

MISSISSIPPI POST-SECONDARY EDUCATION FINANCIAL ASSISTANCE BOARD



June 1, 2016
10:00 a.m.

MINUTES

BE IT REMEMBERED, that the Mississippi Postsecondary Education Financial Assistance Board held its regular quarterly meeting on Wednesday, June 1, 2016 at 10:00 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
- Mack Grubbs, Lt. Governor's appointee
- Cynthia Melvin, MAICU appointee
- Al Rankins, IHL Institutional appointee
- C.D. Smith, IHL Board appointee
- Jim Turcotte, Governor's appointee

The following members participated via teleconference:

- Bob Walker, MCCB Institutional appointee

The following members were unable to participate:

- Ben Burnett, MAICU appointee
- Sharon Ross, Governor's appointee

Also in attendance were:

- Erika Berry, Policy Advisor, Office of the Lieutenant Governor
- Caron Blanton, Director of Communications, IHL
- Carrie Cooper, Financial Aid Director, University of Mississippi Medical Center
- Kim Gallaspy, Director of Legislative Affairs, IHL
- Stephanie Ganuchau, Special Assistant Attorney General, Office of the Attorney General Universities and Colleges Division
- Senator Josh Harkins, Chairman, Senate Universities and Colleges Committee
- Meg Harris, Assistant Director of Student Financial Aid
- Renotta Jones, Program Administrator, IHL Office of Student Financial Aid
- Representative Nolan Mettetal, Chairman, House Universities and Colleges Committee
- Mark Rigsby, Producer, Mississippi Public Broadcasting
- Jennifer Rogers, Director of Student Financial Aid and Postsecondary Director
- Apryll Washington, Program Administrator, IHL Office of Student Financial Aid

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

MINUTES

On motion by Dr. Rankins, seconded by Mr. Bush, all Board Members legally present and participating voted unanimously to approve the Minutes of the regular meeting held on March 21, 2016.

INTRODUCTIONS

No guests were introduced.

REGULAR AGENDA ITEMS

On motion by Mr. Grubbs, seconded by Dr. Rankins, all Board Members legally present and participating voted unanimously to approve Regular Agenda Item #1: Approval of FY 2017 Award Budget.

1. Approval of FY 2017 Award Budget

The Mississippi Office of Student Financial Aid requests approval of a scaled award budget for the 2016-17 academic year, due to insufficient funds for Fiscal Year 2017 to award all students on all programs.

The 2016 Mississippi Legislature passed SB 2868, Appropriation; IHL – Student Financial Aid, which is as follows:

FY 2017 Appropriation			
Source	Amount Requested (MBR)	SB 2868	Difference
General Funds	\$ 52,088,172	\$ 38,752,077	-\$ 13,336,095
Spending Authority - Collections	\$ 1,500,000	\$ 1,500,000	\$ 0.00
Spending Authority from Special Source	\$ 715,000	\$ 847,200	\$ 132,200
Additional Spending Authority		\$ 1,243,068	\$ 1,243,068
TOTAL	\$ 54,303,172	\$ 42,342,345	-\$ 11,960,827
<i>Additional Spending Authority - Unavailable</i>		\$ 1,243,068	-\$ 1,243,068
TOTAL AVAILABLE	\$ 54,303,172	\$ 41,099,277	-\$ 13,203,895

The FY 2017 appropriation is \$13.2 million or 24.3% below the amount requested in the Mississippi Budget Request (MBR), which was developed by the Office in June 2015. **-24%**

Exhibit 1 – Page 13: FY 2017 Projections

Exhibit 1 is the proposed award budget.

- The blue column shows the original budget created for the MBR.
- The red column shows projections revised during the Legislative session. As actual applicant counts became available during the spring of 2016, the Office reduced the projected need by \$2,802,750, to \$51,500,422.
- The green column shows the proposed award budget.

Exhibit 2 – Page 14: Measures to Reduce Shortfall

Exhibit 2 shows the recommended measures needed to balance the budget. The exhibit includes the measure, the number of students impacted, the projected reduction, and the remaining shortfall. According to guidance from the Office of the Attorney General, per *Miss. Code Ann.* § 37-106-14 (2), all undergraduate grants must be fully funded before any loans, even renewal loans.

