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Mississippi Postsecondary Education Financial Assistance Board

3825 Ridgewood Road
Jackson, MS 39211

March 21, 2016
10:30 a.m.

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BE IT REMEMBERED, that the Mississippi Postsecondary Education Financial Assistance Board held its regular quarterly meeting on Monday, March 21, 2016 at 10:30 a.m. Members of the media and public were invited to attend the meeting in Room 432 of the Education and Research Center, 3825 Ridgewood Road, Jackson, Mississippi, 39211.

The following Board members were in attendance:

- Lee Bush, MCCB appointee
- Al Rankins, IHL Institutional appointee
- Cynthia Melvin, MAICU appointee
- Sharon Ross, Governor's appointee
- Jim Turcotte, Governor's appointee

The following members participated via teleconference:

- C.D. Smith, IHL Board appointee
- Ben Burnett, MAICU appointee

The following members were unable to participate:

- Mack Grubbs, Lt. Governor's appointee
- Bob Walker, MCCB Institutional appointee

Also in attendance were:

- Glenn Boyce, Commissioner of Higher Education
- Stephanie Ganuchau, Special Assistant Attorney General, Office of the Attorney General Universities and Colleges Division
- Meg Harris, Assistant Director of Student Financial Aid
- Corey Hicks, Loan Repayment Specialist, IHL Office of Student Financial Aid
- Shirley Mitchell, Administrative Assistant, IHL Office of Student Financial Aid
- Nicole Patrick, MASFAA Representative
- Jennifer Rogers, Director of Student Financial Aid and Postsecondary Director
- Megan Smith, MASFAA Representative
- Apryll Washington, Program Administrator, IHL Office of Student Financial Aid

The meeting was called to order by Dr. Jim Turcotte, Chairman.

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On motion by Mr. Smith, seconded by Dr. Melvin, all Board Members legally present and participating voted unanimously to approve the Minutes of the regular meeting held on December 7, 2015.

INTRODUCTIONS

No guests were introduced.

REGULAR AGENDA ITEMS

The Board did not consider any Regular Agenda items.

INFORMATION AGENDA ITEMS

The Board received an update from Jennifer Rogers on the 2016 Legislative Session and the FY 2017 Appropriation Request.

There was lengthy discussion about the Office's plan to request Legislative guidance through the appropriation bill. Ms. Rogers will work with the attorneys to review the language in the appropriation bill and the language in statute to determine what authority the Board has over funding decisions. Per request by Dr. Rankins, the Office will provide a breakdown of loans by institution to determine the potential impact to each institution of limiting loans. Per request by Dr. Turcotte, the Office will provide a breakdown of grants by institution to determine the potential impact to each institution of proration.

1. Update on 2016 Legislative Session and FY 2017 Appropriation Request

a. General Legislation

Pending Action by the Senate Universities and Colleges Committee:

HB 934 Southern Regional Education Board Regional Contract Forgivable Loan Program; authorize MS Postsecondary Education Financial Assistance Board to administer.

b. Appropriations

Deficit Appropriation for FY 2016:

SB 2924 Appropriation; additional for various state agencies for fiscal year 2016

- Appropriates an additional \$4 million to SFA

FY 2017 Appropriation:

SB 2868 Appropriation; IHL – Student Financial Aid

- The Student Financial Aid appropriation bill originates in the Senate. The Senate appropriated \$38,755,077 in general funds and \$3,590,268.00 in spending authority from special funds. The House will strike all and pass its own figures. The differences will be addressed in conference.
- The proposed appropriation is level with FY16, but \$13.3 million below the amount requested to fully fund authorized programs.
- The anticipated impact of level funding is as follows:

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- 1) Prorate MTAG, MESH, and HELP by 18.6% or \$7.88 million
- 2) Award only renewal loan repayment and forgivable loans, which would eliminate 1,100 new awards valued at \$5.45 million.
 - Teacher Loan Repayment: 85 awards/\$0.23 million
 - Undergraduate Teaching: 425 awards/\$2.53 million
 - Undergraduate Healthcare: 340 awards/1.11 million
 - Graduate Teaching: 100 awards/\$0.29 million
 - Graduate Healthcare: 150 awards/\$1.29 million
- Additional guidance to be requested for FY 2017 appropriation bill:
 - Section 1, General Funds: Clarify the intent to award only renewal forgivable loans in the event that funding is insufficient.
 - Section 4, Out-of-State Study in Optometry and Chiropractic Medicine: Restrict funding to the number of returning optometry and chiropractic students only.
 - Section 10, Speech-Language Pathologist: Restrict funds to the amount needed (not a specific amount) for returning students only.
 - Section 11, Teacher Education Scholars: Restrict funds to the amount needed (not a specific amount) for returning students only.

