Mississippi Postsecondary Education Financial Assistance Board

3825 Ridgewood Road
Jackson, MS 39211

June 15, 2015
10:30 a.m.

Agenda

CALL TO ORDER

MINUTES

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ADJOURNMENT
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BE IT REMEMBERED, that the Mississippi Postsecondary Education Financial Assistance Board held its regular quarterly meeting on Wednesday, March 11, 2015 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, Mississippi Community College Board (MCCB) appointee; Mack Grubbs, Lt. Governor’s appointee; Cynthia Melvin, Mississippi Association of Independent Colleges and Universities (MAICU) appointee; Sharon Ross, Governor’s appointee; C.D. Smith, IHL Board appointee; and Jim Turcotte, Governor’s appointee. The following members participated via teleconference: Al Rankins, IHL Institutional appointee and Bob Walker, MCCB Institutional appointee. Not in attendance was Ben Barnett, MAICU appointee; Also in attendance were: Sherry Chance, Tulane University – MS Campuses; Stephanie Ganucheau, Special Assistant Attorney General, Office of the Attorney General Universities and Colleges Division; Meg Harris, Assistant Director of Student Financial Aid; Renotta Jones, Administrative Assistant, IHL Office of Student Financial Aid; and Jennifer Rogers, Director of Student Financial Aid and Postsecondary Director.

The meeting was called to order at 10:03 a.m. by Dr. Jim Turcotte, Chairman.

MINUTES

On motion by Mr. C.D. Smith, seconded by Mr. Lee Bush, all Board Members legally present and participating voted unanimously to approve the Minutes of the regular meeting held on March 17, 2014.

INTRODUCTIONS

Dr. Sherry Chance, Dean of the Tulane University, Madison Campus, was introduced by Ms. Rogers and welcomed as a guest.

REGULAR AGENDA ITEMS

Dr. Turcotte, as Chairman of the original Postsecondary Board, was invited to present the Regular Agenda items. Agenda Item 14: Selection of Chairperson for 2014-15 was addressed first.

Mr. Smith nominated Dr. Turcotte as the new chairman. Ms. Ross seconded the nomination. Dr. Turcotte accepted the nomination, and the Board voted unanimously in favor of electing Dr. Jim Turcotte as chairman.

14. Selection of Chairperson for 2014-15

According to APA Part 101, Chapter 2, Rule 2.1, Section III, the board shall elect from its membership a chairman. Dr. Jim Turcotte was elected as chairman in December 2013, just prior to the 2014 Legislative Session, during which the Board was expanded and changed. Board terms coincide with the fiscal/aid year, beginning in July and ending in June. The Board should elect a chairperson to serve through the remainder of the fiscal/aid year, and plan to elect a new chairperson in the meeting following the start of each fiscal/aid year, which would be the September quarterly meeting.
MINUTES

On motion by Mr. Smith, seconded by Mr. Bush, the Board unanimously approved Regular Agenda Item 1: Approval of Updates to APA Part 101 – Authority and Responsibilities.

1. Approval of Updates to APA Part 101 – Authority and Responsibilities

The Mississippi Office of Student Financial Aid requests approval of APA Part 101 – Authority and Responsibilities. State law requires the Board to file its administrative policies, procedures, and rules with the Secretary of State’s Office for inclusion in the Administrative Code.

The original Board previously approved a similar policy in July 2013. The previously adopted policy has been updated pursuant to the changes made to Miss. Code Ann. § 37-106-1 through § 37-106-79 by the 2014 Legislature. The rules also include language that was included in the original Postsecondary Board By-laws. APA Part 101 – Authority and Responsibilities includes the following chapters and rules:

Chapter 1: Authority of the Board of Trustees of State Institutions of Higher Learning
Chapter 2: Mississippi Postsecondary Education Financial Assistance Board
  Rule 2.1 Statutory Creation, Composition, and Powers of the Mississippi Postsecondary Education Financial Assistance Board.
  Rule 2.2 Purpose of the Mississippi Postsecondary Education Financial Assistance Board.
  Rule 2.3 Terms of Service of Mississippi Postsecondary Education Financial Assistance Board Members.
  Rule 2.4 Meetings of the Mississippi Postsecondary Education Financial Assistance Board.
Chapter 3: Authority of the Mississippi Postsecondary Education Financial Assistance Board
  Rule 3.1 Authority of the Mississippi Postsecondary Education Financial Assistance Board.
Chapter 4: Office of Student Financial Aid
  Rule 4.1 Statutory Creation of the Office of Student Financial Aid.
  Rule 4.2 Director of Student Financial Aid.
  Rule 4.3 General Purpose of the Office of Student Financial Aid.
  Rule 4.4 Mission of the Office of Student Financial Aid.
Chapter 5: Creation and Modification of Student Financial Assistance Programs
  Rule 5.1 Creation of Student Financial Assistance Programs.
  Rule 5.2 Modification of Student Financial Assistance Programs.
Chapter 6: Reporting
  Rule 6.1 Reporting.
Chapter 7: Compliance with State and Federal Regulations
  Rule 7.1 Compliance with State and Federal Regulations.
  Rule 7.3 Compliance by Institutions.
Chapter 8: Rights and Responsibilities
  Rule 8.1 Student Rights.
  Rule 8.2 Student Responsibilities.
  Rule 8.3 Institutional Responsibilities.
Chapter 9: Funding
  Rule 9.1 Funding.
  Rule 9.2 Program Funding.

The revised policy is included as Exhibit 1.

Recommendation:
Board approval is recommended, contingent upon completion of the Administrative Procedures Act process.

On motion by Mr. Smith, seconded by Mr. Grubbs, the Board unanimously approved Regular Agenda Item 2: Approval of Updates to APA Part 103 – Administrative Policies.

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2. Approval of Updates to APA Part 103 – Administrative Policies

The Mississippi Office of Student Financial Aid requests approval of APA Part 103 – Administrative Policies. State law requires the Board to file its administrative policies, procedures, and rules with the Secretary of State's Office for inclusion in the Administrative Code.

The original Board previously approved a similar policy in July 2013. No substantive changes have been made, but the previously adopted policy has been renumbered from Part 102 to Part 103 for filing with the Secretary of State’s Office pursuant to the Administrative Procedures Act.

The proposed policy is included as Exhibit 2.

**Recommendation:**
Board approval is recommended, contingent upon completion of the Administrative Procedures Act process.

On motion by Mr. Smith, seconded by Dr. Turcotte, the Board unanimously approved Regular Agenda Item 3: Approval of Updates to APA Part 105 – General Administration Rules and Regulations, except for Section II, 9, C and D. The Board tabled discussion of those sections until a later meeting.

3. Approval of Updates to APA Part 105 – General Administration Rules and Regulations

The Mississippi Office of Student Financial Aid requests approval of APA Part 105 – General Administration Rules and Regulations. State law requires the Board to promulgate Rules and Regulations for administering the state-supported Student Financial Aid programs.

