

Postsecondary Board Meeting

September 23, 2026





Strategic Planning Discussion

SFA Funding Sources – General Funds

- Administration
- All authorized programs, unless otherwise specified
 - MTAG
 - MESG
 - HELP
 - Other Programs – LAW, Forgivable Loans: CNDT, SLPL, SREB
- Miss. Code Ann. Section 37-106-14(2):
 - *Subject to the availability of funds, it is the intent of the Legislature to first fund grant awards to eligible students. If funds are insufficient to fully fund grant awards to eligible students, grant awards shall be prorated among all eligible students. No student shall receive any combination of student financial aid in excess of the cost of attendance. After grant awards are made, it is the intent of the Legislature to fund forgivable loan awards to eligible renewal students and then to eligible new students on a first-come, first-served basis.*

SFA Funding Sources – EEF

- Earmarked
 - FAITH
 - WRTR
- FAITH authorizing legislation (Miss. Code Ann. 37-106-81)
 - (6)(a) Initial recipients shall be selected from all eligible students based on rules promulgated by the board. In the second and subsequent years of the program, priority consideration shall first be given to renewal applicants.*
 - (b) The board shall develop rules for ensuring that expenses of the scholarship program in a fiscal year do not exceed funding for the program in that fiscal year. For that purpose, and any other provision of this section to the contrary notwithstanding, the board may limit the acceptance of scholarship applications and may limit the award of scholarships.*

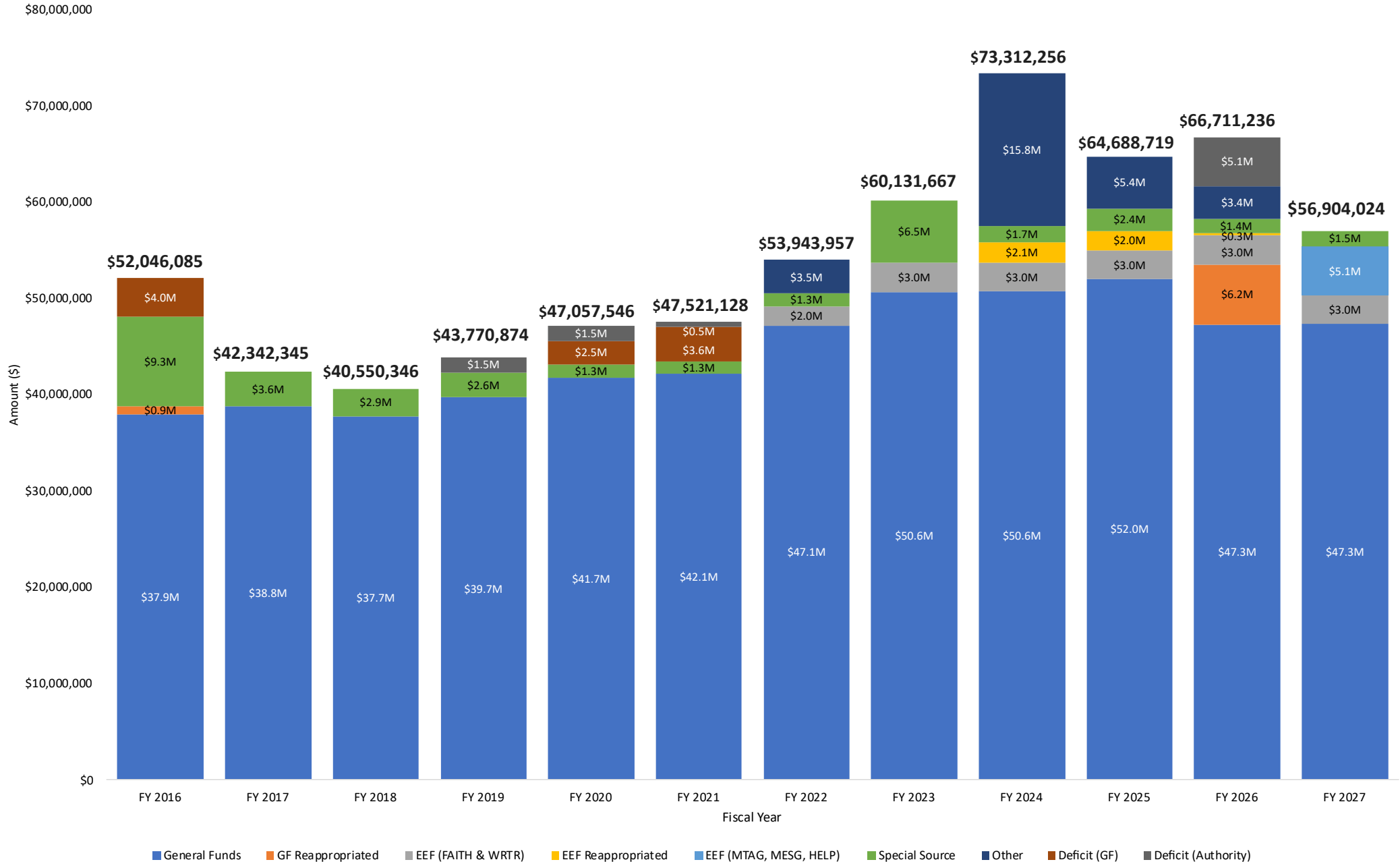
SFA Funding Sources – Other Special Funds