FY 2017 Budget Request

Programs	Amount (In Millions)
Grants	\$ 42.53
Loan Repayment Program	\$ 0.61
Undergraduate Forgivable Loans in Education	\$ 4.02
Undergraduate Forgivable Loans in Healthcare	\$ 1.53
Graduate Forgivable Loans in Education	\$ 0.52
Graduate Forgivable Loans in Healthcare	\$ 3.10
Subtotal	\$ 52.31
Administration	\$ 1.28
Total Dollars Needed	\$ 53.59
Spending Authority Needed	\$ 0.72
GRAND TOTAL	\$ 54.30

FY 2017 Appropriation

Source	Amount Requested	Senate	Difference
General Funds	\$ 52.09	\$ 38.76	-\$ 13.33
Spending Authority - Collections	\$ 1.50	\$ 1.50	\$ 0.00
Spending Authority from Special Source	\$ 0.71	\$ 0.71	\$ 0.00
Additional Spending Authority		\$ 1.39	\$ 1.39
TOTAL	\$ 54.30	\$ 42.36	-\$ 11.94
Additional Spending Authority - Unavailable		\$ 1.39	-\$ 1.39
TOTAL AVAILABLE	\$ 54.30	\$ 40.97	-\$ 13.33

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The Board received a report from the Strategic Planning Committee.

Ms. Rogers will soon convene another meeting of the Strategic Planning Committee to start reviewing specific ideas for redesigning state aid. Select ideas will be vetted with the Education Achievement Council, MASFAA, MCCB and IHL. Ideas with broad-based support will be incorporated into the Student Financial Aid Budget Request for FY 2018 and will become recommendations for the Legislature for consideration during the 2017 Legislative Session.

2. Strategic Planning Committee Report

The Strategic Planning Committee of the Postsecondary Board met via teleconference on March 2, 2016. The committee reviewed the ECS Discussion Document and had no immediate concerns about the ECS recommendations. The committee discussed the responsibilities of the IHL and Postsecondary Boards as well as the relationship between the two. The committee agreed that the Board should schedule a meeting with legislative leaders. The Board was invited to meet with legislators on March 16 to explain the new role of the Postsecondary Board, introduce Board members, and discuss the Board's plan to examine the existing state aid programs with the goal of making recommendations for change by fall 2016.

Exhibit 1 – Postsecondary Board information piece
(Submitted under separate cover)

The Board received an update from Jennifer Rogers on Old Business.

3. Update on Old Business

- a. Approval of Updates to APA Parts 605 and 617:** Updates to APA Part 605 approved by the Board during the September 21, 2015 meeting and updates to APA Parts 605 and 617 approved by the Board during the December 7, 2015 meeting were filed with the Secretary of State's Office on February 2, 2016 according to the APA process. No comments are received, and the final rules were adopted on March 14, 2016, approximately 30 days following the initial filing.

- b. Update on Redesigning State Financial Aid Project:**

- 1) As part of its commitment to provide Technical Assistance to the state of Mississippi, Education Commission of the States (ECS) has released a discussion document which considers the Mississippi Eminent Scholars Grant (MESG), the Higher Education Legislative Plan Grant (HELP) and the Mississippi Resident Tuition Assistance Grant (MTAG) in light of the four ECS redesign principles for state-funded financial aid programs. The document is intended to initiate discussions within and among the Education Achievement Council, Institutions of Higher Learning, Mississippi Community College Board, and the Postsecondary Board. ECS will present the findings during the April 28 meeting of the EAC. The document has also been shared with legislators. Where appropriate, the work may also be shared with a broader group of stakeholders within the state.

Exhibit 2 – "Redesigning State Financial Aid: Opportunities for the State of Mississippi", Education Commission of the States
(Submitted under separate cover)

- 2) Dr. Jim Fridley, professor at the University of Washington, is in the process of developing a web-based Mississippi Affordability Model that reflects the various higher education financing components by income level. The model shows the interconnectivity between federal, state, and institutional financial aid policies as well as state higher education funding and tuition decisions. As policymakers explore changes to state higher

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education funding and financial aid policies, the model demonstrates the impact on students and families. Ultimately, the model will show affordability from the perspective of a family's ability to cover the cost of attendance. Data has been provided by the state financial aid office, and the university system. Data is being collected from the community college system. An MOU is being drafted to govern the sharing of data among IHL, MCCB, the Postsecondary Board and Dr. Fridley. Dr. Fridley hopes to have the first test model available within the next month.

- c. **Presentation of 2015 Annual Report:** The final 2015 Annual Report of the State Supported Student Financial Aid Programs was posted online, per state law, on January 19, 2016. A link to the final report was emailed to all state legislators and elected officials on January 27, 2016, after the House and Senate rosters were posted online.

Exhibit 3 – 2015 Annual Report of the State Supported Student Financial Aid Programs
(Submitted under separate cover)

ADDITIONAL AGENDA ITEMS IF NECESSARY

The Board did not consider any additional agenda items.

OTHER BUSINESS/ANNOUNCEMENTS

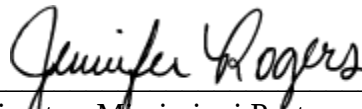
The Board did not consider any other business.

EXECUTIVE SESSION IF DETERMINED NECESSARY

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

ADJOURNMENT

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



Director, Mississippi Postsecondary Education Financial
Assistance Board