BE IT REMEMBERED, that the Mississippi Postsecondary Education Financial Assistance Board held its regular quarterly meeting on Monday, March 20, 2017 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:
- Mack Grubbs, Lt. Governor’s appointee
- Cynthia Melvin, MAICU appointee
- Al Rankins, IHL Institutional appointee
- C.D. Smith, IHL Board appointee and Chairman
- Jim Turcotte, Governor’s appointee

The following members participated via teleconference:
- Lee Bush, MCCB appointee
- Ben Burnett, MAICU appointee
- Jim Gibson, MCCB Institutional appointee
- Sharon Ross, Governor’s appointee

Also in attendance were:
- Stephanie Ganucheau, 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
- Audra Kimble, Mississippi Community College Board
- Andrea Mayfield, Mississippi Community College Board (teleconference)
- Jennifer Rogers, Director of Student Financial Aid and Postsecondary Director
- Apyrll Washington, Program Administrator, IHL Office of Student Financial Aid

The meeting was called to order at 10:03 a.m. by Mr. C.D. Smith, Chairman.
MINUTES

On motion by Mr. Grubbs, seconded by Dr. Turcotte, all Board Members legally present and participating voted unanimously to approve the Minutes of the regular meeting held on December 16, 2016.

INTRODUCTIONS

No guests were introduced.

REGULAR AGENDA ITEMS

On motion by Dr. Rankins, seconded by Mr. Grubbs, all Board Members legally present and participating voted unanimously to approve Regular Agenda Item #1.

1. Approval of Updates to APA Part 605 – General Administration Rules and Regulations to Clarify the Definition of Full-Time Enrollment, Chapter 1, Rule 1.1, Section II, D, 3.

During the June 2016 meeting, the Board updated the definition of full-time enrollment from 12 hours to 15 hours. The intent of the update was to require students to take and earn 15 hours each term. However, if a student fails a course, the hours are included in the count of “attempted” hours, but not in the count of “earned” hours. During the first term with the new requirement, some students opted to remain in courses and take a failing grade, rather than drop the course and drop below full-time enrollment. The Office is requesting clarification of the rule.

II. DETERMINING ELIGIBILITY

D. Special Issues Related to Determining Eligibility

3. Continuous Full-Time Enrollment

(a) Full-time Enrollment - For some state aid programs, a student must enroll full-time and maintain continuous full-time enrollment as a requirement for eligibility.

(1) Full time enrollment for undergraduate students is defined as follows, unless exceptions are made for all students in a specific program at a specific institution:

(a) Fifteen (15) earned semester hours each academic term (excluding summer) or nine (9) earned trimester hours per academic term or twenty-four (24) earned clock hours per week for a program using clock hours.

(b) Hours must be reported by a single institution.

(c) Hours may be undergraduate or graduate course hours as long as the student is pursuing an undergraduate degree.
Full-time enrollment for graduate students will be determined by the attending institution.

b) Grade of “F” and Full-time Enrollment - A course with a grade of “F” will be counted towards full-time enrollment only if the calculated grade point average (GPA) for that period of enrollment includes the failed course.

c) Grade of “Incomplete” and Full-time Enrollment - If a student benefits from state aid during any term and the student receives one or more grades of “incomplete”, and the “incomplete” causes the number of hours reported as earned by the institution to be less than full-time, the Office will not disburse funds scheduled for the next period of enrollment until the “incomplete” is successfully removed and the student is otherwise eligible.

d) Intersession or Minisession and Full-time Enrollment - The Office will follow the federal guidelines for considering enrollment in intersessions or minisessions. A short nonstandard term may be treated as part of one of the standard terms, and the combined terms may be considered to be a single standard term as long as the combined term is the same for all students at the institution. Hours taken in the intersession must count towards a student’s enrollment status for the combined term and costs for the intersession must be appropriately included in the cost of attendance.

e) Continuous Full-time Enrollment - Continuous full-time enrollment is defined as full-time enrollment for two consecutive semesters, three consecutive trimesters, or the equivalent in each successive academic year. The summer term will not qualify as a period of full-time enrollment since funds for most programs are not available for summer terms. The following examples demonstrate how this policy will be administered:

(1) Example 1: A student fails to enroll for fall or is enrolled less than full-time, but subsequently enrolls full-time for spring. The student is not eligible to receive the funds for fall or spring as the student does not meet the continuous enrollment requirement.