- Collections – Any program or administration
- Federal/State Grants - NULR
- Other Sources – Nissan, LAW

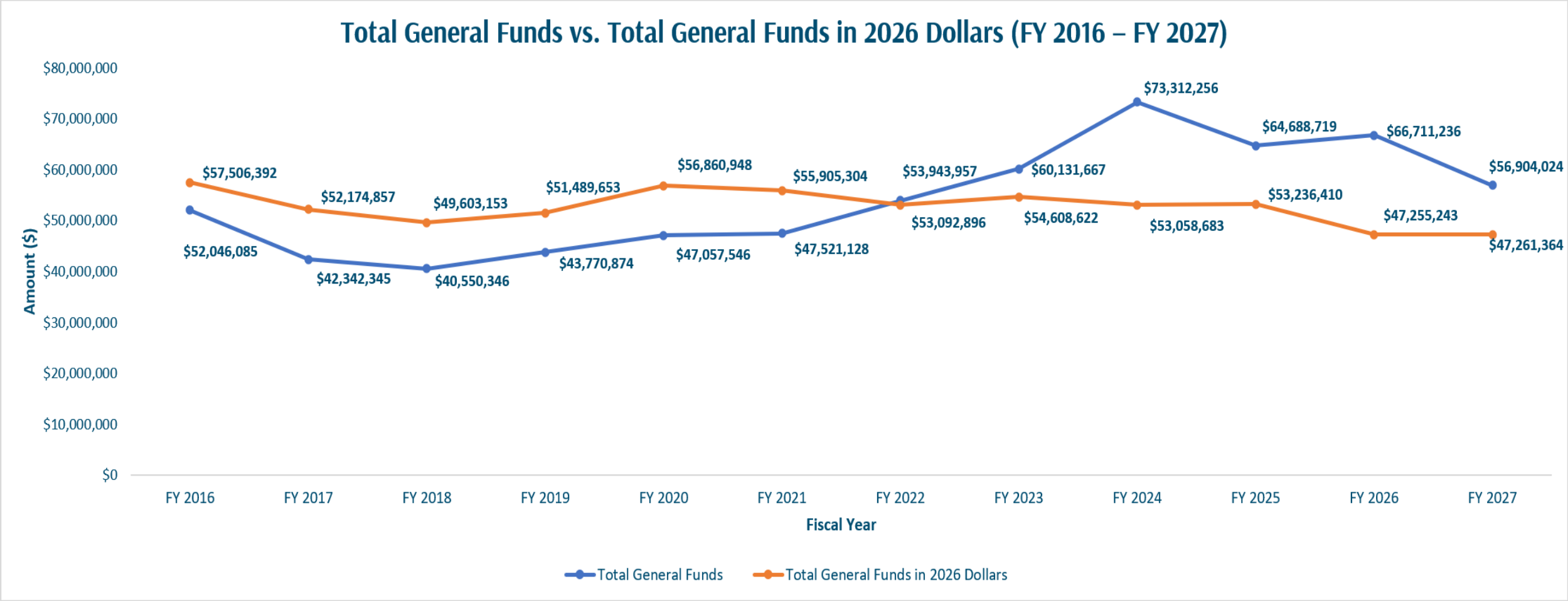
History of Appropriations & Awards

- History of Appropriations – 2016-2026
- History of Appropriations (Actual vs. 2026 Dollars)
- History of Awards – 2016-2026
 - HELP
 - MTAG
 - MESG
 - FAITH

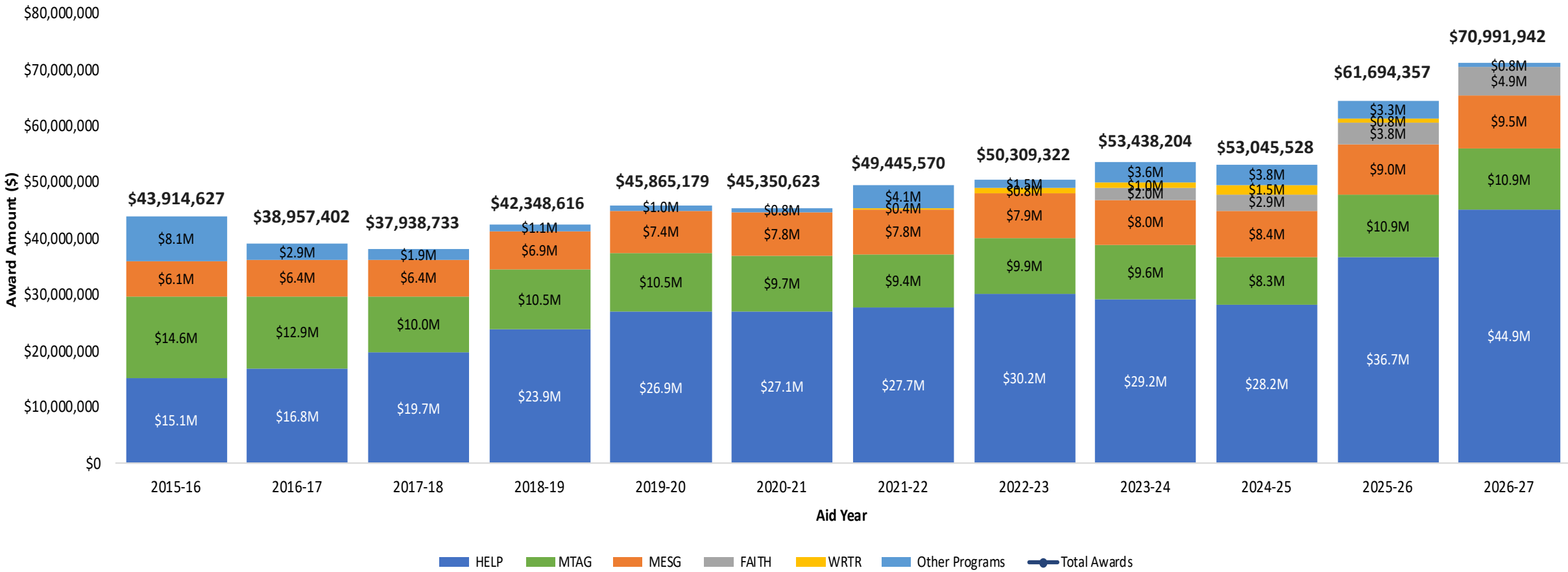
State Appropriation Components by Fiscal Year



