

# MISSISSIPPI POST-SECONDARY EDUCATION FINANCIAL ASSISTANCE BOARD



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

October 8, 2025, at 1:30 p.m.

<https://itsmsgov.zoom.us/j/89443999602?pwd=9eIYqP7KbzNdXVVoS8K2nNzU5O2r5S.1>

## **Agenda**

### **CALL TO ORDER**

### **INTRODUCTIONS**

### **MINUTES**

June 16, 2025, Board Meeting Minutes .....3

### **ITEMS FOR CONSIDERATION**

1. Update on 2025-26 Awards and the FY 2026 Budget .....32
2. Appeals to the Board .....33
  - A. Create Board-Level Appeal Process .....33
  - B. Homeschool Transcript Appeal .....34
3. 2026 Legislative Requests
  - A. Amend Miss. Code Section §37-106-75 HELP Grant to Remove Curriculum Requirement; Utilize the Family Size Derived from the FAFSA; and Remove Outdated Language .....37
  - B. Create Mississippi Workforce Promise Grant Program .....42
  - C. Repeal Unfunded and Inactive Forgivable Loan Programs .....46
4. Update on Ongoing Projects .....48

## **AGENDA**

5. Announcements.....48

### **EXECUTIVE SESSION IF DETERMINED NECESSARY**

### **ADJOURNMENT**

## **MINUTES**

**BE IT REMEMBERED**, that the Mississippi Postsecondary Education Financial Assistance Board held a regular meeting on Monday, June 16, 2025, at 10:00 a.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 members participated remotely:

- Ben Burnett, MAICU institutional appointee
- Barney Daly, Lt. Governor's appointee
- Jason Dean, MAICU association appointee
- Teresa Hubbard, IHL Board appointee
- Mark Keenum, IHL institutional appointee
- Dewayne Middleton, MCCB institutional appointee
- Sue Stedman, Governor's appointee
- Jim Turcotte, Governor's appointee and Chairman
- Dianne Watson, MCCB Board appointee

The following Advisory Board members did not participate:

- Senator Nicole Boyd, Universities and Colleges Committee Chair
- Representative Donnie Scoggin, Universities and Colleges Committee Chair

Also in attendance either in person or remotely were:

- Meg Harris, Assistant Director of Operations, Student Financial Aid
- Shirley Mitchell, Program Administrator, Student Financial Aid
- Jennifer Rogers, Executive Director, Student Financial Aid and Postsecondary Board
- Adele Russell, Program and Office Administrator, Student Financial Aid
- Apryll Washington, Deputy Director, Student Financial Aid
- Frances West, Program Administrator, Student Financial Aid
- Lori Ball, Mississippi State University (remote)
- Heather Dearman, Mississippi Gulf Coast Community College (remote)
- Kari Dedwylder, Jones College (remote)
- Jaime Missimer, Pearl River Community College (remote)
- Natasa Novićević, University of Mississippi (remote)
- Laura Mayer, Assistant Commissioner for External Affairs, IHL
- Casey Prestwood, Associate Commissioner for Academic and Student Affairs, IHL
- Melissa Temple, Director of Nursing, IHL (remote)

The meeting was called to order at 10:00 a.m. by Chairman Turcotte.

## **MINUTES**

On motion by Barney Daly and seconded by Dewayne Middleton, all Board Members legally present and participating voted unanimously to approve the minutes of the board meeting held on May 7, 2025, as originally drafted.

## MINUTES

### ITEMS FOR CONSIDERATION

**Item 1:** Jennifer Rogers presented the FY 2026 Annual Operating Budget for approval. On motion by Mark Keenum and seconded by Sue Stedman all Board Members legally present and participating voted unanimously to approve the FY 2026 Annual Operating Budget.

#### **1. Approve FY 2026 Annual Operating Budget and Program Allocation**

The Mississippi Office of Student Financial Aid requests approval of the FY26 Annual Operating Budget and Program Allocation.

##### Summary:

Each year in June, the Board approves the Office's annual budget request (MBR) for the subsequent fiscal year. The 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 this reason, the Office often submits an informal revised request to the Legislature near the end of the session.

**Chart 1: FY 2026 Annual Operating Budget** includes details of the FY25 Appropriation, the original FY26 MBR, the FY26 Revised Request, and the FY26 Appropriation.

- **FY26 MBR** - In the official budget request submitted June 2024, SFA requested \$52,052,538 in General Funds; authority to spend \$1,622,837 in carryover unspent General Funds from FY24; \$6,000,000 in EEF Funds for FAITH and Winter-Reed; and additional spending authority of \$1,301,648 from collections and interest income. The total SFA request was \$60,977,023. SFA also requested \$3,000,000 in re-appropriated ARPA funds for the NULR program, for a total FY26 MBR of \$63,977,023.
- **Revised FY26 Request** - In March and April of 2025, the Office submitted additional information to the appropriations chairs and the Legislative Budget Office to revise the request to \$47,234,949 in General Funds; authority to spend \$5,622,837 in carryover unspent General Funds from FY24 and FY25; \$6,000,000 in new EEF Funds for FAITH and Winter-Reed; \$250,000 in re-appropriated EEF Funds; and additional spending authority of \$2,361,000, for a total SFA appropriation of \$61,468,786. The request for re-appropriated ARPA Funds was increased to \$4,200,000 due to current year awards at the time. The total revised request was \$65,668,786.
- **FY26 Appropriation** - The 2025 Mississippi Legislature passed *SB 2008 (First Extraordinary Session), Appropriation; IHL – Student Financial Aid*. SFA will receive \$47,255,243 in General Funds; authority to spend about \$6,550,322 in carryover unspent General Funds from FY24 and FY25; \$3,000,000 in EEF Funds for FAITH and Winter-Reed; \$250,000 in re-appropriated EEF Funds; and \$1,433,515 in spending authority from collections and other sources. The total SFA appropriation is \$58,489,080. ARPA funds for the Nurse Retention Loan Repayment Program were re-appropriated in the amount of \$3,440,139. The total of all appropriations for FY25 is \$61,929,219.
- **(+/-) FY25 and (+/-) Revised Request** - The total SFA Appropriation is \$58,489,080, which is about \$813,000 *less* than the FY25 appropriation and about \$3 million *less*

## MINUTES

than the revised request. The difference can be explained by the Legislature's failure to fund the \$3 million in new money requested for FAITH and Winter-Reed.

### 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 ten (10) new entering optometry students and the number of returning 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 3013, 2024 Regular Session, for the fiscal year beginning July 1, 2025, and ending June 30, 2026..... \$ 250,000.00.*

*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  
..... \$ 150,000.00*

## MINUTES

(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: 2025-26 Program Allocation** shows the FY25 AOB Awards and Amounts (initial allocations for the current year) and the FY25 Actual Awards and Amounts (actually awarded) are provided for comparison. Also shown for comparison is the FY26 Adjusted Request (budget requested near the end of the 2025 Legislative Session). Approval is needed for the FY26 AOB Awards and Amounts (allocation of the Annual Operating Budget). The final columns show the difference between the FY26 and the FY25 budgets.

The proposed allocations for the FY26 Annual Operating Budget are as follows:

- 1-Administration: 3% cost of living raises, funding for the Deputy Director position; decrease of \$70,000 in contractual services.
- 2-MTAG, MESG, and HELP: increase the number of awards for MTAG, MESG, and HELP due to the change in the definition of full-time; additional increase in the number of HELP awards due to the increase in the HELP income threshold in Section 11.
- 3-Forgivable Loan Programs:
  - Award renewal applicant only through CNDT.
  - Award teachers through WRTR, until \$1.5 million in new (\$1.35M) and re-appropriated (\$150K) funds are exhausted (Section 15).
  - Award maximum \$70K through SLPL (Section 10).
  - Award 10 new contract seats and all renewals for SREB (Section 4).
- 4-Other:
  - Award all eligible LAW applicants (Section 5).
  - Award 1 Nissan Scholarship recipient.
  - Award all eligible FAITH applicants (\$3.6M) with new (\$1.65M) and re-appropriated (\$100K) EEF funds (Sections 12 and 15), as well as \$1.85M from collections and general funds.
- NULR:
  - The Nurse Retention Loan Repayment Program was initially funded in FY24 with \$6M in Coronavirus State and Local Fiscal Recovery Funds. Funds must be fully expended by December 2026. About \$3.4M remains available for awarding in FY26.
- Note: The appropriation is \$3M less than the Adjusted Request. If additional funds are needed, SFA can request additional spending authority mid-year.

Recommendation:

Board staff recommends approval of this item.

# MINUTES

## Exhibit 1

FY 2026 Annual Operating Budget						
COMBINED BUDGETS FY 2026 Funding Sources	FY25 Appropriation	FY26 MBR	Revised FY26 Request	FY26 Appropriation	(+/-) FY25	(+/-) Revised Request
<b>SFA APPROPRIATION</b>						
<b>GOV. APPROPRIATIONS</b>						
General Support	\$ 51,952,895	\$ 52,052,538	\$ 47,234,949	\$ 47,255,243	\$ (4,697,652)	\$ 20,294
General Support Re-appropriated	\$ -	\$ 1,622,837	\$ 5,622,837	\$ 6,550,322	\$ 6,550,322	\$ 927,485
EEF-New						
FAITH & Winter-Reed	\$ 3,000,000	\$ 6,000,000	\$ 6,000,000	\$ 3,000,000	\$ -	\$ (3,000,000)
FAITH	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Winter-Reed	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
EEF-Re-appropriated						
FAITH & Winter-Reed	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FAITH	\$ 100,000	\$ -	\$ 150,000	\$ 100,000	\$ -	\$ (50,000)
Winter-Reed	\$ 1,900,000	\$ -	\$ 100,000	\$ 150,000	\$ (1,750,000)	\$ 50,000
<b>Total Gov. Appropriations</b>	<b>\$56,952,895</b>	<b>\$59,675,375</b>	<b>\$59,107,786</b>	<b>\$57,055,565</b>	<b>\$ 102,670</b>	<b>\$ (2,052,221)</b>
<b>OTHER SPECIAL FUNDS</b>						
<b>GRANTS AND CONTRACTS</b>						
Federal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Grants and Contracts</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>INTEREST INCOME</b>						
Nissan	\$ -	\$ 11,000	\$ 11,000	\$ 11,000	\$ 11,000	\$ -
<b>Total Interest Income</b>	<b>\$ -</b>	<b>\$ 11,000</b>	<b>\$ 11,000</b>	<b>\$ 11,000</b>	<b>\$ 11,000</b>	<b>\$ -</b>
<b>OTHER SOURCES</b>						
Law Fund	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ -	\$ -
<b>Total Other Sources</b>	<b>\$ 20,000</b>	<b>\$ 20,000</b>	<b>\$ 20,000</b>	<b>\$ 20,000</b>	<b>\$ -</b>	<b>\$ -</b>
<b>CASH ON HAND</b>						
Estimated Collections	\$ 2,330,000	\$ 1,270,648	\$ 2,330,000	\$ 1,402,515	\$ (927,485)	\$ (927,485)
<b>Total Cash on Hand</b>	<b>\$ 2,330,000</b>	<b>\$ 1,270,648</b>	<b>\$ 2,330,000</b>	<b>\$ 1,402,515</b>	<b>\$ (927,485)</b>	<b>\$ (927,485)</b>
<b>Total Other Special Funds</b>	<b>\$ 2,350,000</b>	<b>\$ 1,301,648</b>	<b>\$ 2,361,000</b>	<b>\$ 1,433,515</b>	<b>\$ (916,485)</b>	<b>\$ (927,485)</b>
<b>Total SFA Appropriation</b>	<b>\$59,302,895</b>	<b>\$60,977,023</b>	<b>\$61,468,786</b>	<b>\$58,489,080</b>	<b>\$ (813,815)</b>	<b>\$ (2,979,706)</b>
<b>OTHER APPROPRIATION</b>						
<b>STATE SPECIAL FUNDS-ARPA</b>						
NULR/Reappropriation	\$ 5,385,824	\$ 3,000,000	\$ 4,200,000	\$ 3,440,139	\$ (1,945,685)	\$ (759,861)
<b>TOTAL APPROPRIATIONS</b>	<b>\$64,688,719</b>	<b>\$63,977,023</b>	<b>\$65,668,786</b>	<b>\$61,929,219</b>	<b>\$ (2,759,500)</b>	<b>\$ (3,739,567)</b>