Previously, the Board and the IHL Board jointly promulgated the General Administration Rules and Regulations. The original Board last approved the Rules in June 2012. The previously adopted Rules have been renumbered for filing with the Secretary of State’s Office pursuant to the Administrative Procedures Act. The rules include the following substantive changes:


b. Modifies the list of documents accepted (Section I.C.3.).

c. Provides a definition of eligible non-citizens (Section IIA.2.).

d. Updates language related to the residency of a dependent student to match statutory language (Section IID.1.c.).

e. Updates language related to the residency of a dependent study who graduates from a MS high school, but whose parents leave the state (Section IID.1.d.).

f. Clarifies language related residency and Active Duty Military (Section IID.1.i.).

g. Allows graduate hours for undergraduate programs (Section IID.3.a),(c.).

h. Defines eligible institutions (Section IID.9 and IID.9.c). - d.).

The revised Rules and Regulations are included as Exhibit 3.

**Recommendation:**
Board approval is recommended, contingent upon completion of the Administrative Procedures Act process.

On motion by Mr. Grubbs, seconded by Mr. Smith, the Board entertained discussion of the motion and then unanimously approved Regular Agenda Item 4: Updates to APA Part 201 – MS Resident Tuition Assistance Grant (MTAG) Rules and Regulations.
4. Approval of Updates to APA Part 201 – MS Resident Tuition Assistance Grant (MTAG) Rules and Regulations

The Mississippi Office of Student Financial Aid requests approval of APA Part 201 – MS Resident Tuition Assistance Grant (MTAG) Rules and Regulations. State law requires the Board to promulgate Rules and Regulations for administering the state-supported Student Financial Aid programs.

The original Board last approved the Rules in July 2013. The previously adopted Rules have been renumbered for filing with the Secretary of State’s Office pursuant to the Administrative Procedures Act. The rules include the following substantive changes:


b. Removes references to 7-Semester GPA.

The revised Rules and Regulations are included as Exhibit 4.

Recommendation:
Board approval is recommended, contingent upon completion of the Administrative Procedures Act process.

On motion by Mr. Bush, seconded by Mr. Grubbs, the Board unanimously approved Regular Agenda Item 5: Approval of Updates to APA Part 203 – MS Eminent Scholars Grant (MESG) Rules and Regulations.

5. Approval of Updates to APA Part 203 – MS Eminent Scholars Grant (MESG) Rules and Regulations

The Mississippi Office of Student Financial Aid requests approval of APA Part 203 – MS Eminent Scholars Grant (MESG) Rules and Regulations. State law requires the Board to promulgate Rules and Regulations for administering the state-supported Student Financial Aid programs.

The original Board last approved the Rules in September 2013. The previously adopted Rules have been renumbered for filing with the Secretary of State’s Office pursuant to the Administrative Procedures Act. The rules include the following substantive changes:


The revised Rules and Regulations are included as Exhibit 5.

Recommendation:
Board approval is recommended, contingent upon completion of the Administrative Procedures Act process.

On motion by Mr. Smith, seconded by Ms. Ross, the Board unanimously approved Regular Agenda Item 6: Approval of Updates to Part 205 – Higher Education Legislative Plan for Needy Students Scholarship (HELP) Rules and Regulations.

6. Approval of Updates to APA Part 205 – Higher Education Legislative Plan for Needy Students Scholarship (HELP) Rules and Regulations

requires the Board to promulgate Rules and Regulations for administering the state-supported Student Financial Aid programs.

Previously, the IHL Board promulgated the HELP Rules and Regulations. The IHL Board last approved the Rules in March 2014. The previously adopted Rules have been renumbered for filing with the Secretary of State’s Office pursuant to the Administrative Procedures Act. The rules include the following substantive changes:


b. Requires applicant to document only one year of residency and income, rather than two years, pursuant to changes made to Miss. Code Ann. § 37-106-75 by the 2014 Legislature.

c. Increases the income threshold for 2015-16 and 2016-17, pursuant to changes made to Miss. Code Ann. § 37-106-75 by the 2014 Legislature.

The revised Rules and Regulations are included as Exhibit 6.

Recommendation:
Board approval is recommended, contingent upon completion of the Administrative Procedures Act process.

On motion by Mr. Smith, seconded by Mr. Bush, the Board unanimously approved Regular Agenda Item 7: Approval of Updates to APA Part 207 – MS Law Enforcement Officers and Firemen Scholarship (LAW) Rules and Regulations.

7. Approval of Updates to APA Part 207 – MS Law Enforcement Officers and Firemen Scholarship (LAW) Rules and Regulations

The Mississippi Office of Student Financial Aid requests approval of APA Part 207 – MS Law Enforcement Officers and Firemen Scholarship (LAW) Rules and Regulations. State law requires the Board to promulgate Rules and Regulations for administering the state-supported Student Financial Aid programs.

Previously, the IHL Board promulgated the LAW Rules and Regulations. The Rules have not been updated in many years. The previously adopted Rules have been reformatted and renumbered to align with other program Rules and Regulations. The Rules have also been prepared for filing with the Secretary of State’s Office pursuant to the Administrative Procedures Act. Due to extensive updates in format, the changes have not been tracked; however, the Rules do include the following substantive changes:


b. Creates a maintenance GPA requirement, pursuant to changes made to Miss. Code Ann. § 37-106-39 by the 2014 Legislature (Section II.B.2.).

c. Updates the list of supporting documents required by applicants to establish eligibility, pursuant to changes made to Miss. Code Ann. § 37-106-39 by the 2014 Legislature (Section II.A.4. and 5.).

d. Defines “required fees” (Section III.B.).

e. Sets an allowance for room/housing if the applicant does not live in campus housing or the institution does not provide campus housing (Section III.C. and D.).

The revised Rules and Regulations are included as Exhibit 7.

Recommendation:
Board approval is recommended, contingent upon completion of the Administrative Procedures Act process.
MINUTES

On motion by Mr. Smith, seconded by Ms. Ross, the Board unanimously approved Regular Agenda Item 8: Approval of Updates to All Forgivable Loans and Loan Repayment Program Rules and Regulations (APA Parts 401 – 799).

8. Approval of Updates to All Forgivable Loans and Loan Repayment Program Rules and Regulations (APA Parts 401 – 799):

The Mississippi Office of Student Financial Aid requests approval of updates to all forgivable loan and loan repayment program rules and regulations. State law requires the Board to promulgate Rules and Regulations for administering the state-supported Student Financial Aid programs.

Previously, the IHL Board promulgated the Rules and Regulations for all Forgivable Loan Programs. The IHL Board last approved changes to all Rules in March 2014. The previously adopted Rules have been renumbered for filing with the Secretary of State’s Office pursuant to the Administrative Procedures Act. The rules include the following substantive changes:


b. Replace references to “loan/Scholarships” with references to “forgivable loans”, pursuant to the changes made to Miss. Code Ann. § 37-106-1 through § 37-106-79 by the 2014 Legislature.

c. Adds a 5% penalty for borrowers who elect to repay the loan with money rather than service, pursuant to changes made to Miss. Code Ann. § 37-106-53 by the 2014 Legislature.