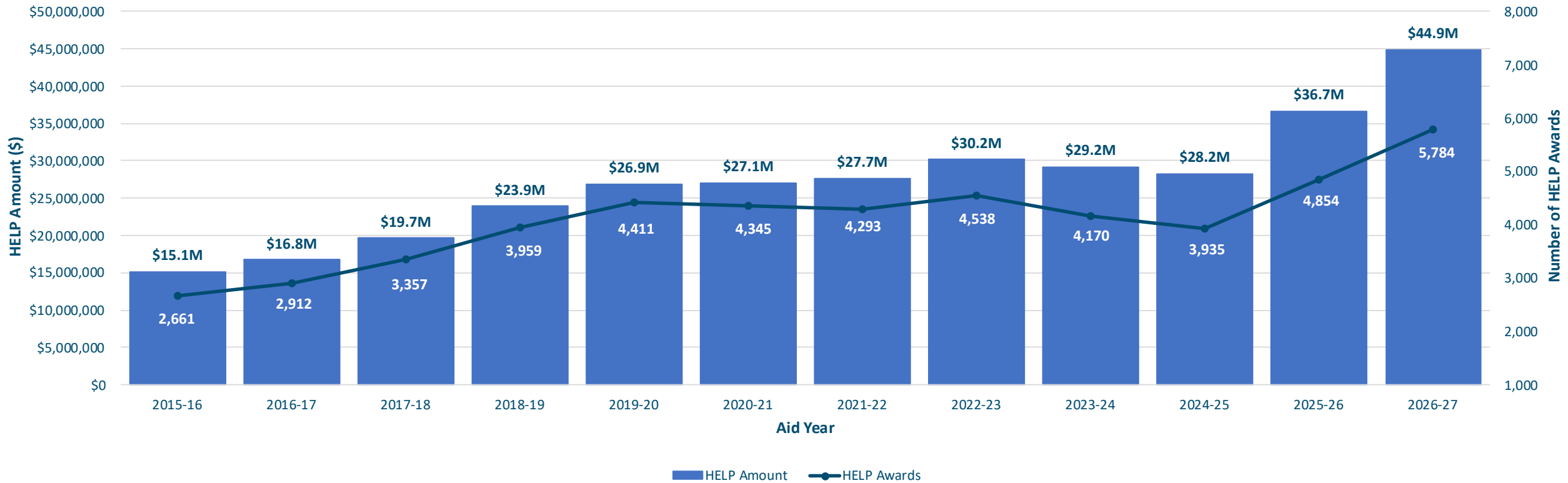
Total General Funds vs. Total General Funds in 2026 Dollars (FY 2016 – FY 2027)