# MINUTES

## Exhibit 2

2025-26 Program Allocation										
Expenditures by Program	FY25 AOB Awards	FY25 AOB Amounts	FY25 Actual Awards	FY25 Actual Amounts	FY26 Adjusted Request	FY26 AOB Awards	FY26 AOB Amounts	(+/-) FY25 AOB Awards	(+/-) FY25 AOB Amounts	(+/-) FY26 Adjusted Request
1- Administration										
Salaries, Wages and Fringes		\$ 814,116		\$ 814,116	\$ 841,680		\$ 998,740		\$ 184,623	\$ 157,060
Travel		\$ 8,000		\$ 5,000	\$ 8,000		\$ 8,000		\$ -	\$ -
Contractual Service		\$ 620,000		\$ 540,000	\$ 550,000		\$ 550,000		\$ (70,000)	\$ -
Commodities		\$ 10,000		\$ 16,000	\$ 10,000		\$ 10,000		\$ -	\$ -
Equipment		\$ 10,000		\$ 12,000	\$ 10,000		\$ 10,000		\$ -	\$ -
<b>Total Administration</b>		<b>\$ 1,462,116</b>		<b>\$ 1,387,116</b>	<b>\$ 1,419,680</b>		<b>\$ 1,576,740</b>		<b>\$ 114,623</b>	<b>\$ 157,060</b>
2- MTAG/MESG and HELP										
MTAG	18,060	\$ 10,473,044	14,137	\$ 8,274,637	\$ 10,071,068	17,017	\$ 9,954,945	(1,043)	\$ (518,099)	\$ (116,123)
MESG	3,600	\$ 8,222,790	3,664	\$ 8,362,118	\$ 9,111,443	3,844	\$ 8,772,008	244	\$ 549,218	\$ (339,435)
HELP	4,693	\$ 33,135,780	3,907	\$ 28,358,434	\$ 33,822,972	4,301	\$ 32,150,860	(392)	\$ (984,920)	\$ (1,672,112)
<b>Total MTAG/MESG/HELP</b>	<b>26,353</b>	<b>\$51,831,614</b>	<b>21,708</b>	<b>\$44,995,189</b>	<b>\$53,005,482</b>	<b>25,162</b>	<b>\$50,877,813</b>	<b>-1,191</b>	<b>\$ (953,801)</b>	<b>\$ (2,127,669)</b>
3 - Forgivable Loan Programs										
Teacher Programs:										
CNDT (Graduate)	5	\$ 50,000	1	\$ 8,340	\$ 50,000	1	\$ 10,000	-4	\$ (40,000)	\$ (40,000)
Winter-Reed Loan Repay	400	\$ 1,900,000	470	\$ 1,964,500	\$ 2,000,000	425	\$ 1,500,000	25	\$ (400,000)	\$ (500,000)
Health/Science Programs:										
SLPL (Graduate)	6	\$ 70,000	3	\$ 36,273	\$ 70,000	6	\$ 70,000	0	\$ -	\$ -
SREB (Graduate)	35	\$ 712,915	34	\$ 692,546	\$ 762,624	35	\$ 741,440	0	\$ 28,525	\$ (21,184)
<b>Total Forgivable Loan Programs</b>	<b>446</b>	<b>\$ 2,732,915</b>	<b>508</b>	<b>\$ 2,701,659</b>	<b>\$ 2,882,624</b>	<b>467</b>	<b>\$ 2,321,440</b>	<b>21</b>	<b>\$ (411,475)</b>	<b>\$ (561,184)</b>
4 - Other										
LAW	15	\$ 176,250	9	\$ 118,731	\$ 150,000	10	\$ 132,000	-5	\$ (44,250)	\$ (18,000)
Nissan	0	\$ -	0	\$ -	\$ 11,000	1	\$ 11,000	1	\$ 11,000	\$ -
FAITH Scholarship	300	\$ 3,100,000	228	\$ 2,842,715	\$ 4,000,000	278	\$ 3,570,087	-22	\$ 470,087	\$ (429,913)
<b>Total Other</b>	<b>315</b>	<b>\$ 3,276,250</b>	<b>237</b>	<b>\$ 2,961,446</b>	<b>\$ 4,161,000</b>	<b>289</b>	<b>\$ 3,713,087</b>	<b>-26</b>	<b>\$ 436,837</b>	<b>\$ (447,913)</b>
<b>TOTAL Loans, Schols, Grants</b>	<b>27,114</b>	<b>\$57,840,779</b>	<b>22,453</b>	<b>\$50,658,294</b>	<b>\$60,049,106</b>	<b>25,918</b>	<b>\$56,912,340</b>	<b>-1,196</b>	<b>\$ (928,439)</b>	<b>\$ (3,136,766)</b>
<b>TOTAL SFA BUDGET</b>	<b>27,114</b>	<b>\$59,302,895</b>	<b>22,453</b>	<b>\$52,045,410</b>	<b>\$61,468,786</b>	<b>25,918</b>	<b>\$58,489,080</b>	<b>(1,196)</b>	<b>\$ (813,816)</b>	<b>\$ (2,979,706)</b>
2025-26 NULR Program Allocation										
1 - NULR	333	\$ 5,385,824	332	\$ 1,945,685	\$ 4,200,000	333	\$ 3,440,139	0	\$ (1,945,685)	\$ (759,861)
<b>TOTAL NULR BUDGET</b>	<b>333</b>	<b>\$ 5,385,824</b>	<b>332</b>	<b>\$ 1,945,685</b>	<b>\$ 4,200,000</b>	<b>333</b>	<b>\$ 3,440,139</b>	<b>0</b>	<b>\$ (1,945,685)</b>	<b>\$ (759,861)</b>
2025-26 Combined Program Allocation										
SFA	27,114	\$ 59,302,895	22,453	\$ 52,045,410	\$ 61,468,786	25,918	\$ 58,489,080	(1,196)	\$ (813,816)	\$ (2,979,706)
NULR	333	\$ 5,385,824	332	\$ 1,945,685	\$ 4,200,000	333	\$ 3,440,139	0	\$ (1,945,685)	\$ (759,861)
<b>TOTAL COMBINED BUDGETS</b>	<b>27,447</b>	<b>\$64,688,719</b>	<b>22,785</b>	<b>\$53,991,095</b>	<b>\$65,668,786</b>	<b>26,251</b>	<b>\$61,929,219</b>	<b>(1,196)</b>	<b>\$ (2,759,501)</b>	<b>\$ (3,739,567)</b>



## MINUTES

**Item 2:** Jennifer Rogers presented the FY 2027 Budget Request. On motion by Barney Daly, seconded by Sue Stedman, all Board Members legally present and participating voted unanimously to approve the request.

### **2. Approve the FY 2027 Budget Request (MBR)**

#### Request:

The Mississippi Office of Student Financial Aid requests approval of the Fiscal Year 2027 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.”

**Exhibit 3 is the 2026-27 Program Allocation for the Budget Request.** The chart includes the FY25 Actual Awards and Expenditures, the FY26 Program Allocation (approved in item 1), the FY27 MBR Awards and Amounts (program allocation), and the change from FY26. Highlights of the Program Allocation for the MBR are as follows:

- 1-Administration: 3% cost of living salary increases.
- 2-MTAG, MESG and HELP: The number of recipients is projected to increase slightly for MTAG, MESG, and HELP due to the definition of full-time and the increased HELP income threshold. The HELP Grant budget also anticipates tuition increases of 3%.
- 3-Forgivable Loan and Repayment Programs:
  - Recommend repeal of the CNDT forgivable loan.
  - Request full funding of WRTR at \$2M annually.
  - Recommend repeal of the SLPL forgivable loan; fund renewals only.
  - Request full funding of SREB.
- 4-Other:
  - Request full funding of LAW; anticipate 3% tuition increase.
  - Request spending authority for 2 Nissan Scholarships.
  - Request full funding for FAITH; anticipate 3% tuition increase.
- NULR: The Nurse Retention Loan Repayment Program was initially funded in FY24 with \$6M in Coronavirus State and Local Fiscal Recovery Funds. Funds must be fully expended by December 2026. SFA anticipates no more than \$600,000 (likely less) will remain available for re-appropriation and awarding in the first half of FY27.

**Exhibit 4 is the FY27 Combined Budget Request with Funding by Source.** The chart shows the FY25 AOB, the FY26 AOB, the FY27 MBR, and the difference between FY25 and FY26. This chart includes the funding sources for both the SFA and NULR budgets.

**Exhibit 5 is the FY27 SFA Budget Narrative,** which corresponds to the SFA budget.

**Exhibit 6 is the FY 2027 NULR Budget Narrative,** which corresponds to the NULR budget.

#### Recommendation:

Board staff recommends approval of the FY 2027 Budget Request.