The requested changes would apply to the following program Rules and Regulations in the following Exhibits:

- Exhibit 8: APA Part 401 – Critical Needs Alternate Route Teacher Forgivable Loan (CNAR) Rules and Regulations
- Exhibit 9: APA Part 403 – Critical Needs Teacher Forgivable Loan (CNTP) Rules and Regulations
- Exhibit 10: APA Part 405 – Teacher Education Scholars Forgivable Loan (TES) Rules and Regulations
- Exhibit 11: APA Part 407 – William Winter Alternate Route Teacher Forgivable Loan (WWAR) Rules and Regulations
- Exhibit 12: APA Part 409 – William Winter Teacher Forgivable Loan (WWTS) Rules and Regulations
- Exhibit 13: APA Part 501 – Health Care Professions Forgivable Loan (HCP) Rules and Regulations
- Exhibit 14: APA Part 503 – Nursing Education Forgivable Loan (NELB, NELR, NELM, NERM, NELP) Rules and Regulations
- Exhibit 15: APA Part 505 – Family Protection Specialist Social Worker Forgivable Loan (SWOR) Rules and Regulations
- Exhibit 16: APA Part 601 – Counselor and School Administrator Forgivable Loan (CSA) Rules and Regulations
- Exhibit 17: APA Part 603 – Graduate Teacher Forgivable Loan (GTS) Rules and Regulations
- Exhibit 19: APA Part 609 – Nursing Teacher Stipend Forgivable Loan (NTSP) Rules and Regulations
- Exhibit 20: APA Part 611 – State Dental Education Forgivable Loan (DENT) Rules and Regulations
- Exhibit 21: APA Part 613 – State Medical Education Forgivable Loan (MED) Rules and Regulations
- Exhibit 22: APA Part 615 – Graduate and Professional Degree Forgivable Loan (STSC) Rules and Regulations

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- Exhibit 23: APA Part 617 – Veterinary Medicine for Minorities Forgivable Loan (VMMP) Rules and Regulations
- Exhibit 24: APA Part 701 – Mississippi Teacher Loan Repayment Program (MTLR) Rules and Regulations

Recommendation:
Board approval is recommended, contingent upon completion of the Administrative Procedures Act process.

On motion by Mr. Bush, seconded by Dr. Turcotte, the Board unanimously approved Regular Agenda Item 9: Approval of an Additional Update for the Teacher Education Forgivable Loan Program Rules and Regulations to Add Public Charter Schools to Eligible Service Locations. Following approval of the motion, Mr. Smith made a new motion to add the word “public” to all references to charter schools/districts. Mr. Bush seconded the motion; then the Board discussed and unanimously approved the additional motion.

9. Approval of an Additional Update for the Teacher Education Forgivable Loan Rules and Regulations to Add Public Charter Schools to Eligible Service Locations:

The Mississippi Office of Student Financial Aid requests an additional update to the following teacher education forgivable loan rules and regulations to add public charter schools to the eligible service locations. State law requires the Board to promulgate Rules and Regulations for administering the state-supported Student Financial Aid programs.

The state’s first public charter schools will begin operating in 2015-16. Recent legislation creating teacher education forgivable loan programs has included charter schools as eligible service locations.

The requested change would apply to the following program Rules and Regulations in the following Exhibits:
- Exhibit 8: APA Part 401 – Critical Needs Alternate Route Teacher Forgivable Loan (CNAR) Rules and Regulations
- Exhibit 9: APA Part 403 – Critical Needs Teacher Forgivable Loan (CNTP) Rules and Regulations
- Exhibit 10: APA Part 405 – Teacher Education Scholars Forgivable Loan (TES) Rules and Regulations
- Exhibit 11: APA Part 407 – William Winter Alternate Route Teacher Forgivable Loan (WWAR) Rules and Regulations
- Exhibit 12: APA Part 409 – William Winter Teacher Forgivable Loan (WWTS) Rules and Regulations
- Exhibit 16: APA Part 601 – Counselor and School Administrator Forgivable Loan (CSA) Rules and Regulations
- Exhibit 17: APA Part 603 – Graduate Teacher Forgivable Loan (GTS) Rules and Regulations
- Exhibit 24: APA Part 701 – Mississippi Teacher Loan Repayment Program (MTLR) Rules and Regulations

Recommendation:
Board approval is recommended, contingent upon completion of the Administrative Procedures Act process.
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On motion by Mr. Bush, seconded by Ms. Ross, the Board unanimously approved Regular Agenda Item 10: Approval of Additional Updates to APA Part 405 – Teacher Education Scholars Forgivable Loan Program (TES) Rules and Regulations.

10. Approval of Additional Updates to APA Part 405 – Teacher Education Scholars Forgivable Loan Program (TES) Rules and Regulations:

The Mississippi Office of Student Financial Aid requests approval of additional updates to APA Part 405 – Teacher Education Scholars Forgivable Loan Rules and Regulations (TES). State law requires the Board to promulgate Rules and Regulations for administering the state-supported Student Financial Aid programs.

Previously, the IHL Board promulgated the TES Rules and Regulations. The IHL Board last approved changes to the TES Rules in March 2014. The previously adopted Rules have been renumbered for filing with the Secretary of State’s Office pursuant to the Administrative Procedures Act. The rules include the following substantive changes in addition to the changes requested in Items 8 and 9 above:

a. Establish a maintenance GPA of 3.0 to align with changes to teacher licensure requirements made by the 2013 Legislature (Sections I.C.; II.B.; and IV.B.).

b. Clarify that the five years of service must be continuous (Section V.B.2 and 4).

The revised Rules and Regulations are included as Exhibit 10: APA Part 405 – Teacher Education Scholars Forgivable Loan Program (TE) Rules and Regulations.

Recommendation:

Board approval is recommended, contingent upon completion of the Administrative Procedures Act process.

On motion by Mr. Bush, seconded by Mr. Grubbs, the Board discussed the motion and unanimously approved Regular Agenda Item 11: Approval of APA Part 619 – Speech-Language Pathologist Forgivable Loan Program (SLPL) Rules and Regulations.

11. Approval of APA Part 619 – Speech-Language Pathologist Forgivable Loan Program (SLPL) Rules and Regulations

The Mississippi Office of Student Financial Aid requests approval of APA Part 619 – Speech-Language Pathologist Forgivable Loan Rules and Regulations (SLPL). State law requires the Board to promulgate Rules and Regulations for administering the state-supported Student Financial Aid programs.

The Speech-Language Pathologist Forgivable Loan Program (SLPL) makes awards available to students seeking a first master’s degree in Speech-Language Pathology, Communicative Disorders, or Communication Sciences and Disorders. For full-time students, awards will be made in the amount of tuition and required fees at a public institution. For part-time students, awards will be based on hours enrolled, but will not exceed the higher tuition and required fees for part-time students attending a public institution of higher learning. 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. Loan recipients who choose not to fulfill the service obligation will be required to repay the loan in full with a penalty of 5% and interest.

The SLPL Program was created by the 2013 Legislature, but was not funded until FY 2015 for the 2014-15 Aid Year. Rules have never been approved.