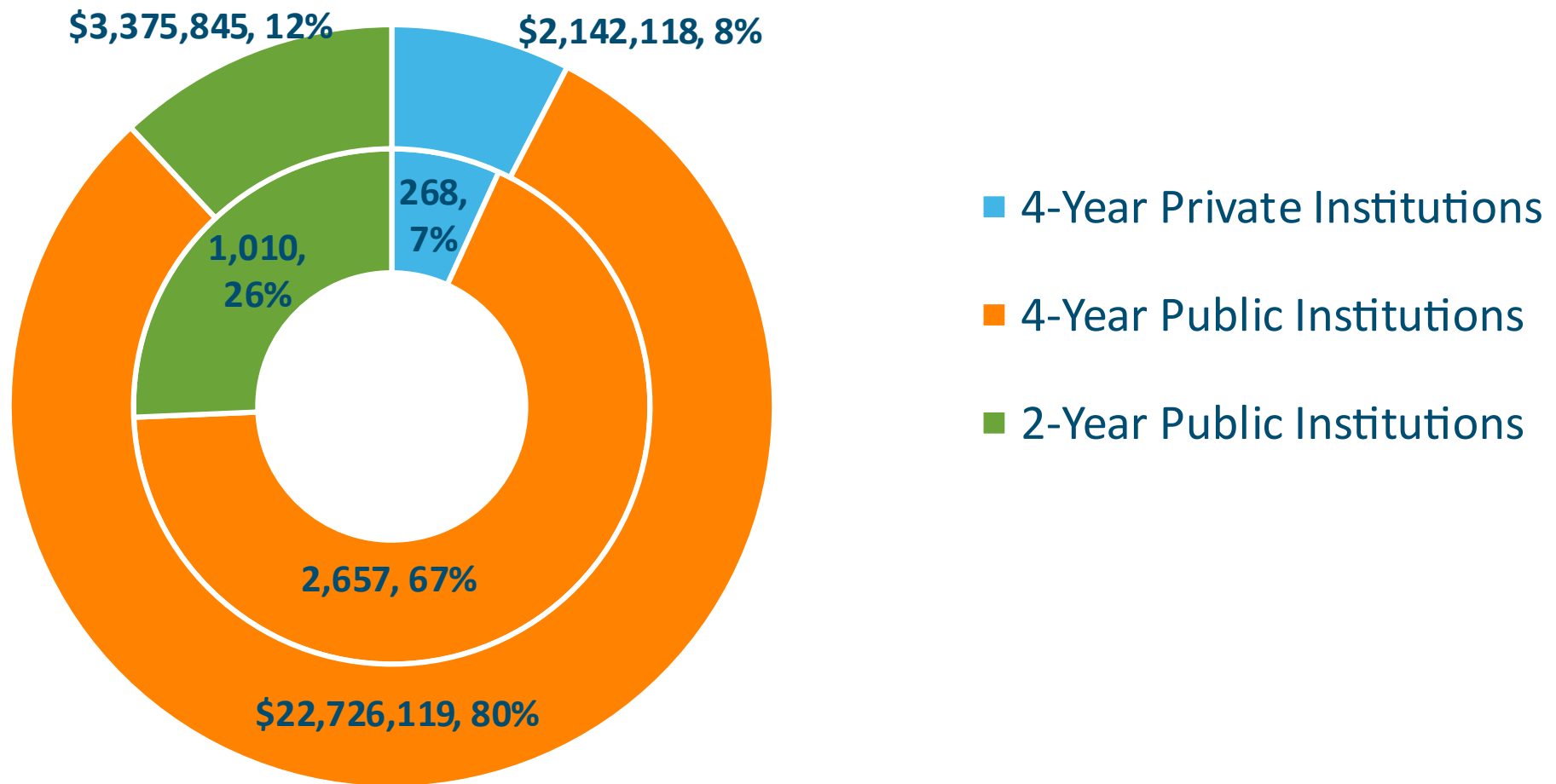
Total Award Amounts by Program (2015-16 to 2026-27)



HELP Award Amounts and Number of Awards (2015-16 to 2026-27)