# MINUTES

## Exhibit 3

### 2026-27 Program Allocation for MBR

Expenditures by Program	FY25 Actual Awards	FY25 Actual Expenditures	FY26 AOB Awards	FY26 AOB Amounts	FY27 MBR Awards	FY27 MBR Amounts	(+/-) FY25 Actual Awards	(+/-) FY25 Actual Amounts	Change	(+/-) FY26 AOB Awards	(+/-) FY26 AOB Amounts
<b>1- Administration</b>											
Salaries, Wages and Fringes		\$ 814,116		\$ 998,740		\$ 1,028,702		\$ 214,586			\$ 29,962
Travel		\$ 5,000		\$ 8,000		\$ 8,000		\$ 3,000			\$ -
Contractual Service		\$ 540,000		\$ 550,000		\$ 550,000		\$ 10,000			\$ -
Commodities		\$ 16,000		\$ 10,000		\$ 10,000		\$ (6,000)			\$ -
Equipment		\$ 12,000		\$ 10,000		\$ 10,000		\$ (2,000)			\$ -
<b>Total Administration</b>		<b>\$ 1,387,116</b>		<b>\$ 1,576,740</b>		<b>\$ 1,606,702</b>		<b>\$ 219,586</b>	<b>15.8%</b>		<b>\$ 29,962</b>
<b>2- MTAG/MESG and HELP</b>											
MTAG	14,137	\$ 8,274,637	17,017	\$ 9,954,945	17,528	\$ 10,253,593	3,391	\$ 1,978,956		511	\$ 298,648
MESG	3,664	\$ 8,362,118	3,844	\$ 8,772,008	3,882	\$ 8,859,728	218	\$ 497,610		38	\$ 87,720
HELP	3,907	\$ 28,358,434	4,301	\$ 32,150,860	4,430	\$ 34,108,847	523	\$ 5,750,413		129	\$ 1,957,987
<b>Total MTAG/MESG/HELP</b>	<b>21,708</b>	<b>\$44,995,189</b>	<b>25,162</b>	<b>\$50,877,813</b>	<b>25,840</b>	<b>\$53,222,169</b>	<b>4,132</b>	<b>\$ 8,226,980</b>	<b>18.3%</b>	<b>678</b>	<b>\$ 2,344,356</b>
<b>3 - Forgivable Loan &amp; Repayment Prgs</b>											
Teacher Programs:											
CNDT (Graduate)	1	\$ 8,340	1	\$ 10,000	0	\$ -	-1	\$ (8,340)		-1	\$ (10,000)
Winter-Reed Loan Repay	470	\$ 1,964,500	425	\$ 1,500,000	470	\$ 2,000,000	0	\$ 35,500		45	\$ 500,000
Health/Science Programs:											
SLPL (Graduate)	3	\$ 36,273	6	\$ 70,000	4	\$ 70,000	1	\$ 33,727		-2	\$ -
SREB (Graduate)	34	\$ 692,546	35	\$ 741,440	37	\$ 814,000	3	\$ 121,454		2	\$ 72,560
<b>Total Forgivable Loan Programs</b>	<b>508</b>	<b>\$ 2,701,659</b>	<b>467</b>	<b>\$ 2,321,440</b>	<b>511</b>	<b>\$ 2,884,000</b>	<b>3</b>	<b>\$ 182,341</b>	<b>6.7%</b>	<b>44</b>	<b>\$ 562,560</b>
<b>4 - Other</b>											
LAW	9	\$ 118,731	10	\$ 132,000	12	\$ 163,152	3	\$ 44,421		2	\$ 31,152
Nissan	0	\$ -	1	\$ 11,000	2	\$ 22,660	2	\$ 22,660		1	\$ 11,660
FAITH Scholarship	228	\$ 2,842,715	278	\$ 3,570,087	338	\$ 4,470,828	110	\$ 1,628,113		60	\$ 900,741
<b>Total Other</b>	<b>237</b>	<b>\$ 2,961,446</b>	<b>289</b>	<b>\$ 3,713,087</b>	<b>352</b>	<b>\$ 4,656,640</b>	<b>115</b>	<b>\$ 1,695,194</b>	<b>57.2%</b>	<b>63</b>	<b>\$ 943,553</b>
<b>TOTAL Loans, Schols, Grants</b>	<b>22,453</b>	<b>\$50,658,294</b>	<b>25,918</b>	<b>\$56,912,340</b>	<b>26,703</b>	<b>\$60,762,808</b>	<b>4,250</b>	<b>\$10,104,514</b>	<b>19.9%</b>	<b>785</b>	<b>\$ 3,850,468</b>
<b>TOTAL SFA BUDGET</b>	<b>22,453</b>	<b>\$52,045,410</b>	<b>25,918</b>	<b>\$58,489,080</b>	<b>26,703</b>	<b>\$62,369,510</b>	<b>4,250</b>	<b>\$10,324,100</b>	<b>19.8%</b>	<b>785</b>	<b>\$ 3,880,431</b>
<b>NULR Combined Budget - FY 2027</b>											
<b>1 - NULR</b>	<b>332</b>	<b>\$1,945,685.00</b>	<b>333</b>	<b>\$ 3,440,139</b>	<b>100</b>	<b>\$ 600,000</b>	<b>-232</b>	<b>\$ (1,345,685)</b>	<b>-69.2%</b>	<b>-233</b>	<b>\$ (2,840,139)</b>
<b>TOTAL NULR BUDGET</b>	<b>332</b>	<b>\$ 1,945,685</b>	<b>333</b>	<b>\$ 3,440,139</b>	<b>100</b>	<b>\$ 600,000</b>	<b>(232)</b>	<b>\$ (1,345,685)</b>	<b>-69.2%</b>	<b>-233</b>	<b>\$ (2,840,139)</b>
<b>COMBINED Budget Request - FY 2027</b>											
<b>SFA</b>	<b>22,453</b>	<b>\$ 52,045,410</b>	<b>25,918</b>	<b>\$ 58,489,080</b>	<b>26,703</b>	<b>\$ 62,369,510</b>	<b>4,250</b>	<b>\$ 10,324,100</b>	<b>19.8%</b>	<b>784.98</b>	<b>\$ 3,880,431</b>
<b>NULR</b>	<b>332</b>	<b>\$1,945,685.00</b>	<b>333</b>	<b>\$ 3,440,139</b>	<b>100</b>	<b>\$ 600,000</b>	<b>-232</b>	<b>\$ (1,345,685)</b>	<b>-69.2%</b>	<b>-233</b>	<b>\$ (2,840,139)</b>
<b>TOTAL COMBINED BUDGETS</b>	<b>22,785</b>	<b>\$53,991,095</b>	<b>26,251</b>	<b>\$61,929,219</b>	<b>26,803</b>	<b>\$62,969,510</b>	<b>4,018</b>	<b>\$ 8,978,415</b>	<b>16.6%</b>	<b>552</b>	<b>\$ 1,040,292</b>

# MINUTES

## Exhibit 4

FY 2027 Budget Request (MBR)					
COMBINED BUDGETS FY 2027 Funding Sources	FY25 AOB	FY26 AOB	FY27 MBR	(+/-) FY25	(+/-) FY26
<b>SFA APPROPRIATION</b>					
<b>GOV. APPROPRIATIONS</b>					
General Support	\$ 51,952,895	\$ 47,255,243	\$ 54,356,022	\$ 2,403,127	\$ 7,100,779
General Support (Reappropriated)	\$ -	\$ 6,550,322	\$ -	\$ -	\$ (6,550,322)
EEF - New					
FAITH & Winter-Reed	\$ 3,000,000	\$ 3,000,000	\$ 6,470,828	\$ 3,470,828	\$ 3,470,828
FAITH	\$ -	\$ -	\$ -	\$ -	\$ -
Winter-Reed	\$ -	\$ -	\$ -	\$ -	\$ -
EEF - Reappropriated					
FAITH & Winter-Reed	\$ -	\$ -	\$ -		\$ -
FAITH	\$ 100,000	\$ 100,000	\$ -	\$ (100,000)	\$ (100,000)
Winter-Reed	\$ 1,900,000	\$ 150,000	\$ -	\$ (1,900,000)	\$ (150,000)
<i>Total Gov. Appropriations</i>	<b>\$56,952,895</b>	<b>\$57,055,565</b>	<b>\$60,826,850</b>	<b>\$ 3,873,955</b>	<b>\$ 3,771,285</b>
<b>OTHER SPECIAL FUNDS</b>					
<b>GRANTS AND CONTRACTS</b>					
Federal	\$ -	\$ -	\$ -	\$ -	\$ -
State	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Total Grants and Contracts</i>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>INTEREST INCOME</b>					
Nissan	\$ -	\$ 11,000	\$ 22,660	\$ 22,660	\$ 11,660
<i>Total Interest Income</i>	<b>\$ -</b>	<b>\$ 11,000</b>	<b>\$ 22,660</b>	<b>\$ 22,660</b>	<b>\$ 11,660</b>
<b>OTHER SOURCES</b>					
Law Fund	\$ 20,000	\$ 20,000	\$ 20,000	\$ -	\$ -
<i>Total Other Sources</i>	<b>\$ 20,000</b>	<b>\$ 20,000</b>	<b>\$ 20,000</b>	<b>\$ -</b>	<b>\$ -</b>
<b>CASH ON HAND</b>					
Estimated Collections	\$ -	\$ 1,402,515	\$ 1,500,000	\$ 1,500,000	\$ 97,485
<i>Total Cash on Hand</i>	<b>\$ -</b>	<b>\$ 1,402,515</b>	<b>\$ 1,500,000</b>	<b>\$ 1,500,000</b>	<b>\$ 97,485</b>
<i>Total Other Special Funds</i>	<b>\$ 20,000</b>	<b>\$ 1,433,515</b>	<b>\$ 1,542,660</b>	<b>\$ 1,522,660</b>	<b>\$ 109,145</b>
<i>Total SFA Appropriation</i>	<b>\$56,972,895</b>	<b>\$58,489,080</b>	<b>\$62,369,510</b>	<b>\$ 5,396,615</b>	<b>\$ 3,880,430</b>
<b>OTHER APPROPRIATION</b>					
<b>STATE SPECIAL FUNDS-ARPA</b>					
Nursing Loan Repayment	\$ 1,945,685	\$ 3,440,139	\$ 600,000	\$ (1,345,685)	\$ (2,840,139)
<b>TOTAL APPROPRIATIONS</b>	<b>\$58,918,580</b>	<b>\$61,929,219</b>	<b>\$62,969,510</b>	<b>\$ 4,050,930</b>	<b>\$ 1,040,291</b>

## MINUTES

### Exhibit 5

#### NARRATIVE FY 2027 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 2027 Appropriation Request**

On behalf of the students and the state of Mississippi, SFA requests **\$62,369,510 for FY27**, which represents **an increase of \$3,880,430 or 6.6%** over FY26. The FY27 request includes:

##### **Governmental Appropriations:**

- **\$54,356,022 in General Funds**, which represents **an increase of \$7,100,779 or 15.0%** over FY26;
- **\$0 in spending authority for carryover General Funds**, which represents **a decrease of \$6,550,322 or 100%** from FY26. No carryover funds from FY26 are expected to be available for use in FY27;
- **\$6,470,828 in Education Enhancement Funds** (\$4,470,828 for FAITH and \$2,000,000 for WRTR), which represents **an increase of \$3,470,828 or 115.7%** over FY26;
- **\$0 in re-appropriated Education Enhancement Funds** for FAITH and WRTR, which represents **a decrease of \$250,000 or 100%** from FY26;

##### **Other Special Funds:**

- **\$1,542,660 in Other Special Funds** (includes Federal and State Grants and Contracts, Interest Income, Cash on Hand and Other Sources), which represents **an increase of \$109,145 or 7.6%** from FY26.