(2) Example 2: A student is enrolled full-time for spring, but withdraws (without cause) or drops below full-time status after receiving state financial aid funds for spring. The student is not eligible to receive funds for the following fall term.

f) Cooperative Education Programs and Continuous Full-time Enrollment - A student who participates in an approved Cooperative Education Program and therefore attends school on alternate semesters is considered to have maintained continuous enrollment for state aid purposes. The eligible institution where the student is enrolled will report the
student as being enrolled in an approved Cooperative Education Program on the Enrollment Verification Report. The student will not need to provide any special documentation to the Office.

g)f) Remedial Courses and Full-time Enrollment - Remedial or developmental courses should be graded as PASS or FAIL. Grades earned in developmental courses should not be calculated into the cumulative grade point average; however, hours enrolled in developmental courses may be counted to determine enrollment status.

The Board previously approved APA Part 605 in September 2016.

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

On motion by Dr. Turcotte, seconded by Mr. Grubbs, all Board Members legally present and participating voted unanimously to approve Regular Agenda Item #2.

2. Approval of Updates to APA Part 613 – Mississippi Eminent Scholars Grant (MESG) Rules and Regulations to Monitor Grades Every Term, Chapter 1, Rule 1.1, Section II, B, 4.

The Office evaluates continuing eligibility with regard to enrollment intensity (hours) every term to determine full-time enrollment for all programs. The Office also evaluates grades every term for some programs, such as MTAG. Currently, the Office evaluates grades for MESG only at the end of each academic year. As a result, a student can complete the first semester with a low GPA and continue to receive MESG for the entire year. Based on a review of grades and program expenditures over the last three years, the state would save approximately $725,000 each year by evaluating MESG recipient grades every term. The same total number of students would likely receive aid, but some students would receive aid for only one term instead of two. The Office is requesting authority to evaluate grades every term for MESG recipients.

II. APPLICATION REQUIREMENTS

B. Renewal Applicants Must:

4. Maintain satisfactory academic progress toward a degree with a minimum cumulative GPA of 3.5 on a 4.0 scale, as certified by the registrar, based on that institution’s calculation, at the end of each semester, trimester, or term of the regular academic year.

The Board previously approved APA Part 613 in September 2016.

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.
On motion by Dr. Turcotte, seconded by Dr. Melvin, all Board Members legally present and participating voted unanimously to approve Regular Agenda Item #3 with changes. The insertion of “standard, undergraduate” in Section III.B. was rejected.

3.

**Approval of Updates to APA Part 617 – Mississippi Law Enforcement Officers and Firemen Scholarship (LAW) Rules and Regulations to Clarify Length and Award Amount, Chapter 1, Rule 1.1, Section III.**

The rules and regulations for the other undergraduate grant programs specify that the grant can be applied to the completion of only one credential at each level. The Office is requesting similar clarification of the LAW rules.

Some institutions charge significantly more for online courses than for traditional classroom courses. The Office is requesting clarification of the rules to specify that the award will cover only the standard tuition costs.

If a student lives in campus housing that costs less than the average cost of standard, double-occupancy campus housing, the housing allowance should cover only the actual housing cost, and if a student chooses to forego campus housing mid-year, the student should receive the same housing allowance as if the student remained in campus housing. The Office is requesting clarification of the rules to address these issues.

**III. LENGTH AND AMOUNT OF AWARD:**

A. No student may receive LAW for longer than the equivalent semesters or trimesters required to complete one (1) certificate, and/or one (1) associate, and/or (1) bachelor degree, not to exceed eight (8) semesters or twelve (12) trimesters.

A.B. The award shall cover the cost of standard, undergraduate tuition, including required fees, and the lesser of the recipient’s actual cost of campus housing and the average cost of standard, double-occupancy campus housing for eight (8) semesters at any state-supported college or university within the state of Mississippi.