The proposed Rules and Regulations are included as Exhibit 25: APA Part 619 – Speech-Language Pathologist Forgivable Loan Rules and Regulations (SLPL) Rules and Regulations.

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Recommendation:
Board approval is recommended, contingent upon completion of the Administrative Procedures Act process.

On motion by Mr. Grubbs, seconded by Mr. Bush, the Board unanimously approved Regular Agenda Item 12: Approval of APA Part 703 – Teacher Education Alternate Route Certification Forgivable Loan Program (TESA) Rules and Regulations.

12. Approval of APA Part 703 – Teacher Education Alternate Route Certification Forgivable Loan Program (TESA) Rules and Regulations

The Mississippi Office of Student Financial Aid requests approval of APA Part 703 – Teacher Education Alternate Route Certification Forgivable Loan Rules and Regulations (TESA). State law requires the Board to promulgate Rules and Regulations for administering the state-supported Student Financial Aid programs.

The Teacher Education Alternate Route Certification Forgivable Loan Program (TESA) was created to encourage college graduates to pursue a career in teaching through an alternate route teacher’s license. Subject to appropriation by the Legislature, awards not to exceed $5,000 annually will be made to students pursuing an alternate route teacher’s license. The entire loan amount will be forgiven in its entirety for recipients who teach in a Mississippi public school following certification and licensure for one year in exchange for each year of funding received.

The TESA Program was created by the 2014 Legislature. Funding is anticipated beginning in FY 16. Rules have never been approved.

The proposed Rules and Regulations are included as Exhibit 26: APA Part 703 – Teacher Education Alternate Route Certification Forgivable Loan (TESA) Rules and Regulations.

Recommendation:
Board approval is recommended, contingent upon completion of the Administrative Procedures Act process.

On motion by Dr. Turcotte, seconded by Mr. Bush, the Board unanimously approved Regular Agenda Item 13: Approval of Changes to the Contract and Note for All Forgivable Loan Programs.

13. Approval of Changes to the Contract and Note for All Forgivable Loan Programs

The Mississippi Office of Student Financial Aid requests approval of the Contract and Note for all forgivable loan programs. The Contract and Note for state-supported forgivable loan programs fully incorporates the program Rules and Regulations. Therefore, borrowers need to sign only one document, rather than two.

Sections 1-3 of the Contract and Note are the same for all programs. The Contract and Note differs for each program only in Section 4, which fully incorporates the program Rules and Regulations. Because the program Rules and Regulations are considered for approval separately, a template of the revised program Contract and Note is being submitted for approval.

Previously, the IHL Board approved the Contract and Note for all Forgivable Loan Programs. The IHL Board last approved changes to the Contract and Note Template in August 2012. The previously adopted Contract and Note template has been updated with the following substantive changes:

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d. Replace references to "loan/Scholarships" with references to "forgivable loans", pursuant to the changes made to Miss. Code Ann. § 37-106-1 through § 37-106-79 by the 2014 Legislature.

e. Adds a 5% penalty for borrowers who elect to repay the loan with money rather than service, pursuant to changes made to Miss. Code Ann. § 37-106-53 by the 2014 Legislature.

The revised Master Contract and Note Template is included as Exhibit 27.

Recommendation:
Board approval is recommended.

INFORMATION ITEMS

There were no items for discussion on the Information Agenda.

ADDITIONAL AGENDA ITEMS IF NECESSARY

The Board did not consider any additional agenda items.

OTHER BUSINESS/ANNOUNCEMENTS

The Board discussed future meeting dates and times. Dr. Turcotte suggested that the Board meet in person whenever possible. It was decided that the Board would continue to meet on the third Monday of the quarter when possible.

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, on motion by Mr. Bush, seconded by Mr. Grubbs, all Board Members legally present and participating voted unanimously to adjourn the meeting.

Jennifer Rogers
Director, Mississippi Postsecondary Education Financial Assistance Board
REGULAR AGENDA ITEMS

1. Approval of Updates to APA Part 601 – Authority and Responsibilities, Chapter 9 – Program Funding to Add a Policy Requiring Board Review and Recommendation of the Annual SFA Budget Request

The Mississippi Office of Student Financial Aid requests approval of updates to APA Part 601 – Authority and Responsibilities, Chapter 9 – Program Funding. State law requires the Board to file its administrative policies, procedures, and rules with the Secretary of State’s Office for inclusion in the Administrative Code.

The Board previously approved APA Part 601 in March 2015. The Office is requesting that the Board adopt a policy to review annually the legislative budget request for Student Financial Aid and recommend the budget request to the State Board of Trustees for the Institutions of Higher Learning.

The complete APA Part 601 with revisions is included as Exhibit 1. The specific requested revision is as follows:

APA Part 601 – Authority and Responsibilities
Chapter 9 – Program Funding
Rule 9.1 Funding.

IV. 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.

2. Approval of Updates to APA Part 605 – General Administration Rules and Regulations Section II.D.9 Regarding the Definition of Eligible Institutions

The Mississippi Office of Student Financial Aid requests approval of updates to APA Part 605 – General Administration Rules and Regulations. State law requires the Board to file its administrative policies, procedures, and rules with the Secretary of State’s Office for inclusion in the Administrative Code.

The Board previously approved APA Part 605 in March 2015, but tabled discussion of Section II D. 9. The Office is requesting that the Board adopt a policy for defining “approved institutions” for state financial aid purposes, pursuant to Miss. Code Ann. § 37-106-5(b).

The complete Rules and Regulations with revisions are included as Exhibit 2. The specific requested revision is as follows:

APA Part 605 – General Administration Rules and Regulations
Section II. D. 9.

Eligible Institutions - All state financial aid programs require recipients to attend an eligible institution. Some state financial aid programs are not available to students at
all "eligible" institutions. An eligible institution for state aid purposes is an institution of higher learning, public or private, located in Mississippi, which is accredited by the Southern Association of Colleges and Secondary Schools, or its equivalent, or a business, vocational, technical or other specialized school recognized and approved by the Board. In keeping with the Legislative intent established in Miss. Code Ann. § 37-101-241, the Board hereby approves any community, junior, or senior college or university with the main campus in Mississippi that was chartered, authorized, or approved by the Mississippi Commission on College Accreditation prior to July 1, 1988. Eligible institutions for the SREB Regional Contract Program and the Graduate and Professional Degree Program are not in Mississippi.

Recommendation:
Board approval is recommended, contingent upon completion of the Administrative Procedures Act process.

3. Approval of APA Part 665 – SREB Doctoral Scholars Forgivable Loan Program (SDSP) Rules and Regulations

The Mississippi Office of Student Financial Aid requests approval of APA Part 665 – SREB Doctoral Scholars Forgivable Loan Program (SDSP) Rules and Regulations. State law requires the Board to promulgate Rules and Regulations for administering the state-supported Student Financial Aid programs.