##### **1-Administration**

- 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.

## MINUTES

- 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 (FY26 Estimated and FY27 Increase/Decrease for continuations) of MBR-1-03 and designated Budget Unit Decisions columns of MBR-1-03-A:  
(D) Additional Needs – **\$29,962 or 1.9%**: 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 (FY26 Estimated and FY27 Increase/Decrease for continuations) of MBR-1-03 and designated Budget Unit Decisions columns of MBR-1-03-A:  
(D) Additional Needs – **\$2,344,356 or 4.6%**: 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 were eligible for the maximum Pell grant under the new formula in 2024-25. Therefore, fewer students were eligible for MTAG. However, in 2025, the Postsecondary Education Financial Assistance Board changed the definition of full-time to reduce the number of credit hours required each term from 15 to 12. This change is expected to increase the number of MTAG, MESG, and HELP recipients eligible in 2025-26 and 2026-27. The anticipated number of MTAG recipients is expected to return to 2023-24 levels by 2026-27. HELP recipients dropped unexpectedly in 2023-24 and again in 2024-25, resulting in about \$5 million in unspent general funds across the two fiscal years. However, the Legislature increased the eligible income threshold for HELP eligibility in 2025. For this reason, the number of HELP recipients for 2025-26 and 2026-27 is projected to increase. The anticipated number of HELP recipients is expected to approach 2022-23 levels by 2026-27. The HELP Grant program budget also anticipates tuition increases of 3%. The MTAG/MESG and HELP request includes:
  - **\$10,253,593 for MTAG**, which represents an **increase of \$298,648** over FY26;
  - **\$8,859,728 for MESG**, which represents an **increase of \$87,720** over FY26;
  - **\$34,108,847 for HELP**, which represents an **increase of \$1,957,987** over FY26.

### 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

## MINUTES

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 (FY26 Estimated and FY27 Increase/Decrease for continuations) of MBR-1-03 and designated Budget Unit Decisions columns of MBR-1-03-A:
- (D) Additional Needs – **\$562,560 or 24.2%**: 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 FY26 and to award all SREB Regional Contract Program seats at the projected rate for 2026-27.

### 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 Postsecondary Board recommends repealing the CNDT program as part of a continued effort to phase out all forgivable loan programs. The **CNDT request for FY27 is \$0**, which represents a **decrease of \$10,000 from FY26**.

The William F. Winter – Jack Reed, Sr. Teacher Loan Repayment Program (WRTR) helps teachers repay their student loans. The **FY27 WRTR request is \$2,000,000**, which represents an **increase of \$500,000 from FY26**. WRTR has historically been funded with 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 Postsecondary Board recommends repealing the SLPL program as part of a continued effort to phase out all forgivable loan programs. The **SLPL request for FY27 is \$70,000** due to the potential number of renewal awards. The request represents **no change from FY26**.

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 10 seats per entering class, for a total of 40 contract seats each year. The cost of each contract seat typically increases annually. Rates for FY27 are unknown at this time but expected to be around \$22,000. The **SREB request is \$814,000 for 37 seats**, which represents an **increase of \$72,560 over FY26**.

## MINUTES

### 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 Firefighters 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 (FY26 Estimated and FY27 Increase/Decrease for continuations) of MBR-1-03 and designated Budget Unit Decisions columns of MBR-1-03-A: (D) Additional Needs – **\$943,553 or 25.4%: An overall increase in expenditures for the Other programs is expected. Increases and decreases are requested as follows for the following programs based on increases and decreases in demand and eligibility.**

The Law Enforcement Officers and Firemen Scholarship Program (LAW) provides education to the dependent children or spouses of deceased or disabled service men and women. The **FY27 LAW request is \$163,152**, which represents an **increase of \$31,152 from FY26**.

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 **FY27 NISS request is \$22,660**, which represents an **increase of \$11,660 over FY26**. NISS is funded with interest earned on the Nissan Trust.

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 FY27 request is a total of \$4,470,828**, which represents a **\$900,741 increase over the FY26 budget**. FAITH has historically been funded with EEF funds.

#### **Funding Request Explanation:**

SFA requests a total of \$62,369,510 for FY27.

The request includes \$54,356,022 in General Funds (Section 1) and \$8,013,488 in Special Funds (Section 2).

The \$8,013,488 Special Fund request includes \$6,470,828 in EEF Funds (\$4,470,828 for FAITH and \$2,000,000 for WRTR) and \$1,542,660 in spending authority for investments (\$22,660 for NISS and \$20,000 for LAW) and cash on hand from collections (\$1,500,000).

No prior-year General Funds or EEF funds are expected to be available for carryover or reappropriation in FY27.

## MINUTES

### Exhibit 6

#### NARRATIVE FY 2027 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 2027 Appropriation Request**

SFA requests a re-appropriation of **\$600,000 for FY27**, which represents **a decrease of \$2,840,139 or 82.6%** from FY26.

#### 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 (FY26 Estimated and FY27 Increase/Decrease for continuations) of MBR-1-03 and designated Budget Unit Decisions columns of MBR-1-03-A:  
(D) Additional Needs – **(\$2,840,139)**: No additional funds are requested, but SFA requests a re-appropriation of \$600,000.

**Item 3:** Jennifer Rogers presented a request for the Board to approve the FY 2027-31 Five-Year Strategic Plan. On motion by Barney Daly, seconded by Dewayne Middleton, all Board Members legally present and participating voted unanimously to approve the request.

#### **3. Approve the FY 2027-31 Five-Year Strategic Plan**

The Mississippi Office of Student Financial Aid requests approval of the FY 2027-31 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 7 is the FY 2027-31 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 2027 request noted above, the plan anticipates the following changes:

- 1-Administration: Funds are requested to provide 3% cost of living salary increases for all current employees.
- 2-MTAG/MESG and HELP: A modest growth rate of 1% is anticipated in the number of recipients for MTAG, MESG, and HELP through FY 2028. The HELP Grant program budget also anticipates tuition increases of 3% each year.



## MINUTES

- 3-Forgivable Loan and Repayment Programs: SFA recommends repealing the CNDT and SLPL programs as part of a continued effort to phase out all forgivable loan programs.
- 4-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. The LAW, NISS, and FAITH program budgets all anticipate tuition increases of 3% each year.
- NULR: All awards must be paid by December 2026 (FY 2027). No new funds will be requested after that.

**Exhibit 8 is the FY 2027-31 Five-Year Strategic Plan with Funding by Source.** The plan includes the SFA budget, the NULR budget, and the combined budgets.

**Exhibit 9 is the FY 2027-31 SFA Five-Year Strategic Plan Narrative.**

Recommendation:

Board staff recommends approval of the FY 2027-31 Five-Year Strategic Plan.