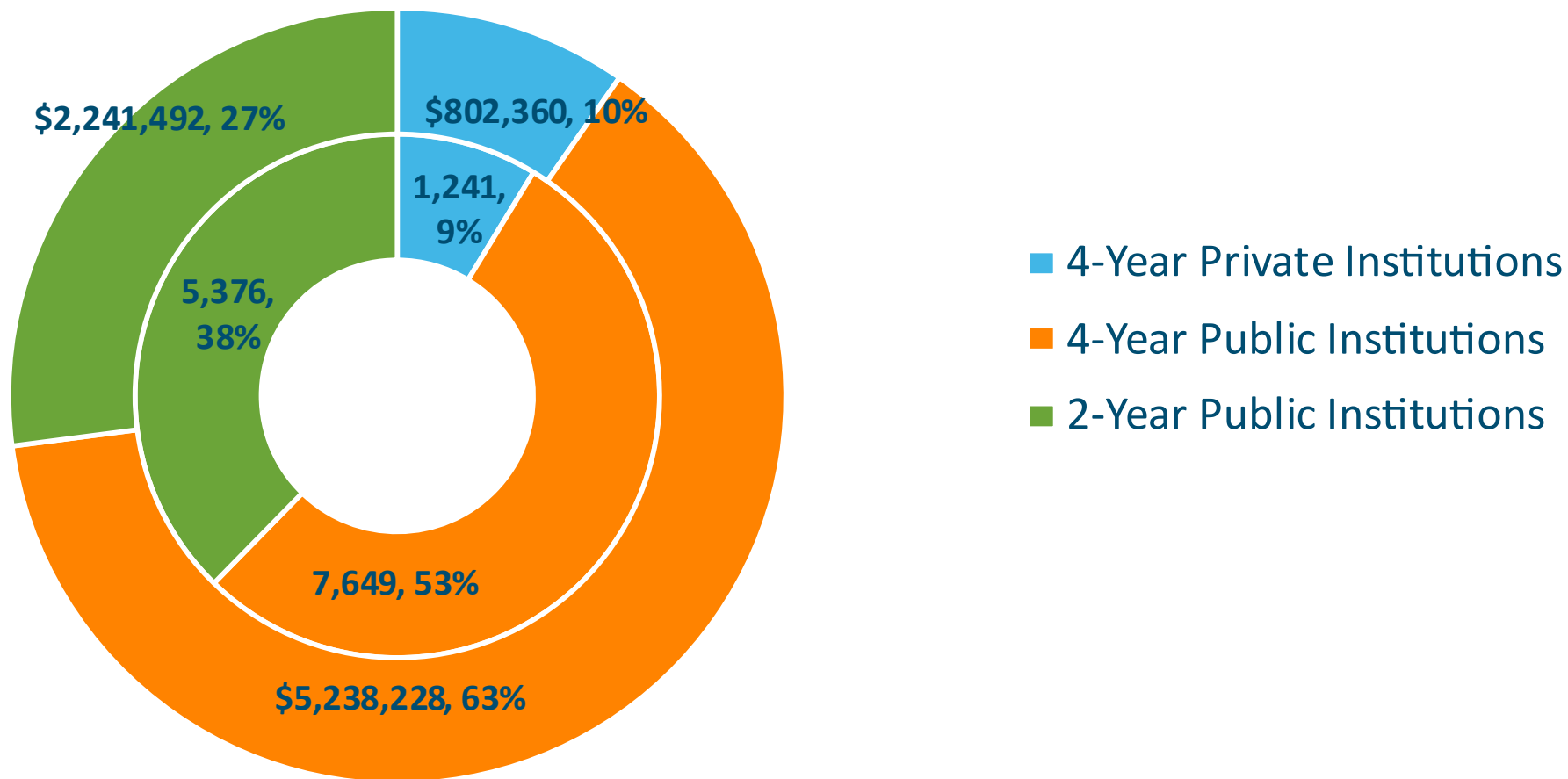
HELP Awards and Amounts by Sector



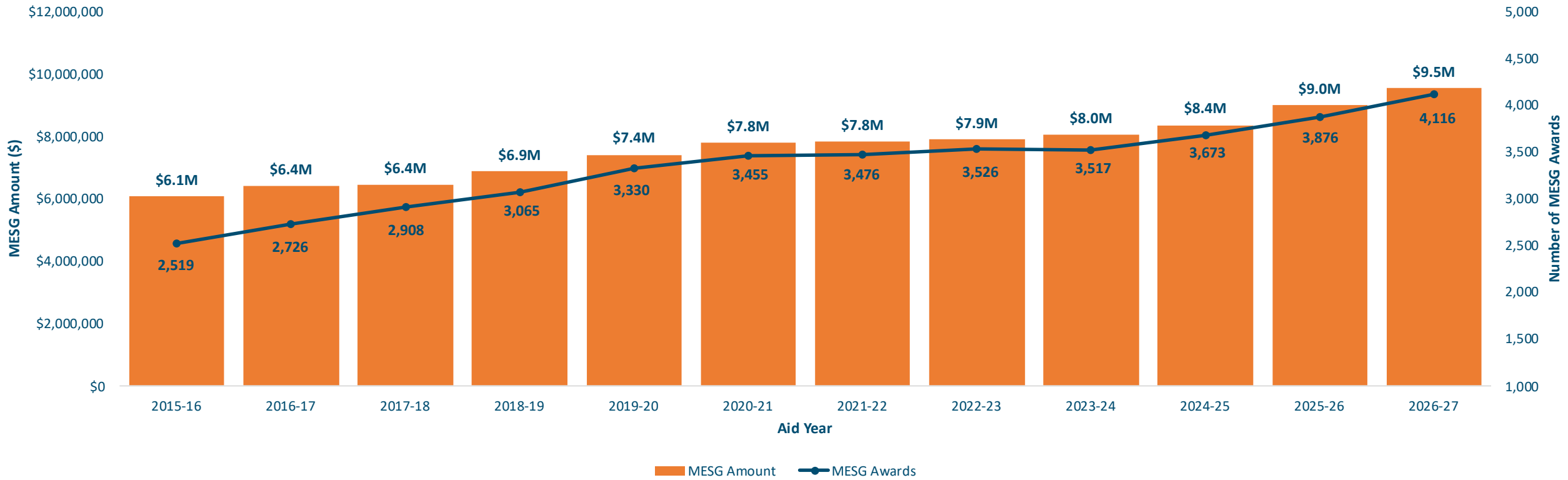
MTAG Award Amounts and Number of Awards (2015 -16 to 2026-27)



