on the forgivable loan or loan repayment programs

Output: Total number of forgivable loan and repayment programs

Efficiency: Average student award through the forgivable loan and repayment programs

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Strategy: Administer the Critical Needs Dyslexia Therapy Teacher Forgivable Loan (CNDT), which is available to Mississippi teachers who are seeking a Class AA Educator's License with a 203 Endorsement for Dyslexia Therapy.

Output: Number of CNDT awards

Output: Amount of CNDT awards

Efficiency: Average student award through the CNDT program

Explanatory Note: SFA requests the Legislature phase out remaining forgivable loan funds and target available funds to the undergraduate grant programs and loan repayment programs. To phase out the program, SFA would award renewal students only. Therefore, the annual request for funds will decrease each year until funds are no longer requested after FY27.

Strategy: Administer the Speech-Language Pathologist Forgivable Loan Program (SLPL), which awards master's degree students in Speech-Language Pathology, Communicative Disorders, or Communication Sciences and Disorders who plan to serve as licensed speech-language pathologists in a Mississippi public or charter school.

Output: Number of SLPL awards

Output: Amount of SLPL awards

Efficiency: Average student award through the SLPL program

Explanatory Note: SFA requests the Legislature phase out remaining forgivable loan funds and target available funds to the undergraduate grant programs and loan repayment programs. To phase out the program, SFA would award renewal students only. Therefore, the annual request for funds will decrease each year until funds are no longer requested after FY27.

Strategy: Administer the Southern Regional Education Board Forgivable Loan Program (SREB), which awards Mississippi students in out-of-state optometry programs contracted through the SREB Regional Contract Program.

Output: Number of SREB awards

Output: Amount of SREB awards

Efficiency: Average student award through the SREB program

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Explanatory Note: Mississippi currently contracts 9 seats per entering class, for a total of 36 contract seats each year. The cost of each contract seat increases annually. SFA requests the Legislature phase out remaining forgivable loan funds and target available funds to the undergraduate grant programs and loan repayment programs. To phase out the program, SFA would award renewal students only. Therefore, the annual request for funds will decrease each year until funds are no longer requested after FY29.

Strategy: Administer the William F. Winter – Jack Reed, Sr. Teacher Loan Repayment Program (WRTR), which provides funds to repay a portion of the student loans of eligible Mississippi teachers in exchange for their service in a Mississippi public or charter school.

Output: Number of WRTR awards

Output: Amount of WRTR awards

Efficiency: Average award through the WRTR program

Budget Program 4: Other

Goal: Effectively and efficiently administer the state's other financial assistance programs.

Objective: Make financial aid awards to students who qualify for one of the state's other programs.

Outcome: Percentage of eligible applicants who receive an award through one of the state's other programs

Strategy: Administer the state's other programs.

Output: Total number of students receiving financial aid through other programs

Output: Total amount of funds expended on the other programs

Output: Total number of programs

Efficiency: Average student award through the other state programs

Strategy: Administer the Law Enforcement Officers and Firefighters Scholarship Program (LAW), which provides education to the dependents of deceased or disabled service men and women.

Output: Number of LAW awards

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Output: Amount of LAW awards

Efficiency: Average student award through the LAW program

Strategy: Administer the Nissan Scholarship Program (NISS), which provides aid to students at public institutions who major in a field that will advance the automotive industry in Mississippi.

Output: Number of NISS awards

Output: Amount of NISS awards

Efficiency: Average student award through the NISS program

Explanatory Note: Awards are made from investment dollars set aside for this purpose. Nissan determines annually how many students will be awarded.

Strategy: Administer the Rep. Bill Kinkade Fostering Access and Inspiring True Hope (FAITH) Scholarship Program. The FAITH Scholarship was created by the 2022 Legislature to provide up to full cost of attendance awards to students who have interacted with the state's foster care system.

Output: Number of FAITH awards

Output: Amount of FAITH awards

Efficiency: Average student award through the FAITH program

Explanatory Note: Awards are made from EEF dollars appropriated for this program. Costs are expected to escalate for the first five years as the program grows and then stabilize at around \$6,000,000 annually.

4. Approve Updates to APA Part 685: Winter-Reed Teacher Loan Repayment Program Rules and Regulations:

Request

The Mississippi Office of Student Financial aid requests additional changes to APA Part 685 Winter-Reed Teacher Loan Repayment Program (WRTR) Rules and Regulations.

Summary:

The Board made changes to the Winter-Reed Teacher Loan Repayment Program (WRTR) during the May 2024 meeting to implement changes enacted by the 2024 Mississippi Legislature to expand the program beyond first-year teachers with only undergraduate student loans. Additional changes are needed to fully align the Rules with the statute. MS Code section 37-106-36 (3) states that "Persons who have received funds

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from other forgivable loan programs established for teachers under Mississippi law...shall not be eligible for this program.” The previous rules excluded from eligibility any recipient who received funds through any of the undergraduate teacher loans. Because the program has been expanded to include teachers with graduate loans, the rules also need to be updated to exclude teachers who previously benefited from state forgivable loans for graduate programs, including the Graduate Teacher Forgivable Loan Program and the Counselor and School Administrator Forgivable Loan Program. Previous Mississippi Teacher Loan Repayment recipients should also be excluded.

Title 10: Education Institutions and Agencies

Part 681: Winter-Reed Teacher Loan Repayment Program (WRTR) Rules and Regulations

Part 681 Chapter 1: Winter-Reed Teacher Loan Repayment Program (WRTR) Rules and Regulations

Rule 1.1 Winter-Reed Teacher Loan Repayment Program (WRTR) Rules and Regulations. The William F. Winter and Jack Reed, Sr. Teacher Loan Repayment Program was established by the 2021 Legislature. These Rules and Regulations are promulgated to govern the program and are subject to change by the Mississippi Postsecondary Education Financial Assistance Board (hereinafter referred to as the "Board").

I. GENERAL ELIGIBILITY

...

- G. The applicant must not have received funds from the William Winter Teacher Forgivable Loan Program (WWTS), William Winter Alternate Route Forgivable Loan Program (WWAR), Critical Needs Teacher Forgivable Loan Program (CNTP), Critical Needs Alternate Route Teacher Forgivable Loan Program (CNAR), ~~or~~ Teacher Education Scholars Forgivable Loan Program (TES), Graduate Teacher Forgivable Loan Program (GTS), Counselor and School Administrator Forgivable Loan Program (CSA), or Mississippi Teacher Loan Repayment Program (MTLR).

Source: *Miss. Code Ann. § 37-106-36.*

Recommendation:

Board approval is recommended, contingent upon completion of the Administrative Procedures Act process.