# MINUTES

Exhibit 7

5-Year Strategic Plan with Expenditures by Program (FY 2027 - FY 2031)									
Expenditures by Program	FY 2027	FY 2028	Additional Needs	FY 2029	Additional Needs	FY 2030	Additional Needs	FY 2031	Additional Needs
1- Administration									
Salaries, Wages and Fringes	\$ 1,028,702	\$ 1,059,563	\$ 30,861	\$ 1,091,350	\$ 31,787	\$ 1,124,090	\$ 32,740	\$ 1,157,813	\$ 33,723
Travel	\$ 8,000	\$ 8,000	\$ -	\$ 8,000	\$ -	\$ 8,000	\$ -	\$ 8,000	\$ -
Contractual Service	\$ 550,000	\$ 550,000	\$ -	\$ 550,000	\$ -	\$ 550,000	\$ -	\$ 550,000	\$ -
Commodities	\$ 10,000	\$ 10,000	\$ -	\$ 10,000	\$ -	\$ 10,000	\$ -	\$ 10,000	\$ -
Equipment	\$ 10,000	\$ 10,000	\$ -	\$ 10,000	\$ -	\$ 10,000	\$ -	\$ 10,000	\$ -
<b>Total Administration</b>	<b>\$ 1,606,702</b>	<b>\$ 1,637,563</b>	<b>\$ 30,861</b>	<b>\$ 1,669,350</b>	<b>\$ 31,787</b>	<b>\$ 1,702,090</b>	<b>\$ 32,740</b>	<b>\$ 1,735,813</b>	<b>\$ 33,723</b>
2- MTAG/MESG and HELP									
MTAG	\$ 10,253,593	\$ 10,356,129	\$ 102,536	\$ 10,356,129	\$ -	\$ 10,356,129	\$ -	\$ 10,356,129	\$ -
MESG	\$ 8,859,728	\$ 8,948,325	\$ 88,597	\$ 8,948,325	\$ -	\$ 8,948,325	\$ -	\$ 8,948,325	\$ -
HELP	\$ 34,108,847	\$ 35,483,434	\$ 1,374,587	\$ 36,547,937	\$ 1,064,503	\$ 37,644,375	\$ 1,096,438	\$ 38,773,706	\$ 1,129,331
<b>Total MTAG/MESG and HELP</b>	<b>\$53,222,169</b>	<b>\$54,787,888</b>	<b>\$1,565,720</b>	<b>\$55,852,391</b>	<b>\$1,064,503</b>	<b>\$56,948,829</b>	<b>\$1,096,438</b>	<b>\$58,078,161</b>	<b>\$1,129,331</b>
3 - Forgivable Loan & Repayment Prgs									
Teacher Programs:									
CNDT (Graduate)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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	\$ (35,000)	\$ -	\$ (35,000)	\$ -	\$ -	\$ -	\$ -
SREB	\$ 814,000	\$ 866,400	\$ 52,400	\$ 944,000	\$ 77,600	\$ 976,000	\$ 32,000	\$ 1,008,000	\$ 32,000
<b>Total Forgive Ln/Repay Programs</b>	<b>\$ 2,884,000</b>	<b>\$ 2,901,400</b>	<b>\$ 17,400</b>	<b>\$ 2,944,000</b>	<b>\$ 42,600</b>	<b>\$ 2,976,000</b>	<b>\$ 32,000</b>	<b>\$ 3,008,000</b>	<b>\$ 32,000</b>
4 - Other									
LAW	\$ 163,152	\$ 168,047	\$ 4,895	\$ 173,088	\$ 5,041	\$ 178,281	\$ 5,193	\$ 183,629	\$ 5,348
Nissan	\$ 22,660	\$ 23,340	\$ 680	\$ 24,040	\$ 700	\$ 24,761	\$ 721	\$ 25,504	\$ 743
FAITH Scholarship	\$ 4,470,828	\$ 5,013,676	\$ 542,848	\$ 5,613,138	\$ 599,461	\$ 5,781,532	\$ 168,394	\$ 5,954,978	\$ 173,446
<b>Total Other</b>	<b>\$ 4,656,640</b>	<b>\$ 5,205,063</b>	<b>\$ 548,423</b>	<b>\$ 5,810,265</b>	<b>\$ 605,203</b>	<b>\$ 5,984,573</b>	<b>\$ 174,308</b>	<b>\$ 6,164,111</b>	<b>\$ 179,537</b>
<b>TOTAL Lns, Schols, Grants</b>	<b>\$60,762,808</b>	<b>\$62,894,351</b>	<b>\$2,131,543</b>	<b>\$64,606,657</b>	<b>\$1,712,306</b>	<b>\$65,909,403</b>	<b>\$1,302,746</b>	<b>\$67,250,271</b>	<b>\$1,340,868</b>
<b>TOTAL SFA BUDGET</b>	<b>\$62,369,510</b>	<b>\$64,531,914</b>	<b>\$2,162,404</b>	<b>\$66,276,007</b>	<b>\$1,744,093</b>	<b>\$67,611,493</b>	<b>\$1,335,487</b>	<b>\$68,986,084</b>	<b>\$1,374,591</b>
<b>NULR 5-Year Strategic Plan (FY 2027 - FY 2031)</b>									
1 - NULR	\$ 600,000	\$ -	\$ (600,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL NULR BUDGET</b>	<b>\$ 600,000</b>	<b>\$ -</b>	<b>\$ (600,000)</b>	<b>\$ -</b>	<b>0</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>COMBINED BUDGETS 5-Year Strategic Plan (FY 2027 - FY 2031)</b>									
SFA	\$ 62,369,510	\$ 64,531,914	\$ 2,162,404	\$ 66,276,007	\$ 1,744,093	\$ 67,611,493	\$ 1,335,487	\$ 68,986,084	\$ 1,374,591
NULR	\$ 600,000	\$ -	\$ (600,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL COMBINED BUDGETS</b>	<b>\$62,969,510</b>	<b>\$64,531,914</b>	<b>\$1,562,404</b>	<b>\$66,276,007</b>	<b>\$1,744,093</b>	<b>\$67,611,493</b>	<b>\$1,335,487</b>	<b>\$68,986,084</b>	<b>\$1,374,591</b>

MINUTES

5-Year Strategic Plan with Funding by Source (FY 2027 - FY 2031)									
COMBINED BUDGETS FY 27-31 Funding Source	FY 2027	FY 2028	Additional Needs	FY 2029	Additional Needs	FY 2030	Additional Needs	FY 2031	Additional Needs
<b>SFA APPROPRIATION</b>									
<b>GOV. APPROPRIATIONS</b>									
General Support	\$ 54,356,022	\$ 56,724,898	\$ 2,368,875	\$ 57,993,829	\$ 1,268,931	\$ 59,285,200	\$ 1,291,371	\$ 60,485,603	\$ 1,200,402
General Support (Re-appropriated)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
EEF - New									
FAITH & Winter-Reed	\$ 6,470,828	\$ 7,013,676	\$ 542,848	\$ 7,613,138	\$ 599,461	\$ 7,781,532	\$ 168,394	\$ 7,954,978	\$ 173,446
FAITH	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Winter-Reed	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
EEF - Re-appropriated									
FAITH & Winter-Reed	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FAITH	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Winter-Reed	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Gov. Appropriations</b>	<b>\$60,826,850</b>	<b>\$63,738,574</b>	<b>\$2,911,724</b>	<b>\$65,606,967</b>	<b>\$1,868,393</b>	<b>\$67,066,732</b>	<b>\$1,459,765</b>	<b>\$68,440,580</b>	<b>\$1,373,848</b>
<b>OTHER SPECIAL FUNDS</b>									
<b>GRANTS AND CONTRACTS</b>									
Federal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Grants and Contracts</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>INTEREST INCOME</b>									
Nissan	\$ 22,660	\$ 23,340	\$ 680	\$ 24,040	\$ 700	\$ 24,761	\$ 721	\$ 25,504	\$ 743
<b>Total Interest Income</b>	<b>\$ 22,660</b>	<b>\$ 23,340</b>	<b>\$ 680</b>	<b>\$ 24,040</b>	<b>\$ 700</b>	<b>\$ 24,761</b>	<b>\$ 721</b>	<b>\$ 25,504</b>	<b>\$ 743</b>
<b>OTHER SOURCES</b>									
Law Fund	\$ 20,000	\$ 20,000	\$ -	\$ 20,000	\$ -	\$ 20,000	\$ -	\$ 20,000	\$ -
<b>Total Other Sources</b>	<b>\$ 20,000</b>	<b>\$ 20,000</b>	<b>\$ -</b>	<b>\$ 20,000</b>	<b>\$ -</b>	<b>\$ 20,000</b>	<b>\$ -</b>	<b>\$ 20,000</b>	<b>\$ -</b>
<b>CASH ON HAND</b>									
Estimated Collections	\$ 1,500,000	\$ 750,000	\$ (750,000)	\$ 625,000	\$ (125,000)	\$ 500,000	\$ (125,000)	\$ 500,000	\$ -
<b>Total Cash on Hand</b>	<b>\$ 1,500,000</b>	<b>\$ 750,000</b>	<b>\$ (750,000)</b>	<b>\$ 625,000</b>	<b>\$ (125,000)</b>	<b>\$ 500,000</b>	<b>\$ (125,000)</b>	<b>\$ 500,000</b>	<b>\$ -</b>
<b>Total Other Special Funds</b>	<b>\$ 1,542,660</b>	<b>\$ 793,340</b>	<b>\$ (749,320)</b>	<b>\$ 669,040</b>	<b>\$ (124,300)</b>	<b>\$ 544,761</b>	<b>\$ (124,279)</b>	<b>\$ 545,504</b>	<b>\$ 743</b>
<b>Total SFA Appropriation</b>	<b>\$62,369,510</b>	<b>\$64,531,914</b>	<b>\$2,162,404</b>	<b>\$66,276,007</b>	<b>\$1,744,093</b>	<b>\$67,611,493</b>	<b>\$1,335,487</b>	<b>\$68,986,084</b>	<b>\$1,374,591</b>
<b>OTHER APPROPRIATION</b>									
<b>STATE SPECIAL FUNDS-ARPA</b>									
Nursing Loan Repayment	\$ 600,000	\$ -	\$ (600,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL APPROPRIATIONS</b>	<b>\$62,969,510</b>	<b>\$64,531,914</b>	<b>\$1,562,404</b>	<b>\$66,276,007</b>	<b>\$1,744,093</b>	<b>\$67,611,493</b>	<b>\$1,335,487</b>	<b>\$68,986,084</b>	<b>\$1,374,591</b>

# **MINUTES**

## **Exhibit 9**

### **The Mississippi Office of Student Financial Aid 157-00**

#### **2027-2031 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
- 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

## MINUTES

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 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

## MINUTES

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 were eligible for the maximum Pell grant under the new formula. Therefore, fewer students were eligible for MTAG. However, in 2025, the Postsecondary Education Financial Assistance Board changed the definition of full-time to reduce the number of credit hours required each term from 15 to 12. This change is expected to increase the number of MTAG, MESG, and HELP recipients eligible in 2025-26 and 2026-27. The anticipated number of MTAG recipients is expected to return to 2023-24 levels by 2026-27. The office supports expanding access to MTAG to max Pell Grant recipients, part-time students, and adult learners.

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 (maximum Pell-eligible) cannot by law qualify for 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 number of HELP recipients dropped unexpectedly in 2023-24 and again in 2024-25, resulting in about \$5 million in unspent general funds across the two fiscal years. However, the Legislature increased the eligible income threshold for HELP eligibility in 2025. For this reason, the number of HELP recipients for 2025-26 and 2026-27 is projected to increase. The anticipated number of HELP recipients is expected to approach 2022-23 levels by 2026-27. The HELP Grant program budget also anticipates tuition increases of 3%.

## MINUTES

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.
- 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

## MINUTES

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. More Mississippi students were eligible for maximum Pell grants.

- 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, far 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 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



## MINUTES

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.

*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.

## MINUTES

*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

*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)

## MINUTES

*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

*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

## MINUTES

*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

*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 beginning in 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 FY28.

*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.

## MINUTES

*Output:* Number of SREB awards

*Output:* Amount of SREB awards

*Efficiency:* Average student award through the SREB program

Explanatory Note: Mississippi previously contracted for 9 seats per entering class, for a total of 36 contract seats each year. The 2025 Legislature increased the number of new contract seats to 10 each year. The cost of each contract seat increases annually. Therefore, the annual request for funds will increase each year.

*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

## MINUTES

*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 \$5,000,000 annually with increases due to increases in the Cost of Attendance.

**Item 4:** Upon nomination by Ben Burnett, motion by Barney Daly, and second by Mark Keenum, all Board Members legally present and participating voted unanimously to select Dr. Jim Turcotte to continue as Chairperson for 2025-2026.

### **3. Selection of Chairperson for 2025-26**

#### Summary:

According to APA Part 601, Chapter 2, Rule 2.1, Section III, the board shall elect from its membership a chairman. Dr. Jim Turcotte was elected as chairman in September 2024. The Board should elect a chairperson to serve during 2025-2026 academic/aid year. The rules allow a chairperson to serve consecutive terms.