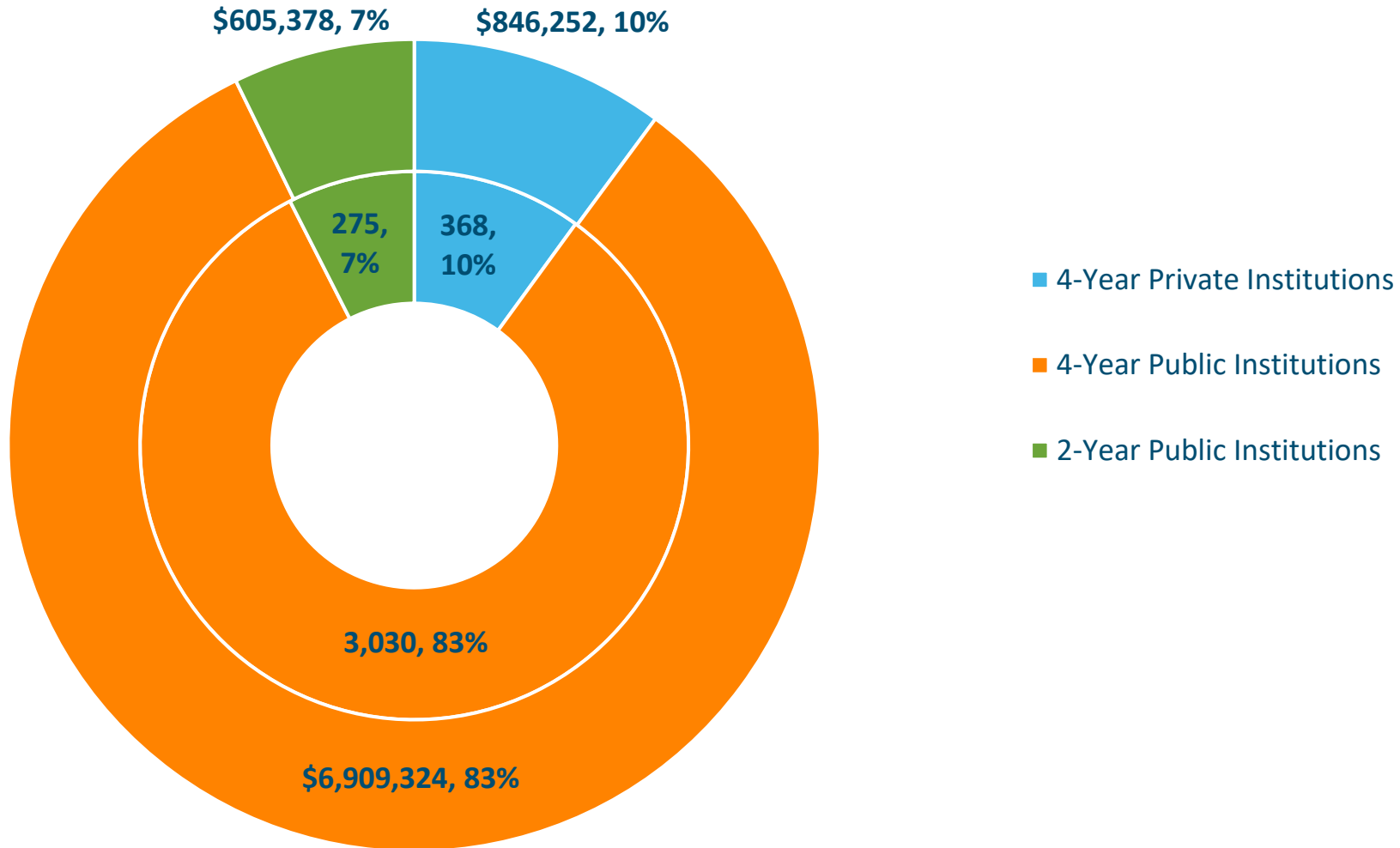
MTAG Awards and Amounts by Sector



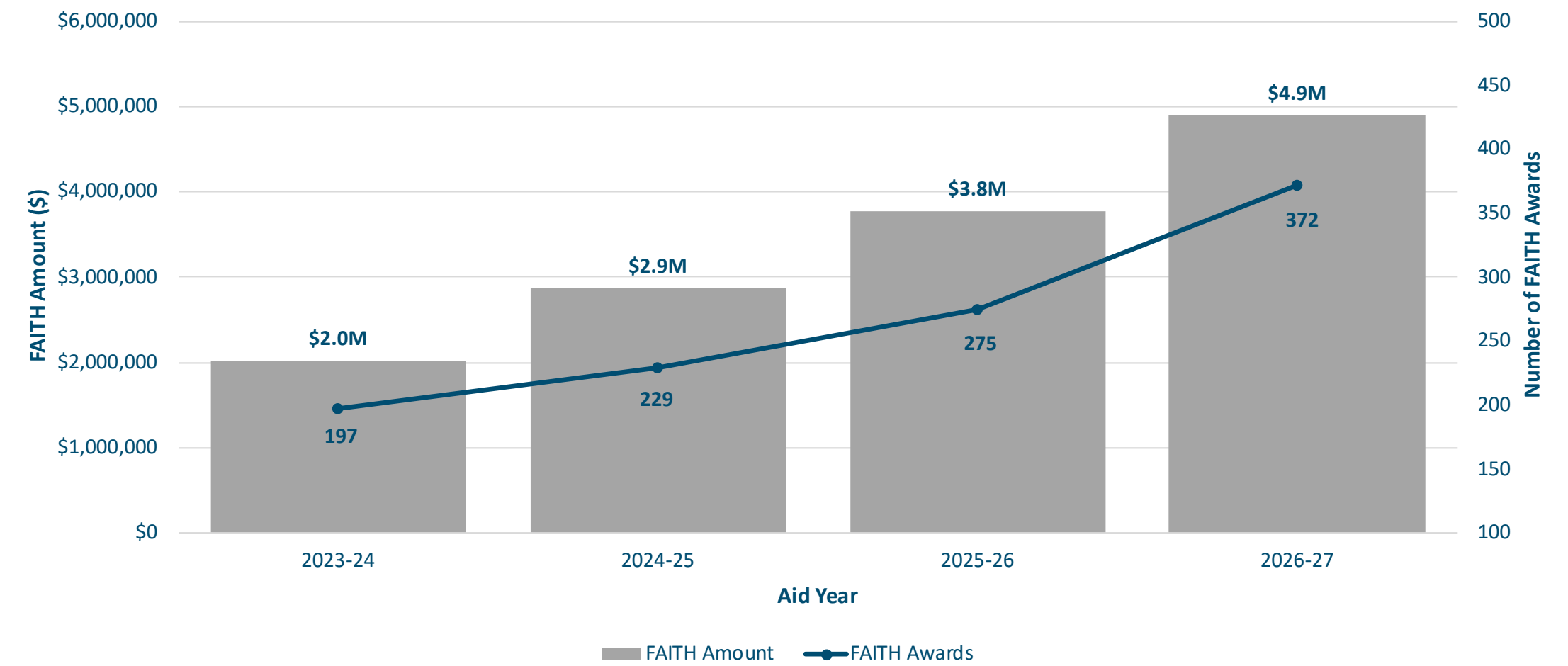
MESG Award Amounts and Number of Awards (2015-16 to 2026-27)