Previously, the IHL Board promulgated the Rules and Regulations for all Forgivable Loan Programs. The IHL Board last approved changes to the Rules in March 2014. The previously adopted Rules have been renumbered for filing with the Secretary of State’s Office pursuant to the Administrative Procedures Act. The rules include the following substantive changes:


e. Replace references to “loan/Scholarships” with references to “forgivable loans”, pursuant to the changes made to Miss. Code Ann. § 37-106-1 through § 37-106-79 by the 2014 Legislature.

f. Adds a 5% penalty for borrowers who elect to repay the loan with money rather than service, pursuant to changes made to Miss. Code Ann. § 37-106-53 by the 2014 Legislature.

The revised Rules and Regulations are included as Exhibit 3.

Recommendation:
Board approval is recommended, contingent upon completion of the Administrative Procedures Act process.

The Mississippi Office of Student Financial Aid requests the Board’s approval to seek an Attorney General’s Opinion regarding the application of Miss. Code Ann. § 37-103-7 regarding residency status for financial aid purposes.

Background:
The financial aid code sections (see Miss. Code. Ann. § 37-106-29 as an example) requiring Mississippi residency for eligibility state:

"Resident status for purposes of receiving grants under this section shall be determined in the same manner as resident status for tuition purposes as set forth in Sections 37-103-1 through 37-103-29, with the exception of 37-103-17."

Miss. Code Ann. § 37-103-7 states:

For purposes of determining whether a person pays out-of-state or in-state tuition for attendance at universities and community and junior colleges, the residence of a person less than twenty-one (21) years of age is that of the father, the mother or a general guardian duly appointed by a proper court in Mississippi. If a court has granted custody of the minor to one (1) parent, the residence of the minor is that of the parent who was granted custody by the court. If both parents are dead, the residence of the minor is that of the last surviving parent at the time of that parent’s death, unless the minor lives with a general guardian duly appointed by a proper court of Mississippi, in which case his residence becomes that of the guardian. A student residing within the State of Mississippi who, upon registration at a Mississippi institution of higher learning or community college, presents a transcript demonstrating graduation from a Mississippi secondary school and who has been a secondary school student in Mississippi for not less than the final four (4) years of secondary school attendance shall not be required to pay out-of-state tuition. This section shall not apply to the residence of a person as it relates to residency for voter registration or voting.

Please note that the section does NOT state that a student who graduates from a Mississippi high school will be considered a resident. It states only that the student in such a situation “shall not be required to pay out-of-state tuition.”

Miss. Code Ann. § 37-103-11 states:

"If the parents of a minor who is enrolled as a student in a junior college or in an institution of higher learning move their legal residence from the State of Mississippi, the minor shall be immediately classified as a nonresident student."

Question: Due to the contradiction that exists in Miss. Code Ann. § 37-103-7 and Miss. Code Ann. § 37-103-11, which statute should be followed for determining residency status for state aid purposes?

Recommendation:
Board approval is recommended.
5. Selection of Chairperson for 2015-16

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 March 2015 to serve through the remainder of the current fiscal/aid year, which ends June 30, 2015. The Board should elect a new chairperson to serve for fiscal/aid year beginning July 1, 2015 and ending June 30, 2016.
INFORMATION AGENDA ITEMS

6. Report on 2015 Legislative Session and FY 2016 Appropriation

a. General Legislation Approved by the Governor:

HB 488  MS Dyslexia Forgivable Loan Program; revise post education employment requirements for recipients of
• Allows up to five (5) Critical Needs Dyslexia Therapy recipients per cohort to complete the service obligation in select non-public schools approved by MDE
• The Office supported this change

b. Appropriation Approved by the Governor:

SB 2837  Appropriation; additional for various state agencies for fiscal year 2015
• Provided additional $600,000 in spending authority for FY 2015

SB 2846  Appropriation; IHL – Student Financial Aid
• Total appropriation indicates 14% increase over FY15, but bulk of increase from additional Spending Authority; of $9.3 million appropriated in Spending Authority, SFA only has access to $4.4 million.
• 2% increase in real dollars over FY15 due to re-appropriation of $900,000 FY15 lapping dollars
• Legislature removed some restrictions added to FY15 bill; more freedom to spend.
• Inflated Spending Authority figure means we can spend all collection dollars or other funds that may become available without the need to request deficit Spending Authority.

<table>
<thead>
<tr>
<th>FY 2016 SFA Appropriation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Section 1:</strong> General Funds Total</td>
</tr>
<tr>
<td><strong>Section 2:</strong> Spending Authority</td>
</tr>
<tr>
<td>SA: Investments - NISS</td>
</tr>
<tr>
<td>SA: GEAR UP Trust</td>
</tr>
<tr>
<td>SA: Prior Year Collections</td>
</tr>
<tr>
<td>SA: Current Year Collections</td>
</tr>
<tr>
<td>SA: Carryover FY14 TES</td>
</tr>
<tr>
<td>SA: Escalation</td>
</tr>
<tr>
<td>SA: Unavailable Funds</td>
</tr>
<tr>
<td><strong>Section 2:</strong> Spending Authority Total</td>
</tr>
<tr>
<td><strong>Section 12:</strong> Re-appropriation of Lapping Funds</td>
</tr>
<tr>
<td><strong>Total Original Appropriation</strong></td>
</tr>
<tr>
<td>Less Unavailable Funds</td>
</tr>
<tr>
<td><strong>Total Expendable Appropriation</strong></td>
</tr>
</tbody>
</table>
7. Operating Budget Comparison – FY2015 to FY2016

Below is a chart, showing the Student Financial Aid Operating Budget detail for FY 2015 compared to FY 2016.

- Budget includes all real dollars and spending authority
- Not enough real dollars to fully fund all eligible award applicants
- The Legislature verbally recognized the shortfall and said they will come back with deficit funds in January.