- a. As required by SB 2868, freeze the income threshold at \$39,500 for HELP eligibility. The measure will require a change to the Rules.
- b. Clarify that all HELP recipients must demonstrate completion of the HELP Core Curriculum in high school. The measure will require a change to the Rules.
- c. Reduce HELP eligibility from 10 terms to 8 terms. The measure will require a change to the Rules.
- d. Per *Miss. Code Ann.* §37-106-79 (6), which requires specific appropriation by the Legislature, suspend all payments on the Mississippi Teacher Loan Repayment Program (MTLR).
- e. Limit loans to renewal undergraduate students only.
- f. Limit loans to renewal graduate students only.
- g. Make no awards on the following programs: Counselor and School Administrator (CSA), Graduate Teacher (GTS), and Veterinary Medicine for Minorities (VMMP). Per *Miss. Code Ann.* § 37-106-47, the Board is authorized and empowered to operate the programs, but funding is not specified or required.
- h. Make no Nursing Teacher Stipend awards. Per *Miss. Code Ann.* § 37-106-59, the law indicates that awards “shall” be made to undergraduate and graduate nursing students, but the additional stipends “may” be offered at the discretion of the Board.
- i. Make no Health Care Professions awards. *Miss. Code Ann.* § 37-106-67 establishes the program and specifies recipients, but does not require funding.
- j. Redefine full-time as 15 credit hours per term. The measure will require a change to the General Administration Rules and many program rules.
- k. Reduce by half the award amounts for the State Medical Education Loan (MED), State Dental Education Loan (DENT) and Out-of-State Graduate and Professional Degree Loan (STSC). Per *Miss. Code Ann.* § 37-106-61, § 37-106-63, and § 37-106-65, the Board may determine the maximum annual award amounts.

Exhibit 3 – Page 15: Award Budget Comparisons

Exhibit 3 shows a comparison of the proposed award budget for 2016-17 and the actual awards made during 2015-16.

Recommendation:

The proposed award budget has been reviewed by the Office of the Attorney General. Board approval is recommended.

On motion by Dr. Rankins, seconded by Mr. Smith, all Board Members legally present and participating voted unanimously to approve Regular Agenda Items #2-5.

2. Approval of Updates to APA Part 615 – Higher Education Legislative Plan for Needy Students (HELP) Rules and Regulations Regarding Completion of the Core Curriculum, the Income Threshold, the Definition of Full-Time Enrollment, and the Maximum Terms of Eligibility.

The Mississippi Office of Student Financial Aid requests approval of updates to APA Part 615 – Higher Education Legislative Plan for Needy Students (HELP) Rules and Regulations. State law requires the Board to promulgate Rules and Regulations for administering the state-supported Student Financial Aid programs.

Exhibit 4 – Page 16: APA Part 615 – Higher Education Legislative Plan for Needy Students (HELP) Rules and Regulations

The specific requested revisions are as follows:

- a. Section I.F.2. – Page 16: Remove reference to “first-time-in-college.”
- b. Section I.G.1. – Page 17: Freeze the income threshold.
- c. Section II.A.2.e) and II.A.2.f) – Pages 18-19: Clarify that all students must complete the HELP core curriculum whether they first receive HELP as a freshman or sophomore.
- d. Section II.A.5. – Page 19: Change definition of full-time enrollment.
- e. Section III.B. – Page 20: Reduce maximum award length.

The Board previously approved APA Part 615 in March 2015.

Recommendation:

The recommended changes have been reviewed by the Office of the Attorney General. Board approval is recommended, contingent upon completion of the Administrative Procedures Act process.

3. Approval of Updates to APA Part 605 – General Administration Rules and Regulations Regarding Dependency Documentation and the Definition of Full-Time Enrollment.

The Mississippi Office of Student Financial Aid requests approval of updates to APA Part 605 – General Administration Rules and Regulations to add language related to the submission of dependency documents and to change the definition of full-time enrollment for undergraduate students from 12 credit hours per term to 15 credit hours per term. State law requires the Board to promulgate Rules and Regulations for administering the state-supported Student Financial Aid programs.

Exhibit 5 – Page 22: APA Part 605 – General Administration Rules and Regulations

The specific requested revisions are as follows:

- a. Section I.C.2. – Page 24: Add section on Dependency Documentation.
- b. Section II.D.2.b.(10) – Page 34: Update definition of “homeless”.
- c. Section II.D.3.a.(1)(a) – Page 34: Change the definition of full time.

The Board previously approved APA Part 605 in December 2015.

Recommendation:

The recommended changes have been reviewed by the Office of the Attorney General. Board approval is recommended, contingent upon completion of the Administrative Procedures Act process.