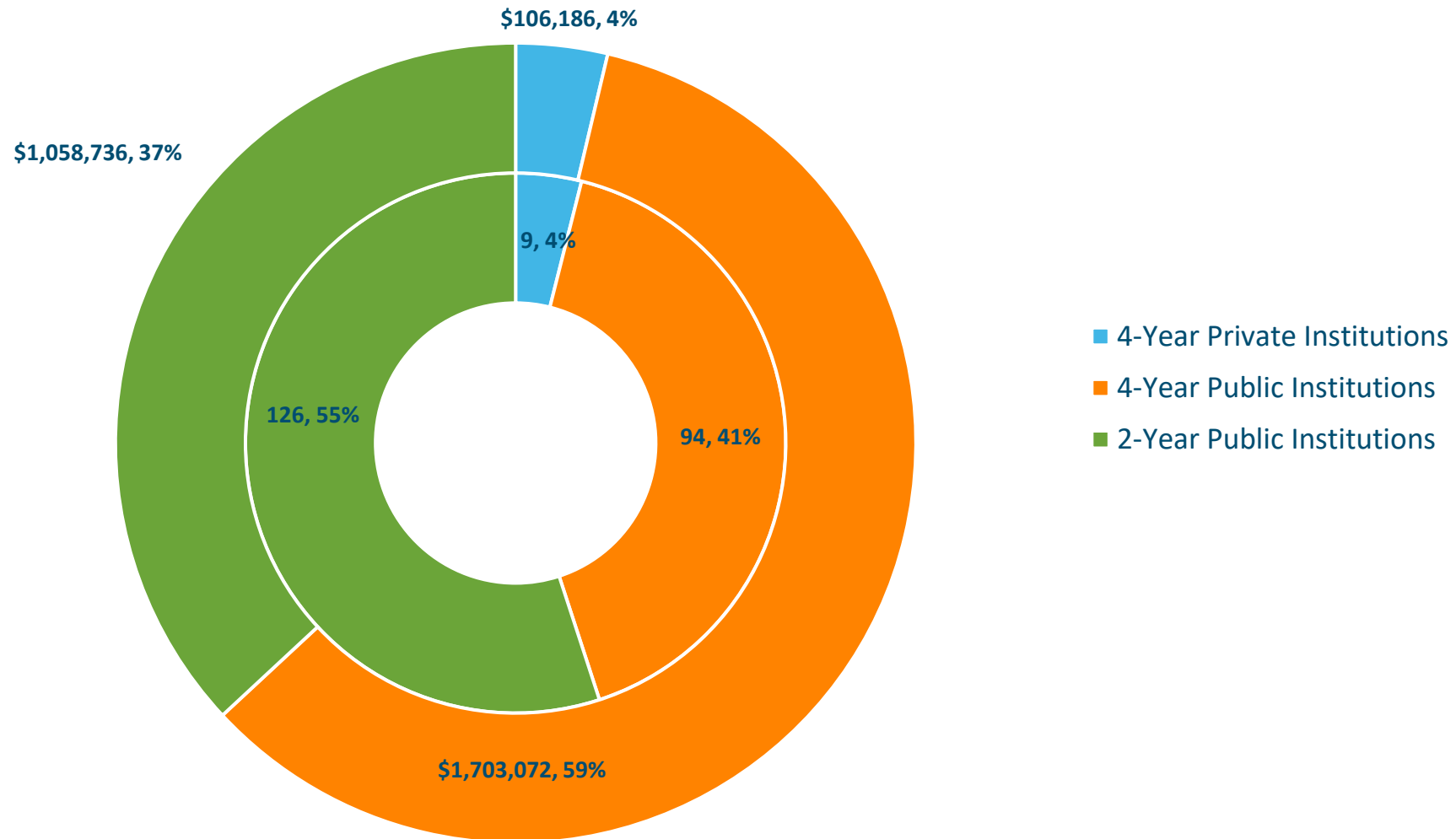
MESG Awards and Amounts by Sector



FAITH Award Amounts and Number of Awards (2023-24 to 2026-27)