<table>
<thead>
<tr>
<th>Budgetary Category</th>
<th>FY2015 Budget</th>
<th>Increase/ (Decrease)</th>
<th>FY2016 Budget</th>
<th>% Increase/ (Decrease)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries &amp; Fringe Benefits</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries</td>
<td>$ 518,497</td>
<td>$ 13,097</td>
<td>$ 531,594</td>
<td>2.53%</td>
</tr>
<tr>
<td>Fringe Benefits</td>
<td>$ 155,549</td>
<td>$ 6,587</td>
<td>$ 162,136</td>
<td>4.23%</td>
</tr>
<tr>
<td>Sub-Total Salaries &amp; Fringe Benefits</td>
<td>$ 674,046</td>
<td>$ 19,684</td>
<td>$ 693,730</td>
<td>2.92%</td>
</tr>
<tr>
<td>Operating Budget</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Travel</td>
<td>$ 8,000</td>
<td>-</td>
<td>$ 8,000</td>
<td>0.00%</td>
</tr>
<tr>
<td>Contractual Services</td>
<td>$ 513,000</td>
<td>$ 7,000</td>
<td>$ 520,000</td>
<td>1.36%</td>
</tr>
<tr>
<td>Commodities</td>
<td>$ 10,000</td>
<td>-</td>
<td>$ 10,000</td>
<td>0.00%</td>
</tr>
<tr>
<td>Capital Outlay</td>
<td>$ 4,000</td>
<td>$ 6,000</td>
<td>$ 10,000</td>
<td>150.00%</td>
</tr>
<tr>
<td>Loans, Scholarships &amp; Grants</td>
<td>$ 41,651,031</td>
<td>$ 5,153,324</td>
<td>$ 46,804,355</td>
<td>12.37%</td>
</tr>
<tr>
<td>Sub-Total Operating Budget</td>
<td>$ 42,186,031</td>
<td>$ 5,166,324</td>
<td>$ 47,352,355</td>
<td>12.25%</td>
</tr>
<tr>
<td>Sub-Total Administrative Budget</td>
<td>1,209,046</td>
<td>32,684</td>
<td>1,241,730</td>
<td>2.70%</td>
</tr>
<tr>
<td>Total Budget</td>
<td>$ 42,860,077</td>
<td>$ 5,186,008</td>
<td>$ 48,046,085</td>
<td>12.10%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Loans, Scholarships, and Grants</th>
<th>Applicants for FY15</th>
<th>Budget for FY15</th>
<th>Applicants for FY16</th>
<th>Budget for FY16</th>
</tr>
</thead>
<tbody>
<tr>
<td>MTAG</td>
<td>24,197</td>
<td>$ 14,408,101</td>
<td>24,527</td>
<td>$ 14,500,000</td>
</tr>
<tr>
<td>MESG</td>
<td>2,405</td>
<td>$ 5,789,228</td>
<td>2,513</td>
<td>$ 5,900,000</td>
</tr>
<tr>
<td>HELP</td>
<td>1,823</td>
<td>$ 10,209,894</td>
<td>2,869</td>
<td>$ 15,784,588</td>
</tr>
<tr>
<td>LAW</td>
<td>21</td>
<td>$ 176,728</td>
<td>21</td>
<td>$ 175,000</td>
</tr>
<tr>
<td>Subtotal Undergraduate Grant Programs</td>
<td>28,446</td>
<td>$ 30,583,951</td>
<td>29,930</td>
<td>$ 36,359,588</td>
</tr>
<tr>
<td>Subtotal Graduate Grant Program</td>
<td>0</td>
<td>$ -</td>
<td>0</td>
<td>$ -</td>
</tr>
<tr>
<td>Subtotal Undergrad Teacher Loan Programs</td>
<td>765</td>
<td>$ 5,442,955</td>
<td>799</td>
<td>$ 4,860,000</td>
</tr>
<tr>
<td>Subtotal Undergrad Health Care Loan Programs</td>
<td>411</td>
<td>$ 1,444,825</td>
<td>444</td>
<td>$ 1,442,472</td>
</tr>
<tr>
<td>Subtotal Graduate Teacher Loan Programs</td>
<td>148</td>
<td>$ 501,123</td>
<td>153</td>
<td>$ 518,000</td>
</tr>
<tr>
<td>Subtotal Graduate Health Care Loan Programs</td>
<td>301</td>
<td>$ 2,816,239</td>
<td>287</td>
<td>$ 2,942,195</td>
</tr>
<tr>
<td>Subtotal Spending Authority Programs</td>
<td>273</td>
<td>$ 861,938</td>
<td>226</td>
<td>$ 682,100</td>
</tr>
<tr>
<td>TOTAL LOANS, SCHOLS, AND GRANTS</td>
<td>30,344</td>
<td>$ 41,651,031</td>
<td>31,839</td>
<td>$ 46,804,355</td>
</tr>
</tbody>
</table>
### INFORMATION AGENDA ITEMS

8. **Report on FY 2017 Budget Request**

Annually the Mississippi Office of Student Financial Aid projects its funding needs for the subsequent fiscal year. The Office recommends its budget to the IHL Board, which approves the budget for submission to the Legislative Budget Office in an annual budget request.

Below is the FY 2017 Budget Request.

<table>
<thead>
<tr>
<th></th>
<th>FY15 Awards</th>
<th>FY15 Amount</th>
<th>FY16 Awards</th>
<th>FY16 Amount</th>
<th>FY17 Awards</th>
<th>FY 2017 Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Administration</td>
<td></td>
<td>$ 1,209,046</td>
<td></td>
<td>$ 1,241,730</td>
<td></td>
<td>$ 1,262,542</td>
</tr>
<tr>
<td>Total MTAG, MESG, and HELP</td>
<td>28,425</td>
<td>$ 30,407,223</td>
<td>29,909</td>
<td>$ 36,184,588</td>
<td>31,275</td>
<td>$ 42,361,917</td>
</tr>
<tr>
<td>Total Consolidated Loans</td>
<td>1,586</td>
<td>$ 10,376,227</td>
<td>1,704</td>
<td>$ 9,937,667</td>
<td>1,744</td>
<td>$ 9,963,713</td>
</tr>
<tr>
<td>Total Other Programs</td>
<td>276</td>
<td>$ 643,132</td>
<td>226</td>
<td>$ 682,100</td>
<td>204</td>
<td>$ 715,000</td>
</tr>
<tr>
<td><strong>TOTAL Loans, Scholarships &amp; Grants</strong></td>
<td>30,287</td>
<td>$ 41,426,582</td>
<td>31,839</td>
<td>$ 46,804,355</td>
<td>33,223</td>
<td>$ 53,040,630</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>30,287</td>
<td>$ 42,635,628</td>
<td>31,839</td>
<td>$ 48,046,085</td>
<td>33,223</td>
<td>$ 54,303,172</td>
</tr>
</tbody>
</table>

| Unrestricted General Funds | $ 36,285,077 | $ 37,855,077 | $ 52,088,172 |
| Restricted General Funds   | $ 1,570,000  | $ -           | $ -          |
| **Total General Funds**    | $ 37,855,077 | $ 37,855,077 | $ 52,088,172 |

**Special Funds**

| SA - Investments          | $ 643,132   | $ 682,100   | $ 715,000 |
| SA - Collections          | $ 3,611,868 | $ 8,608,908 | $ 1,500,000 |
| **Total Special Funds**   | $ 4,255,000 | $ 9,291,008 | $ 2,215,000 |

**Carryover - Treasury**

| Fund                     | $ -         | $ -         | $ -         |
| Re-appropriation         | $ -         | $ 900,000   | $ -         |
| Deficit Appropriation    | $ 600,000   | $ -         | $ -         |

**TOTAL SFA BUDGET**

| $ 42,710,077 | $48,046,085 | $54,303,172 |

**Total Sep. Appropriation Funds**

| $ 750,000 | $ - | $ - |

**TOTAL OPERATING**

| $ 43,460,077 | $48,046,085 | $54,303,172 |
9. Expiring One-Year Appointments

Letters were mailed to the Mississippi Association of Independent Colleges and to Governor Bryant on May 14, 2015 requesting appointments for the four-year term beginning July 1, 2015 and ending June 30, 2019. The appointments were requested to fill the positions of Dr. Cynthia Melvin and Ms. Sharon Ross, whose one-year terms expire this month. The Mississippi Association of Independent Colleges and Universities has reappointed Dr. Cynthia Melvin to serve the full four-year term. Governor Bryant has not yet made an appointment.