B.C. A “required fee” is any fee charged to every full-time, undergraduate student, regardless of classification or major.

C.D. The award for students not living on campus should include an amount equal to the average cost of standard campus housing for double-occupancy rooms. If a student moves out of campus housing mid-year, the housing allowance for the remainder of the academic year will equal the allowance for the term during which the student lived in campus housing.

D.F. The average cost of campus housing for students at the University of Mississippi Medical Center, which does not provide campus housing, should equal the housing allowance used in the calculation of the institution’s Cost of Attendance for full-time, undergraduate, dependent students.

E.F. This scholarship does not include funds for books, food, school supplies, materials, dues or fees for extracurricular activities.

The Board previously approved APA Part 617 in July 2016.
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.

On motion by Dr. Burnett, seconded by Dr. Rankins, all Board Members legally present and participating voted unanimously to approve Regular Agenda Item #4.

4. Approval of Updates to Rules and Regulations to Clarify Required Employment Term for Eligibility

A. APA Part 661 – Counselor and School Administrator Forgivable Loan (CSA) Rules and Regulations, Chapter I, Rule 1.1, Section I, B, Section II, A, 5, and Section II, B, 2.

I. GENERAL ELIGIBILITY

B. The applicant must be currently under contract as a full-time teacher, as defined by the State Board of Education, in a K-12 Mississippi public school or public charter school for a full academic year. Qualifying positions include teacher and school librarian; invalid positions include, but are not limited to, the following: assistant teacher, full-time substitute, high school counselor, curriculum specialist or administrator.

II. APPLICATION REQUIREMENTS FOR FORGIVABLE LOAN APPLICANT

A. First time applicants must:

5. Submit a copy of the applicant’s employment contract for the current year, verifying employment for the full academic year as a full-time teacher in a Mississippi K-12 public school or public charter school to be received by the document deadline of April 30.

B. Renewal applicants must:

2. Submit a copy of the applicant’s employment contract for the current year, verifying continued employment for the full academic year as a full-time teacher in a Mississippi K-12 public school or public charter school to be received by the document deadline of April 30.

The Board previously approved APA Part 661 in March 2015.

B. APA Part 663 – Graduate Teacher Forgivable Loan (GTS) Rules and Regulations, Chapter I, Rule 1.1, Section I, B, Section II, A, 5, and Section II, B, 2.

I. GENERAL ELIGIBILITY

B. The applicant must be currently under contract as a full-time teacher, as defined by the State Board of Education, in a K-12 Mississippi public school or public charter school for a full academic year. Qualifying positions include teacher and school librarian; invalid positions include,
MINUTES

but are not limited to, the following: assistant teacher, full-time substitute, high school counselor, curriculum specialist or administrator.

II. APPLICATION REQUIREMENTS FOR FORGIVABLE LOAN APPLICANT

A. First time applicants must:

5. Submit a copy of the applicant’s employment contract for the current year, verifying employment for the full academic year as a full-time teacher in a Mississippi K-12 public school or public charter school to be received by the document deadline of April 30.

B. Renewal applicants must:

2. Submit a copy of the applicant’s employment contract for the current year, verifying continued employment for the full academic year as a full-time teacher in a Mississippi K-12 public school or public charter school to be received by the document deadline of April 30.

The Board previously approved APA Part 663 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.

INFORMATION AGENDA ITEMS

The Board received an update from Jennifer Rogers on the 2017 Legislative Session.

5. Update on 2017 Legislative Session

a. General Legislation: The following bills, requested by the Board, were authored by Senate Universities and Colleges Committee Chairman Josh Harkins. The bills passed out of the Senate, but were not considered by the House.

SB 2324 Relating to authorizing the Postsecondary Education Financial Assistance Board to administer the Nissan Scholarship Program

SB 2329 Relating to providing that the Postsecondary Education Financial Assistance Board will provide a quinquennial report to the Legislature on the effectiveness and efficiency of state-supported student financial aid programs.