4. Approval of Updates to APA Part 613 – Mississippi Eminent Scholars Grant (MESG) Rules and Regulations Regarding Cost of Attendance and Definition of Full-Time Enrollment.

The Mississippi Office of Student Financial Aid requests approval of updates to APA Part 613 – Mississippi Eminent Scholars Grant (MESG) Rules and Regulations to clarify that awards cannot exceed Cost of Attendance and to change the definition of full-time enrollment for undergraduate students from 12 credit hours per term to 15 credit hours per term. State law requires the Board to promulgate Rules and Regulations for administering the state-supported Student Financial Aid programs.

Exhibit 6 – Page 45: APA Part 613 – Mississippi Eminent Scholars Grant (MESG) Rules and Regulations

The Board previously approved APA Part 613 in March 2015.

Recommendation:

The recommended changes have been reviewed by the Office of the Attorney General. Board approval is recommended, contingent upon completion of the Administrative Procedures Act process.

5. Approval of Updates to All Undergraduate Program Rules and Regulations with References to Full-Time Enrollment

The Mississippi Office of Student Financial Aid requests approval of updates to all undergraduate program rules and regulations that include references to full-time enrollment. State law requires the Board to promulgate Rules and Regulations for administering the state-supported Student Financial Aid programs.

The only substantive change included in all rules is to change the definition of full-time enrollment for undergraduate students from 12 credit hours per term to 15 credit hours per term.

The requested change would apply to the following program Rules and Regulations in the following exhibits:

Exhibit 7 – Page 50: APA Part 611 – Mississippi Resident Tuition Assistance Grant (MTAG) Rules and Regulations

Exhibit 8 – Page 55: APA Part 617 – Mississippi Law Enforcement Officers and Firemen (LAW) Rules and Regulations

Exhibit 9 – Page 60: APA Part 635 – Teacher Education Scholars Forgivable Loan (TES) Rules and Regulations

Exhibit 10 – Page 70: APA Part 637 – William Winter Alternate Route Teacher Forgivable Loan (WWAR) Rules and Regulations

Exhibit 11 – Page 80: APA Part 639 – William Winter Teacher Forgivable Loan (WWTS) Rules and Regulations

Exhibit 12 – Page 90: APA Part 651 – Health Care Professions Forgivable Loan (HCP) Rules and Regulations

Recommendation:

The recommended changes have been reviewed by the Office of the Attorney General. Board approval is recommended, contingent upon completion of the Administrative Procedures Act process.

Dr. Rankins nominated Mr. Smith as chairman. Mr. Bush motioned to close nominations and Dr. Rankins seconded the motion. All Board members voted to close the nominations. Mr. Smith accepted the nomination and Mr. Bush motioned for the Board to accept the nomination and vote. Mr. Grubbs seconded the motion. All Board members legally present and participating voted unanimously in favor of electing Mr. C.D. Smith as chairman.

6. Selection of Chairperson for 2016-17

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 June 2015. The Board should elect a new chairperson to serve for fiscal/aid year beginning July 1, 2016 and ending June 30, 2017.

INFORMATION AGENDA ITEMS

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

7. Updates on Old Business

- a. Presentation of Requested Data:** Per request by Dr. Rankins, the Office has created a breakdown of loans by institution to determine the potential impact to each institution of limiting and/eliminating loans. Per request by Dr. Turcotte, the Office has created a breakdown of grants by institution to determine the potential impact to each institution of proration.

Exhibit 13 – Page 100: Distribution of Grants and Loans by Institution

- b. Board Appointments:** Dr. Ben Burnett has been reappointed by the Mississippi Association of Independent Colleges and Universities to serve a full four-year term beginning July 1, 2016 and ending June 30, 2020 as the association's representative. Mr. Jim Gibson has been appointed by the Mississippi Community College Board to serve a four-year term beginning July 1, 2016 and ending June 30, 2020 as the MCCB institutional appointee.

ADDITIONAL AGENDA ITEMS IF NECESSARY

The Board did not consider any additional agenda items.

OTHER BUSINESS/ANNOUNCEMENTS

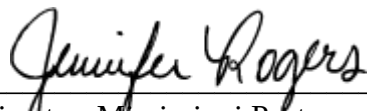
The Board did not consider any other business.

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.

A handwritten signature in black ink that reads "Jennifer Rogers". The signature is written in a cursive style with a large, looped "J" and "R".

Director, Mississippi Postsecondary Education Financial Assistance
Board