**Item 5:** Jennifer Rogers presented updates and announcements. Dr. Mark Keenum has been reappointed to serve another four-year term as the IHL institutional representative, beginning July 1, 2025 and ending June 30, 2029. The Mississippi Community College Board has not yet

## **MINUTES**

made an appointment for the MCCB Board representative position, currently held by Dr. Dianne Watson. Ms. Teresa Hubbard has been appointed to complete the IHL Board representative term vacated by Dr. Steven Cunningham, beginning immediately and ending June 30, 2026. The next meeting of the Board will be in September to approve the 2026 legislative requests and consider potential rule changes. Rogers will send an email to determine a date and time for the next meeting.

### **5. Updates and Announcements**

Board Member Appointments

September Meeting

### **ADDITIONAL AGENDA ITEMS IF NECESSARY**

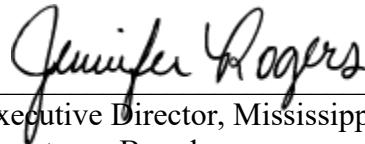
The Board did not consider any additional agenda items.

### **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, Chairman Turcotte entertained a motion by Dewayne Middleton and second by Sue Stedman to adjourn the meeting.



---

Executive Director, Mississippi Postsecondary Education Financial  
Assistance Board

## ITEMS FOR CONSIDERATION

### 1. Update on 2025-26 Awards and the FY 2026 Budget

Summary:

During its May 2025 meeting, the Board approved changes to the definition of full-time for state aid, decreasing the required hours from 15 to 12 hours per term. During the 2025 Legislative Session, the Legislature increased the income threshold for the HELP Grant by \$3,000. As anticipated, these changes increased the number of students eligible for state aid for the 2025-26 award year. However, the number of eligible recipients appears to have increased *more* than anticipated. Every year, the Office initially offers more than it ultimately disburses, so the number and amount of awards will likely decrease.

Nevertheless, the Office may still need to request additional spending authority mid-year to cover any deficit with existing funds from collections. The Office will update the Board in January.

2025-2026 Program Allocation						
Expenditures by Program	FY26 AOB Awards	FY26 AOB Amounts	FY26 Awards 9/25/25	FY26 Amounts 9/25/25	(+/-) FY26 AOB Awards	(+/-) FY26 AOB Amounts
1- Administration						
Salaries, Wages and Fringes		\$ 998,740		\$ 998,740		\$ -
Travel		\$ 8,000		\$ 8,000		\$ -
Contractual Service		\$ 550,000		\$ 550,000		\$ -
Commodities		\$ 10,000		\$ 10,000		\$ -
Equipment		\$ 10,000		\$ 10,000		\$ -
<b>Total Administration</b>		<b>\$ 1,576,740</b>		<b>\$ 1,576,740</b>		<b>\$ -</b>
2- MTAG/MESG and HELP						
MTAG	17,017	\$ 9,954,945	16,999	\$ 9,944,415	-18	\$ (10,530)
MESG	3,844	\$ 8,772,008	3,900	\$ 8,903,700	56	\$ 131,692
HELP	4,301	\$ 32,150,860	4,653	\$ 33,776,127	352	\$ 1,625,267
<b>Total MTAG/MESG/HELP</b>	<b>25,162</b>	<b>\$ 50,877,813</b>	<b>25,552</b>	<b>\$ 52,624,242</b>	<b>390</b>	<b>\$ 1,746,429</b>
3 - Forgivable Loan Programs						
Teacher Programs:						
CNDT (Graduate)	1	\$ 10,000	0	\$ -	-1	\$ (10,000)
Winter-Reed Loan Repay	425	\$ 1,500,000	425	\$ 1,500,000	0	\$ -
Health/Science Programs:						
SLPL (Graduate)	6	\$ 70,000	5	\$ 67,784	-1	\$ (2,216)
SREB (Graduate)	35	\$ 741,440	35	\$ 741,440	0	\$ -
<b>Total Forgivable Loan Programs</b>	<b>467</b>	<b>\$ 2,321,440</b>	<b>465</b>	<b>\$ 2,309,224</b>	<b>-2</b>	<b>\$ (12,216)</b>
4 - Other						
LAW	10	\$ 132,000	6	\$ 80,900	-4	\$ (51,100)
Nissan	1	\$ 11,000	1	\$ 11,104	0	\$ 104
FAITH Scholarship	278	\$ 3,570,087	310	\$ 3,865,080	32	\$ 294,993
<b>Total Other</b>	<b>289</b>	<b>\$ 3,713,087</b>	<b>317</b>	<b>\$ 3,957,084</b>	<b>28</b>	<b>\$ 243,997</b>
<b>TOTAL Loans, Schols, Grants</b>	<b>25,918</b>	<b>\$ 56,912,340</b>	<b>26,334</b>	<b>\$ 58,890,550</b>	<b>416</b>	<b>\$ 1,978,210</b>
<b>TOTAL SFA BUDGET</b>	<b>25,918</b>	<b>\$ 58,489,080</b>	<b>26,334</b>	<b>\$ 60,467,290</b>	<b>416</b>	<b>\$ 1,978,210</b>

Request:

This agenda item is for information only. No action is requested by the Board.



## **ITEMS FOR CONSIDERATION**

### **2. Appeals to the Board**

#### **A. Create Board-Level Appeal Process**

##### Summary:

The Appeal Process established in APA Part 605 General Administration Rules and Regulations outlines the process for appealing the cancellation of awards due to continuous full-time enrollment and satisfactory academic progress (SAP). The rules also state that appeals related to deadline dates, residency, grades, standardized test scores will not be considered. The Board currently does not have a process for considering issues unrelated to these topics and which may need to come before the Board for consideration.

SFA proposes the following changes to the appeal process:

APA Part 605 Chapter 1: General Administration Rules and Regulations

#### **II. DETERMINING ELIGIBILITY**

##### **E. Appealing Determinations of Ineligibility**

1. A student who applies for state financial aid and is determined to be ineligible due to 1) full-time enrollment status, 2) continuous full-time enrollment status, or 3) satisfactory academic progress may appeal to the Office in writing.
2. The appeal process is as follows:  
...
3. The Office will not hear appeals related to deadline dates, residency, grade point average (either high school or college), and ACT/SAT scores. If the Office has made a determination of eligibility based on an incomplete/incorrect transcript or grade verification, the student should have the high school or college submit an official updated grade verification directly to the Office.  
For any other matter, determinations of eligibility will be made in accordance with the administrative and program rules promulgated by the Mississippi Postsecondary Education Financial Assistance Board. All determinations of eligibility are considered final.
4. If an applicant wishes to question a rule, the process by which a rule is applied, or any matter not presently covered

## **ITEMS FOR CONSIDERATION**

by a rule, the applicant may address the question in writing to the Board for consideration during a future regularly scheduled meeting of the Board.

### Request:

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

## **B. Homeschool Transcript Appeal**

### **Summary:**

Applicants for the HELP Grant are required to document completion of a specific high school curriculum which is the same as the required IHL College Preparatory Curriculum. Documentation is received directly from the high school for public and private high school students. Homeschool students must submit a signed and notarized transcript. The current rules govern the submission of homeschool transcripts (underlining added for emphasis):

APA Part 605 Chapter 1: General Administration Rules and Regulations

### **I. APPLICATION PROCESS**

C. The following supporting documents may be requested to complete an application for state student financial aid. The documents are grouped according to the purpose for which they are requested.

3. Merit Documentation - The Office will collect documents to determine a student's academic or merit eligibility for state student financial aid.
  - a) Official High School Transcript - The official high school transcript must include all courses attempted, completed, in progress, or to be completed; the GPA on a 4.0 scale; and the ACT/SAT score if available. A homeschool transcript must be signed and notarized. By submitting a signed and notarized transcript, applicants certify the transcript includes a complete and accurate list of the courses attempted, completed, in progress, or to be completed. A subsequent signed and notarized transcript may be submitted to report an improved GPA, but no course-related changes on the subsequent transcript will be considered.

A 2025-26 HELP Grant applicant attempted to submit a subsequent transcript after the applicant was considered ineligible due to failure to document

## **ITEMS FOR CONSIDERATION**

completion of the HELP Core Curriculum because the student's original signed and notarized transcript did not include the required technology credit. After communicating with the student and the student's parent, the parent submitted a letter requesting the Board reconsider the existing rule and accept the subsequent transcript.

### **Request:**

Board staff requests the Board consider the letter and issue a determination to either uphold the determination of ineligibility based on the rule as written or alter the rule to allow the Office to accept the subsequent transcript and make a new determination of eligibility.

[REDACTED]  
Southaven, MS 38672

July 11, 2025

Mississippi Post-Secondary Financial Assistance Board  
c/o Mississippi Office of Student Financial Aid  
3825 Ridgewood Road  
Jackson, MS 39211

RECEIVED

JUL 25 2025

MISSISSIPPI STUDENT  
FINANCIAL AID

Dear Members of the Mississippi Post-Secondary Financial Assistance Board:

I am writing to you today on behalf of my son, [REDACTED], who has been homeschooled since kindergarten. He has completed a rigorous course of study alongside his peers in a classical homeschool group where they studied mathematics, Latin grammar, English literature and composition, science, fine arts, history, and philosophy. Because his homeschool group used an integrated interdisciplinary approach, so many areas were well-covered that they could have easily qualified for Carnegie units. It seemed impossible to list them all separately, so when I sat down to make his transcript, it was overwhelming. I was so focused on ensuring that all the details were correct for what I considered to be his main classes that I forgot about listing others like physical education, science labs, speech, debate, & technology separately. That was an incredibly costly mistake because a technology credit is one of the requirements for the HELP grant.

As a homeschool mom, I struggled to find a high school technology curriculum that seemed worth the expense, so I researched the objectives for a high school technology class and made sure to cover them through the course of his studies. He learned about online safety, took a typing class, and developed competency in Google Docs in preparation for writing his research papers and essays. He used PowerPoint to make multimedia presentations in history class and Canvas for his dual enrollment courses at Northeast Community College. He is proficient in Windows 10, Microsoft Word, Excel, & Fiserv Banking Software and helps new coworkers learn to use those programs in his work as a bank teller.

[REDACTED] loves the bank so much that he wants to pursue a degree in finance to return to North Mississippi and serve the community as a leader in that locally owned bank. As the eldest of five children, he needs all the financial aid he can get, so I am just devastated that my clerical error will prevent him from receiving this much-needed assistance. I believe that [REDACTED] is exactly the type of student that this Board exists to help, and the opportunity for him to receive a college education will benefit Mississippi, as it is his dream to stay here and make a positive impact in his home state.