10. Update on ECS/USA Funds Redesigning State Financial Aid Project

Education Commission of the States (ECS) and USA Funds held a webcast on April 29, 2015 to announce the launch of their State Aid Redesign Project. The project is focusing on the following four principles:

- **State financial aid programs should be student centered**: Aid programs designed around students and their needs set students up for successful outcomes.
- **Financial aid programs should be goal driven and data informed**: Aid programs should have a clearly defined and easily understood intent aligned with measurable state education and workforce goals.
- **Financial aid programs should be timely and flexible**: Aid programs should provide financial support to students when it can have the greatest impact on enrollment and persistence decisions.
- **Financial aid programs should be broadly inclusive of all students’ educational pathways**: Aid programs need to respond to the diverse enrollment options available to students.

ECS and USA Funds will be selecting 5-8 states to receive Technical Assistance in designing more effective state aid programs. Mississippi may wish to respond to the Call for Proposals, which has not yet been issued.
Exhibit 1

Title 10: Education Institutions and Agencies

Part 601: Authority and Responsibilities

Part 601 Chapter 1: Authority of the Board of Trustees of State Institutions of Higher Learning

Rule 1.1 Authority of the Board of Trustees of State Institutions of Higher Learning. The Board of Trustees of State Institutions of Higher Learning, hereafter referred to as the Agency, is granted authority by the State of Mississippi for oversight of the Mississippi Office of Student Financial Aid and for administration of various state-supported student financial assistance programs. Authority is granted by the legal statutes authorizing such programs, as follows:

<table>
<thead>
<tr>
<th>Program Name</th>
<th>Authorizing Code Section</th>
</tr>
</thead>
<tbody>
<tr>
<td>Undergraduate Grant and Scholarship Programs</td>
<td></td>
</tr>
<tr>
<td>GEAR UP Mississippi Scholarship – Cohort 1 (GUMS)</td>
<td>Federal Matching Grant</td>
</tr>
<tr>
<td>GEAR UP Mississippi Scholarship – Cohort 2 (GUMS)</td>
<td>Federal Matching Grant</td>
</tr>
<tr>
<td>Summer Development Program Grant (SUMD)</td>
<td>Miss. Code Ann. § 27-103-203</td>
</tr>
<tr>
<td>Nissan Scholarship</td>
<td>Miss. Code Ann. § 57-74-3 and § 57-75-11</td>
</tr>
<tr>
<td>Graduate Forgivable Loan Program</td>
<td></td>
</tr>
<tr>
<td>Southern Regional Education Board Regional Contract Program (SREB)</td>
<td>Miss. Code Ann. § 37-135-1</td>
</tr>
</tbody>
</table>


Part 601 Chapter 2: Mississippi Postsecondary Education Financial Assistance Board

Rule 2.1 Statutory Creation, Composition, and Powers of the Mississippi Postsecondary Education Financial Assistance Board. The Postsecondary Education Financial Assistance Board, hereafter referred to as the Board or the Postsecondary Board, was first created in 1975 to administer the state’s guaranteed student loan program. The Board was later given authority for the state’s primary grant programs. In 2014, all state student grant and forgivable loan programs were consolidated under the authority of the Board.

I. The Board will consist of the following nine (9) voting members:

   A. Two (2) people to be appointed by the Board of Trustees of State Institutions of Higher Learning, one (1) from its membership and one (1) institutional representative;

   B. Two (2) people to be appointed by the Mississippi Community College Board, one (1) from its membership and one (1) institutional representative;
C. Two (2) people to be appointed by the Governor;
D. Two (2) people to be appointed by the Executive Director of the Mississippi Association of Independent Colleges and Universities, one (1) association representative and one (1) institutional representative;
E. One (1) person to be appointed by the Lieutenant Governor.

II. The following elected officials will serve as non-voting advisory members to the Board:
A. The Chairman of the House Universities and Colleges Committee and
B. The Chairman of the Senate Universities and Colleges Committee.

III. The board shall elect from its membership a chairman.

IV. The members of the board shall serve without pay.

V. The board is vested with full and complete authority and power to sue in its own name any person for any balance, including principal, interest and reasonable collection costs or attorney's fees, due and owing the state on any uncompleted contract.

VI. The board shall promulgate rules and regulations to govern the state grant and forgivable loan programs authorized in this chapter.


Rule 2.2 Purpose of the Mississippi Postsecondary Education Financial Assistance Board. The Purpose of the Mississippi Postsecondary Education Financial Assistance Board is as follows:

I. To make manifest the belief that the continued growth and development of Mississippi requires that all Mississippi youth be assured ample opportunity for the fullest development of their abilities and to recognize that this opportunity will not fully materialize unless the State of Mississippi moves to encourage and financially assist our young people in their efforts.

II. To operate the programs created by legislative enactment, wherein Mississippi residents are granted forgivable loans in certain professional fields in return for their contractual obligation to perform services in such professions under a variety of requirements of location, duration, manner and mode of service, and institution in which performed.

III. To fashion new and innovative systems for the financing of forgivable loan programs by combining the use of private sector loans for education and guaranteed student loans with loan repayment programs promulgated by the board.
IV. To promote, strengthen, encourage and enhance high standards of performance in administration and operation of state scholarship, grant, and loan programs to the end that the benefits of these programs shall be available to students throughout the state for the purpose of expanding and furthering postsecondary educational opportunities.

V. To provide a forum for the development and exchange of information, ideas, policy positions, procedures and needs for student financial assistance for the benefit of universities, colleges, the legislature, and other agencies and organizations.

VI. To facilitate the development and exchange of information about state financial aid programs.

VII. To establish and act as a collective voice of reasoned opinion before the state legislature with respect to student financial aid programs whose objective is the furtherance of postsecondary education in Mississippi and to consider, debate, decide positions, make recommendations and otherwise act as an advising body on such matters as shall serve the objectives set forth herein this article.

VIII. To collaborate with institutions of higher learning and other state agencies in the interest of effective implementation of various federal, state and institutional student financial assistance programs.

IX. To work with other agencies to design, implement and operate simplified student application procedures for student financial assistance and design a uniform method of determining the financial need of an eligible student while attending an approved institution which cannot reasonably be met by said student, or by the parents.

X. To conduct research, publish reports, hold conferences and otherwise engage in activities which: (1) help existing programs to become more responsive to federal, regional and state public policy goals and objectives; (2) encourage the development of new programs as the need arises; (3) work toward the prevention and elimination of fraud and abuse in student financial aid programs; and (4) enable the Postsecondary Board to accomplish the objectives set forth herein.


Rule 2.3 Terms of Service of Mississippi Postsecondary Education Financial Assistance Board Members.

I. Two (2) people will be appointed by the Board of Trustees of State Institutions of Higher Learning, one (1) from its membership to serve for an initial period of four (4) years and one (1) institutional representative to serve for an initial period of three (3) years.

II. Two (2) people will be appointed by the Mississippi Community College Board, one (1) from its membership to serve for an initial period of three (3) years and one (1) institutional representative to serve for an initial period of two (2) years.
III. Two (2) people will be appointed by the Governor, one (1) to serve for an initial period of two (2) years and one (1) to serve for an initial period of one (1) year.