FAITH Awards and Amounts by Sector



FY 2027 Budget Deficit

- Received \$10.9 M LESS than request
 - \$7.3 M LESS in General Funds for MTAG, MESG, HELP
 - Actual need is greater than original request
 - Anticipate needing additional \$9 M to avoid proration
 - \$3.6 M LESS in EEF for FAITH and WRTR
 - WRTR not funded
 - FAITH funded with commitment from Woodward Hines Education Foundation
 - Anticipate needing additional \$2 M
- Need ~\$11 M deficit appropriation EARLY in session
 - ~\$9 M for MTAG, MESG, HELP to avoid proration
 - ~\$2 M for FAITH

FY 2028 Budget Request

SFA BUDGET Funding Sources	FY 27 Appropriation	FY28 MBR	(+/-) FY27	
			Amounts	%
Governmental Appropriations				
General Fund Support	\$ 47,261,364	\$ 64,090,732	\$ 16,829,368	36%
EEF (FAITH & Winter-Reed)	\$ 3,000,000	\$ 6,720,395	\$ 3,720,395	124%
EEF (MTAG, MESG & HELP)	\$ 5,100,000	\$ -	\$ (5,100,000)	-100%
Other Special Funds			\$ -	-
Interest - Nissan	\$ 11,500	\$ 23,575	\$ 12,075	105%
Other - Law Fund	\$ 20,000	\$ 20,000	\$ -	0%
Cash - Estimated Collections	\$ 1,511,160	\$ 300,000	\$ (1,211,160)	-80%
Total	\$ 56,904,024	\$ 71,154,702	\$ 14,250,678	25%
Deficit Requested in MBR	\$ 7,311,749	\$ -	\$ (7,311,749)	-100%
Add'l Deficit Needed for MTAG, MESG, HELP	\$ 1,688,251	\$ -	\$ (1,688,251)	-100%
Add'l Deficit Needed for FAITH	\$ 2,000,000	\$ -	\$ (2,000,000)	-100%
Total Needed	\$ 67,904,024	\$ 71,154,702	\$ 3,250,678	5%

How Did We Get Here?

Impact of Recent Changes on the Budget

FAFSA Simplification

Change to HELP Income Threshold

Elimination of HELP Curriculum Requirement

Change to Full-Time Enrollment Definition

FAFSA Simplification Act, 2021

- Sweeping changes to federal student aid and FAFSA
 - Replaced the EFC with the SAI, (can drop to -\$1,500 to show deeper financial need)
 - Reduced the number of questions on the FAFSA from over 100 to roughly 38
 - Made the direct data exchange with the IRS mandatory to pull tax info into FAFSA
 - Removed calculation that split a family's EFC across multiple children in college
 - Required the parent who provides the most financial support to complete the FAFSA
 - Linked Pell Grant eligibility to family size and federal poverty guidelines
 - Included small businesses and family farms as reportable assets
 - Treated child support received as an asset instead of untaxed income
- Implemented in phases with most changes implemented for 2024-25
- Impact:
 - Fewer 2023-24 & 2024-25 MTAG and HELP applicants and awards
 - Budget surplus

Change to HELP Income Threshold

- HELP Financial Need Eligibility Requirement
 - Pell Grant eligible
 - Family AGI below threshold (increases \$5K for each dependent < 21)
- HELP income threshold increased in code in 2014 to \$42,500
 - Increase never realized
- Annual appropriation bill capped threshold at \$39,500 despite code
- FY 2026 appropriation bill removed cap
- Impact:
 - 2026-27: Increase of 466 students/\$4.8M
 - 2025-26: Increase of 400 students/\$3.4M

Elimination of HELP Curriculum Requirement

- HB 562 eliminated HELP curriculum requirement
- Effective 2026-27 aid year
- Impact:
 - 2025-26: Not yet effective
 - 2026-27: Preliminary estimates ~ 213 students (3.7%)/\$1.3M

Change to Full-Time Enrollment Definition

- Board changed definition of full-time from 15 to 12 hours
- Impact on 2025-26
 - Total Awards: 26,400 - \$60.1M
 - Fall: 12-15 hours: 4,871/\$6.11M
 - MTAG: 3,126/\$1.15M
 - MESG: 523/\$652K
 - HELP: 884/\$3.88M
 - LAW: 1/\$7,611
 - FAITH: 50/\$419K
 - Spring: 12-15 hours: 4,990/\$6.76M
 - MTAG: 3,240/\$1.26M
 - MESG: 791/\$986K
 - HELP: 918/\$4.13M
 - LAW: 1/\$2,860
 - FAITH: 43/\$385K

Board vs Legislative Authority

- Board Authority
 - Deadline Dates
 - Definitions
- Legislative Authority
 - Academic Eligibility Requirements – ACT Scores and GPAs
 - Financial Need Eligibility Requirements
 - Eligible Institutions
 - Change Award Amounts

Potential Board-Initiated Changes

- Change definition of full-time back to 15 hours
 - For all students
 - For all students after the first year
- Create/move deadline dates
 - Create application deadline for FAITH
 - Move deadline for MTAG/MESG

Potential Legislative Changes

- Implement/increase academic eligibility requirements
 - Require 2.5 GPA for FAITH
 - Increase GPA for MTAG to 2.75/3.0
 - Increase ACT score for HELP
- Change eligible institutions
 - MTAG/FAITH can only be used at a university if ACT > 18/19/20
- Change award amounts
 - Tie HELP award amount to prior year sector average
 - Limit FAITH award amount to tuition, room, and board

Other Challenges

- Fluidity
- Timing