SB 2340 Relating to repeal certain programs under the Postsecondary Education Financial Assistance Board.

b. Appropriations: SB 2956 Appropriation; IHL – Student Financial Aid

The Student Financial Aid appropriation bill originates in the Senate. Based on the Legislative Budget Recommendation (LBR), the Senate appropriated $38,261,375 in general funds and $1,889,000 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 $490,702, or 1.27% below FY17. The impact of the proposed budget is as follows:

Scenario 1: *No rule or bill changes AND receive additional spending authority:*
- Prorate MTAG, MESG, and HELP by 5% or $1.9 million
- Make no loan repayment and forgivable loans, except SREB and TES renewals as required

Scenario 2: Implement the requested PSB rule change to check MESG GPAs every term AND receive additional spending authority:
- Prorate MTAG, MESG, and HELP by 3.1% or $1.2 million
- Make no loan repayment and forgivable loans, except SREB and TES renewals as required

Scenario 3: Implement the requested legislative rule changes AND receive additional spending authority:
- No proration required
- Award SREB and TES as required; award MED and DENT renewals

Scenario 4: Implement the requested PSB rule changes AND requested legislative changes AND receive additional spending authority:
- No proration required
- Make renewal loan repayments and forgivable loans in all programs

Changes to FY 2018 appropriation bill (SB 2956) needed for Scenario 4:
- Section 2, Special Funds: Remove reference to TES carryover from FY14, which has already been expended and increase by $1,000,000.
- Section 3: Add language such that no new awards can be made through the Assistant Teacher Forgivable Loan, the Southeast Asia POW/MIA Grant, the Public Management Graduate Internship, the State Medical Forgivable Loan, the State Dental Forgivable Loan, the Graduate and Professional Degree Forgivable Loan, the Health Care Professions Forgivable Loan, and the Family Protection Specialists Social Worker Forgivable Loan programs.
- Section 4, SREB Regional Contract Program (Optometry) and Out-of-State Graduate and Professional Degree Program (Chiropractic Medicine): Delete references to chiropractic students, which are now referenced in Section 3.
- Section 13, New: Express the legislative intent that students may receive aid through only one grant program.
- Section 14, New: Express the legislative intent that students must demonstrate eligibility at the conclusion of each term to continue to receive aid.
The Board received an update from Jennifer Rogers on old business.

6. Update on Old Business

2016 Annual Report: The final 2016 Annual Report of the State Supported Student Financial Aid Programs was posted online, per state law, on January 5, 2017. A link to the final report was emailed to all state legislators and elected officials on January 6, 2017.

The Board received an update from Jennifer Rogers on various issues pertaining to the operations of the Office of Student Financial Aid.

7. Update on Office of Student Financial Aid Operations

A. Staffing – Barbara “Babs” McAlpin retired on January 31, 2017. The Office will not fill her position at this time.

B. Website – The federal College Access Challenge Grant, which funded the Rise Up! website has ended. The Office is collaborating with other IHL departments, MCCB and MDE to move the site to new servers at Mississippi State University. The MSU Research and Curriculum Unit (RCU) will redesign and maintain the site.

C. Application – The application for state aid is housed and managed by ITS. ITS has indicated that the application programming and maintenance might be outsourced in a couple of years when the sole ITS Java programmer retires. Such a move would result in much higher costs and less convenience for the Office. Therefore, the Office has initiated conversations with the MSU RCU to host and manage the application.
MINUTES

ADDITIONAL AGENDA ITEMS IF NECESSARY

The Board did not consider any additional agenda items.

OTHER BUSINESS/ANNOUNCEMENTS

Letters will be sent to the Mississippi Community College Board and the Mississippi Board of Trustees of State Institutions of Higher Learning to request appointments. The terms of Mr. Lee Bush, MCCB Board Appointee, and Dr. Al Rankins, IHL Institutional Appointee, expire on June 30, 2017.

A meeting will be called in late April to approve the budget for FY 2018.

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, Mr. Smith declared the meeting adjourned.

______________________________
Director, Mississippi Postsecondary Education Financial Assistance Board