In summary, we followed the application process to the best of our knowledge, and my child completed the required curriculum- we just didn't accurately reflect that on his transcript initially. I humbly ask the Board to have mercy on this first-time homeschool mom and make an exception to allow us to resubmit his final, corrected high school transcript for consideration for the HELP Grant. I'm not asking for any rules to be broken, just clarity on whether there is any way to be reconsidered this semester or to set things right for future eligibility. Thank you for your time and consideration.

Sincerely,

[REDACTED]

## ITEMS FOR CONSIDERATION

### 3. 2026 Legislative Requests

#### A. Amend Miss. Code Section §37-106-75 HELP Grant to Remove Curriculum Requirement; Utilize the Family Size Derived from the FAFSA; and Remove Outdated Language

Purpose:

SFA seeks approval from the Board to request legislation to amend the HELP code to remove the HELP core curriculum requirement, utilize the family size derived from the FAFSA, and remove outdated language.

Reason for Request:

1. Remove the HELP Core Curriculum requirement that appears in Section 1(3)(c).
  - The HELP Grant requires students to complete a high school curriculum that is equal to the IHL Required College Prep Curriculum. Students must also have a minimum score of 20 on the ACT and a 2.5 or higher high school GPA. The IHL Required CPC is a requirement for graduation at most public and private high schools. It is also required for admission to all IHL institutions. Therefore, the curriculum requirement does not serve as a meaningful indicator of merit to separate students who are “college-ready” and therefore worthy of receiving the HELP Grant from those who are not.
  - Under the current rules, a high school counselor must certify completion of the HELP Core Curriculum for each HELP Grant applicant. The student information systems used by the schools do not have the capacity to evaluate a student’s transcript and determine whether the curriculum meets the requirements or not. Therefore, the high school counselors must complete the transcript review and curriculum certification process for each student individually and manually. This places a heavy administrative burden on counselors, many of whom are already serving far more students than is recommended and have many other responsibilities beyond college advising. For homeschooled students, the SFA staff must manually review each student’s transcript.
  - SFA evaluated three previous aid years to determine the impact this change would have on the total number of recipients. Only 2.5% of otherwise HELP-eligible applicants failed to qualify due to the curriculum requirement. Of those who failed to meet the HELP Core Curriculum requirement, 43% did so because their counselor never reported their certification.

	2021-2022	2022-2023	2023-2024
<b>Recipients</b>	4,249	4,505	4,138
<b>Amount Received</b>	\$27,686,733	\$30,172,816	\$29,190,736
<b>Ineligible due to Core</b>	114 (2.6%)	113 (2.4%)	110 (2.6%)
<b>Amount not Received</b>	\$735,186	\$751,337	\$774,950
<b>Did Not Complete Core</b>	66 (57.9%)	64 (56.6%)	62 (56.4%)

## ITEMS FOR CONSIDERATION

<b>Core Not Reported</b>	48 (42.1%)	49 (43.4%)	48 (43.6%)
--------------------------	------------	------------	------------

2. Change the language in Section 1(7) to utilize the family size derived from the FAFSA.
- Currently, the HELP law defines financial need as having an adjusted gross income below a given threshold, but the income can be higher if the family has more children. The income is derived from the FAFSA, but the family size is defined by the number of children under 21, which is not the same definition for determining the family size that appears on the FAFSA. Therefore, SFA must ask each applicant to complete a Household Size Verification Worksheet as part of the application, and we must derive the family size from that form and our own calculations. SFA often discovers discrepancies between what is submitted on the FAFSA and what is submitted on the form. When discrepancies occur, the student is required to submit additional documentation to resolve the discrepancy. This causes delays in the awarding process and places an additional application burden on the student. SFA also experiences a heightened administrative burden. SFA proposes to change the language in Section 1(7) of the HELP code to require an income below \$42,500 for a family size of three as reported on the FAFSA and add \$5,000 for each additional family member.
  - SFA evaluated three previous aid years to determine the impact this change would make on the total number of recipients and the cost of the program. Some students would have lost eligibility, but others would have gained eligibility. The net impact would have been as follows:

	<b>2021-2022</b>	<b>2022-2023</b>	<b>2023-2024</b>
<b>Net Applicants Impacted</b>	69	7	81
<b>Budgetary Impact</b>	\$335,319	\$(18,755)	\$504,998

3. Remove outdated language in Section 1(4) and (6)(c).
- The ability to award the grant to an applicant who fails to meet the requirements by an amount of 10% or less has never been utilized and should be removed. There is no need for the language to establish a waiver of the curriculum requirement through the 1996-1997 academic year.

### Suggested Legislation:

AN ACT TO AMEND SECTION 37-106-75, MISSISSIPPI CODE OF 1972, TO REVISE THE AWARD CRITERIA OF THE HIGHER EDUCATION LEGISLATIVE PLAN GRANT PROGRAM; AND FOR RELATED PURPOSES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

SECTION 1. Section 37-106-75, Mississippi Code of 1972, is amended as follows:

## ITEMS FOR CONSIDERATION

37-106-75. Higher Education Legislative Plan Grant Program.

(1) The Legislature hereby establishes the Higher Education Legislative Plan Grant Program.

(2) For purposes of this section:

(a) "Institution of higher education" shall mean any state institution of higher learning or public community or junior college, or any regionally accredited, state-approved, nonprofit two-year or four-year college or university located in the State of Mississippi approved by the board.

(b) "Tuition" shall mean the semester or trimester or term charges and all required fees imposed by an institution of higher education as a condition of enrollment by all students. However, for a two-year nonpublic institution of higher education defined in paragraph (a), the tuition payments shall not exceed the average charges and fees required by all of the two-year public institutions of higher education defined in paragraph (a), and for a four-year nonpublic institution of higher education defined in paragraph (a), the tuition payments shall not exceed the average charges and fees required by all of the four-year public institutions of higher education defined in paragraph (a).

(3) Subject to the availability of funds, the state may pay the tuition of students who enroll at any state institution of higher education to pursue an academic undergraduate degree who apply for the assistance under the program and who meet all of the following qualifications:

(a) Resident of the State of Mississippi. Resident status for the purpose of receiving assistance under this chapter shall be determined in the same manner as resident status for tuition purposes in Sections 37-103-1 through 37-103-29, with the exception of Section 37-103-17;

(b) Graduate from high school within the two (2) years preceding the application with a minimum cumulative grade point average of 2.5 calculated on a 4.0 scale;

~~(c) Successfully complete, as certified by the high school counselor or other school official, high school course work which includes the College Preparatory Curriculum (CPC) approved by the Board of Trustees of State Institutions of Higher Learning and required for admission into a state university;~~

(d) Have a composite score on the American College Test of at least twenty (20) on the 1989 version or an equivalent concordant value on an enhanced version of such test;

## ITEMS FOR CONSIDERATION

- (e) Have no criminal record, except for misdemeanor traffic violations; and
- (f) Be in financial need.
- (4) ~~Subject to the availability of funds, t~~The state ~~may~~ shall ~~pay the tuition~~ of make awards to students who enroll at any state institution of higher education to pursue an academic undergraduate degree or associate degree who apply for assistance under the program and who meet the qualifications in ~~paragraphs (a), (e) and (f) of subsection (3) but who fail to meet one (1) of the particular requirements established by paragraph (b), (c) or (d) of subsection (3) by an amount of ten percent (10%) or less.~~
- (5) To maintain continued state payment of tuition, once enrolled in an institution of higher education, a student shall meet all of the following requirements:
  - (a) Make steady academic progress toward a degree, earning not less than the minimum number of hours of credit required for full-time standing in each academic period requiring such enrollment;
  - (b) Maintain continuous enrollment for not less than two (2) semesters or three (3) quarters in each successive academic year, unless granted an exception for cause by the board;
  - (c) Have a cumulative grade point average of at least 2.5 calculated on a 4.0 scale at the end of the first academic year and thereafter maintain such a cumulative grade point average as evaluated at the end of each academic year;
  - (d) Have no criminal record, except for misdemeanor traffic violations; and
  - (e) Be in financial need.
- (6) The provisions of this section shall be administered by the board. The board may promulgate rules for all matters necessary for the implementation of this section. By rule, the board shall provide for:
  - (a) A mechanism for informing all students of the availability of the assistance provided under this section early enough in their schooling that a salutary motivational effect is possible;
  - (b) Applications, forms, financial audit procedures, eligibility and other program audit procedures and other matters related to efficient operation;
  - ~~(c) A procedure for waiver through the 1996-1997 academic year of the program eligibility requirement for successful completion of a specified core curriculum upon proper documentation by the applicant that failure to comply~~



## ITEMS FOR CONSIDERATION

~~with the requirement is due solely to the fact that the required course or courses were not available to the applicant at the school attended.~~

(7) An applicant shall be found to be in financial need if:

(a) The family ~~has one (1) child under the age of twenty-one (21), and the size is three (3) or less and the~~ annual adjusted gross income of the family is less than or equal to Forty-two Thousand Five Hundred Dollars (\$42,500.00); or

(b) The family has an annual adjusted gross income of less than or equal to Forty-two Thousand Five Hundred Dollars (\$42,500.00) plus Five Thousand Dollars (\$5,000.00) for each additional family member ~~child under the age of twenty-one (21).~~ The annual adjusted gross income of the family and the family size/number in family shall be verified by completion of the Free Application for Federal Student Aid (FAFSA) and the completion of the verification process if the applicant is selected for it.

~~As used in this subsection, the term “family” for an unemancipated applicant means the applicant, the applicant’s parents and other children under age twenty-one (21) of the applicant’s parents. The term “family” for an emancipated applicant means the applicant, an applicant’s spouse, and any children under age twenty-one (21) of the applicant and spouse.~~

(8) No student shall receive a grant under this section in an amount greater than the tuition charged by the school. The student must apply be deemed eligible for a federal Pell grant prior to receiving state funds.

### Fiscal Note:

The combination of the proposed changes could result in an increase in the cost of the program of up to 1.4% of the total program cost. However, HELP recipients graduate at higher rates and in less time than similar students who do not receive HELP, so the changes will pay for themselves in increased educational attainment. The proposed changes will also result in a reduction of administrative overhead costs at the high school level and within SFA.

### Recommendation:

Board staff recommends approval.

## ITEMS FOR CONSIDERATION

### **B. Create Mississippi Workforce Promise Grant Program**

#### Summary:

Over the past three legislative sessions, numerous bills have been introduced to create “free college/Promise” type programs. During the 2025 session, several of these bills created programs available only to adults or to students in certain workforce programs. SFA has been working with legislators and Accelerate MS to propose a program that serves adults in high-demand workforce programs and which can be administered effectively and efficiently. SFA seeks approval from the Board to request legislation to create the Mississippi Workforce Promise Grant Program.

#### Suggested Legislation:

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

SECTION 1. (1) This act shall be known and cited as the "Mississippi Workforce Promise Grant Program."

SECTION 2. (1) The Legislature finds that establishing attainable workforce goals reflect Mississippi's commitment to creating a pipeline of skilled workers to address workforce shortages and build a sustainable economic future begins with investing in education programs that meet the needs of employers and communities. Mississippi's workforce development goals center around equipping its citizens with the skills necessary to meet the demands of high-growth, high-demand industries. These goals include the following:

- (a) Expanded career and technical education (CTE) opportunities;
- (b) Align education and training with emphasis on Mississippi's high value pathways and/or priority occupations, as identified by Accelerate MS, targeting industries with workforce shortages;
- (c) Address workforce shortages in rural areas;
- (d) Promote lifelong learning and upskilling;
- (e) Support economic resilience through public-private partnerships;
- (f) Increase access to funding and support services; and
- (g) Focus on data-driven workforce solutions.

(2) Therefore, the intent of the Legislature is:

- (a) To provide funding to the Mississippi Office of Student Financial Aid to establish a grant program for the purposes outlined herein.

## **ITEMS FOR CONSIDERATION**

(b) To provide tuition-free access to community colleges for enrollment in programs that are aligned with Mississippi's high value pathways and/or priority occupations, as identified by Accelerate MS, which result in a certificate or degree, ensuring a pipeline of skilled workers to meet the state's economic demands.

(c) To gauge the effectiveness of this program by gathering data related to participation and employment outcomes.

SECTION 3. (1) There is established the Mississippi Workforce Promise Grant Program, which shall be administered by the Mississippi Office of Student Financial Aid, for the purpose of providing grants to eligible recipients to cover the tuition and fees associated with attending a Mississippi public community college for the length of time required to earn a certificate or associate degree in an eligible program. This program shall be subject to the availability of funds appropriated by the Legislature.

(2) As used in this section, the following words and phrases shall have the meanings as defined herein unless the context clearly indicates otherwise:

(a) "Accelerate MS" means the Office of Workforce Development.

(b) "Office" means the Mississippi Office of Student Financial Aid.

(c) "Eligible institution" means any Mississippi public community college.

(d) "Eligible program" means a program of study offered at an eligible institution and approved by the Office of Workforce Development (Accelerate MS), which is aligned with high value pathways and/or priority occupations.

(e) "Eligible recipient" means a person who:

(i) Has been a resident of Mississippi for at least one (1) year prior to application for participation in the Mississippi Workforce Promise Grant Program and continues to physically reside herein;

(ii) Is a United States citizen, lawful permanent resident, or noncitizen eligible under Title IV regulations for student aid eligibility;

(iii) Has a high school diploma, GED or equivalent;

(iv) Is enrolled at least half-time in an eligible program at a Mississippi community college;

## **ITEMS FOR CONSIDERATION**

(v) Has completed a Free Application for Federal Student Aid (FAFSA) and qualifies as an independent student on the basis of age (at least 24);

(vi) Has completed the Mississippi Aid Application and submitted all required supporting documents by the deadline established in rules promulgated by the Mississippi Postsecondary Education Financial Assistance Board; and

(vii) Maintains satisfactory academic progress as defined by the administering institution.

(3) The Mississippi Office of Student Financial Aid shall:

(a) Serve as the fiscal agent in administering the program;

(b) With the Mississippi Postsecondary Education Financial Assistance Board, promulgate rules and regulations for administering the program;

(c) Establish an annual application and application process;

(d) Receive and review applications;

(e) Inform each eligible recipient of the amount of his or her award, which shall equal the student's outstanding tuition and fees after other gift aid, plus a book/material stipend of \$500/year;

(f) Disburse funds to eligible institutions on behalf of eligible recipients upon verification of enrollment in an eligible program; and

(g) Use no more than five percent (5%) of the funds allocated for this section for the administration of the program.

(h) Include the program in its annual report to the Legislature. The report shall contain a detailed explanation of how the funds appropriated for the program were awarded, how many students have participated in the program, and their education and employment outcomes where available.

(4) Eligible institutions shall:

(a) Provide the following support services to grant recipients:

(i) Assign an advisor or success coach to contact each grant recipient a minimum of three times per term to assist with enrollment, financial aid, career planning, or other topics as needed to support program continuation and completion;

## **ITEMS FOR CONSIDERATION**

- (ii) Enroll each recipient in MS Works;
- (iii) Provide career integration by creating program maps aligning eligible programs with careers and connect grant recipients to paid practicums or apprenticeships where possible;
- (iv) Identify alternative funding sources, such as Workforce Innovation and Opportunity Act (WIOA) or Temporary Assistance for Needy Families (TANF) funds, to provide up to \$250 per term per grant recipient in emergency aid, childcare stipends, or transportation assistance (bus vouchers or gas cards);
- (v) When possible, offer flexible program delivery (allow evening, weekend, and online program participation);
- (vi) Utilize data and early alert systems to support recipients.

(b) Report to the Office each term:

- (i) All elements of the student's Cost of Attendance
- (ii) Federal gift aid received
- (iii) Institutional gift aid received
- (iv) Other gift aid received
- (v) Loans received
- (vi) Work Study received
- (vii) Degree/credential earned
- (viii) Program CIP code

(5) Accelerate MS shall annually provide a list of eligible programs based on priority sectors and occupations to the Office, which shall use the list to determine the eligibility of applicants.

SECTION 4. The timeline for program implementation will be as follows:

- (1) Year One – Implement limited pilot Spring 2027
- (2) Year Two – Administer full pilot AY 2027-2028
- (3) Year Three – Scale to full implementation by AY 2028-29

## **ITEMS FOR CONSIDERATION**

SECTION 5. This act shall take effect and be in force from and after July 1, 2026.

Recommendation:

Board staff recommends approval.

**C. Repeal Unfunded and Inactive Forgivable Loan Programs**

Purpose:

SFA requests approval from the Board to seek legislation to amend the section of code that authorizes the operation of forgivable loans and to repeal the following active forgivable loan programs: State Medical Education Forgivable Loan, State Dental Education Forgivable Loan, Graduate and Professional Forgivable Loan, Health Care Professions Forgivable Loan, Family Protection Specialist Social Worker Forgivable Loan, Critical Needs Dyslexia Therapy Forgivable Loan, and Speech-Language Pathologist Forgivable Loan,

Reason for Request:

SFA has worked diligently for years to move away from the administration and servicing of loans. Forgivable loans are costly to administer, ineffective in driving students into specific majors or sectors of the workforce and often carry high borrower default rates. Default is costly to both the state and the borrower. Loans with the State of Mississippi cannot be discharged for any reason other than death or permanent and total disability, so forgivable loans dating as far back as the late 1970s remain open and collectible on the books. SFA supports the administration of grants, scholarships, or loan repayment programs instead of loans.

Suggested Legislation:

1. Section § 37-106-47 authorizes the Board to create and operate new forgivable loan programs similar to existing programs. The full section does not need to be repealed, because the section also authorizes the Board to administer existing programs and promulgate rules, which the Board should retain as long as any similar programs exist.

§ 37-106-47. Authorization to operate forgivable loan programs.

~~(1)(a) The board is authorized and empowered to operate the following forgivable loan programs of like character, operation and purpose to the foregoing enumerated programs to encourage the participation of eligible worthy persons in courses of instruction in its institutions: Graduate Teacher Forgivable Loan, Counselor and School Administrator Forgivable Loan, Southern Regional Education Board Doctoral Scholars Forgivable Loan, and Veterinary Medicine Minority Forgivable Loan.~~

## ITEMS FOR CONSIDERATION

~~(b) In addition to the authority granted to the board in paragraph (a) of this subsection, t~~The board is authorized and empowered to promulgate rules and regulations for the Southern Regional Education Board Contract ~~Forgivable Loan~~ Program, created through the regional education compact, as set forth in Section 37-135-1.

(2) In furtherance of such power and authority, the board is authorized to adopt and implement rules and regulations declaring and describing the goals and objectives of such forgivable loan programs; to establish the eligibility requirements for entry into such program and required for continuing participation for succeeding years; to determine the maximum amount to be made available to recipients; to delineate the terms and conditions of contracts with recipients and establish the service requirements for such contracts, if any; to enter into contracts pertaining to such programs with recipients; to enter into loan agreements and other contracts with financial institutions or other providers of loan monies for forgivable loan and loan repayment participants; and to allocate and utilize such funds as may be necessary for the operation of such forgivable loan programs from the annual appropriation for student financial aid. ~~In issuing rules and regulations governing the administration of the Graduate Teacher Summer Scholarship (GTSS) program, the board shall provide that certified teachers at the Oakley Youth Development Center under the jurisdiction of the Department of Human Services shall be fully eligible to participate in the program.~~

2. Repeal Section § 37-106-61. State medical forgivable loan program.

The annual SFA appropriation bill already includes language that prohibits the issuance of new loans through this program.

3. Repeal Section § 37-106-63. State dental forgivable loan program.

The annual SFA appropriation bill already includes language that prohibits the issuance of new loans through this program.

4. Repeal Section § 37-106-65. Out-of-state graduate and professional school forgivable loan program.

The annual SFA appropriation bill already includes language that prohibits the issuance of new loans through this program.

5. Repeal Section § 37-106-67. Health care professions' forgivable loan program.

The annual SFA appropriation bill already includes language that prohibits the issuance of new loans through this program.

## **ITEMS FOR CONSIDERATION**

6. Repeal Section § 37-106-69. Family protection specialist social worker forgivable loan program.

The annual SFA appropriation bill already includes language that prohibits the issuance of new loans through this program.

7. Repeal Section § 37-106-71. Mississippi Dyslexia Education Forgivable Loan Program.

This program was created in 2014, but funding has not been adequate on an annual basis to make awards.

8. Repeal Section § 37-106-73. Speech-Language Pathologists Forgivable Loan Program.

The annual SFA appropriation bill already includes language that caps funding at \$70,000 per year.

### Fiscal Note:

The proposed changes would carry no cost but would ultimately result in savings from the administration and servicing of loans.

### Recommendation:

Board staff recommends approval.

## **4. Update on Ongoing Projects**

### Summary:

Dr. Rogers will update the Board on the following ongoing projects:

- [www.msfinancialaid.org](http://www.msfinancialaid.org) Website Redesign
- SLDS Data Submission and Collection
- Partnership to Create HELP Data Dashboard and Improve Outreach

### Request:

This agenda item is for information only. No action is requested by the Board.

## **5. Announcements**