IV. Two (2) people will be appointed by the Executive Director of the Mississippi Association of Independent Colleges and Universities, one (1) association representative to serve for an initial period of two (2) years and one (1) institutional representative to serve for an initial period of one (1) year.

V. One (1) person will be appointed by the Lieutenant Governor for an initial period of (4) years.

VI. All subsequent appointments shall be for a period of four (4) years.

VII. Vacancies shall be filled for the length of the unexpired term only.


Rule 2.4 Meetings of the Mississippi Postsecondary Education Financial Assistance Board.

I. The Postsecondary Board will establish a meeting schedule and publish the schedule on the Mississippi Office of Student Financial Aid website.

II. Typically, the Board will meet on a quarterly basis with meetings scheduled on the third Monday of June, September, December and March at a time and place to be agreed upon by the Board.

III. Notice of Board meetings will be provided at least five (5) days prior to the scheduled Board meeting in accordance with the Open Meetings Act.

IV. Special meetings of the Board may be called upon the occurrence of events which warrant the consideration and attention of the Board.


Part 601 Chapter 3: Authority of the Mississippi Postsecondary Education Financial Assistance Board

Rule 3.1 Authority of the Mississippi Postsecondary Education Financial Assistance Board. The Postsecondary Education Financial Assistance Board is granted authority by the State of Mississippi for administration of various state student financial assistance programs. Authority is granted by the legal statutes authorizing such programs as follows:

<table>
<thead>
<tr>
<th>Program Name</th>
<th>Authorizing Code Section</th>
</tr>
</thead>
<tbody>
<tr>
<td>Undergraduate Grant and Scholarship Programs (Parts 610-619)</td>
<td>Miss. Code Ann. § 37-106-29</td>
</tr>
<tr>
<td>Mississippi Resident Tuition Assistance Grant (MTAG)</td>
<td></td>
</tr>
</tbody>
</table>

Regular Agenda Exhibits - 24
<table>
<thead>
<tr>
<th>Program</th>
<th>Statute</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mississippi Eminent Scholars Grant (MESG)</td>
<td>Miss. Code Ann. § 37-106-31</td>
</tr>
<tr>
<td>Southwest Asia Prisoner of War/Missing in Action Scholarship Program (POW) - Inactive</td>
<td>Miss. Code Ann. § 37-106-41</td>
</tr>
<tr>
<td><strong>Graduate Grant and Scholarship Programs (Parts 620-629)</strong></td>
<td></td>
</tr>
<tr>
<td>Mississippi Public Management Graduate Intern Program (PMGT)</td>
<td>Miss. Code Ann. § 37-106-43</td>
</tr>
<tr>
<td><strong>Undergraduate Forgivable Loan Programs (Parts 630-649)</strong></td>
<td></td>
</tr>
<tr>
<td>Teacher Education Scholars Forgivable Loan (TES)</td>
<td>Miss. Code Ann. § 37-106-37</td>
</tr>
<tr>
<td>William Winter Alternate Route Teacher Forgivable Loan (WWAR)</td>
<td>Miss. Code Ann. § 37-106-57</td>
</tr>
<tr>
<td>Mississippi Teaching Fellows Forgivable Loan</td>
<td>Miss. Code Ann. § 37-106-77</td>
</tr>
<tr>
<td><strong>Undergraduate and Graduate Forgivable Loan Programs (Parts 650-659)</strong></td>
<td></td>
</tr>
<tr>
<td>Health Care Professions Forgivable Loan (HCP)</td>
<td>Miss. Code Ann. § 37-106-67</td>
</tr>
<tr>
<td>Nursing Education Forgivable Loan, BSN (NELB); RN to BSN (NELR); MSN (NELM); RN to MSN (NERM); and Ph.D./DNP (NELP)</td>
<td>Miss. Code Ann. § 37-106-59</td>
</tr>
<tr>
<td>Family Protection Specialist Social Worker Forgivable Loan (SWOR)</td>
<td>Miss. Code Ann. § 37-106-69</td>
</tr>
<tr>
<td><strong>Graduate Forgivable Loan Programs (Parts 660-679)</strong></td>
<td></td>
</tr>
<tr>
<td>Counselor and School Administrator Forgivable Loan (CSA)</td>
<td>Miss. Code Ann. § 37-106-47</td>
</tr>
<tr>
<td>Graduate Teacher Forgivable Loan (GTS)</td>
<td>Miss. Code Ann. § 37-106-47</td>
</tr>
<tr>
<td>Southern Region Education Board Doctoral Scholars Forgivable Loan (SDSP)</td>
<td>Miss. Code Ann. § 37-106-47</td>
</tr>
<tr>
<td>State Dental Education Forgivable Loan (DENT)</td>
<td>Miss. Code Ann. § 37-106-63</td>
</tr>
<tr>
<td>State Medical Education Forgivable Loan (MED)</td>
<td>Miss. Code Ann. § 37-106-61</td>
</tr>
<tr>
<td>Graduate and Professional Degree Forgivable Loan (STSC)</td>
<td>Miss. Code Ann. § 37-106-65</td>
</tr>
<tr>
<td>Veterinary Medicine Minority Forgivable Loan (VMMP)</td>
<td>Miss. Code Ann. § 37-106-47</td>
</tr>
<tr>
<td><strong>Loan Repayment and Other Programs (Parts 680-689)</strong></td>
<td></td>
</tr>
<tr>
<td>Mississippi Teacher Loan Repayment Program (MTLR)</td>
<td>Miss. Code Ann. § 37-106-55</td>
</tr>
<tr>
<td>Teacher Education Alternate Route Certification Scholars Forgivable Loan (TESA)</td>
<td>Miss. Code Ann. § 37-106-79</td>
</tr>
</tbody>
</table>

Part 601 Chapter 4: Office of Student Financial Aid

Rule 4.1 Statutory Creation of the Office of Student Financial Aid. The Board of Trustees of State Institutions of Higher Learning shall designate one (1) member of its staff to serve as Director of the Postsecondary Board, to administer the provisions of the financial assistance programs established in accordance with the Postsecondary Education Financial Assistance Law of 1975. The Director shall be assigned by the Agency sufficient staff, professional and clerical, funds and quarters to administer this program. The staff and Director shall be organized under the Mississippi Office of Student Financial Aid, hereafter referred to as the Office.


Rule 4.2 Director of Student Financial Aid.

I. The Director of Student Financial Aid directs the activities of the Mississippi Office of Student Financial Aid. The Director is designated by the Agency as the Director of the Postsecondary Board. In accordance with the Postsecondary Education Financial Assistance Law of 1975, the Director, subject to the review of the Postsecondary Board, shall have the power of final approval of any application submitted. Subject to the approval of the Postsecondary Board, the Director has authority to promulgate the necessary rules and regulations for effective administration of the programs authorized by the Postsecondary Board.

II. The Director of Student Financial Aid is empowered to carry out the functions of the Board relating to the administration of the state financial aid programs. As such, the Director may approve and disapprove various items on behalf of the Board, including, but not limited to: requests for deferment, requests for cancellation, and requests for total and permanent disability. Subject to the approval of the Postsecondary Board, the Director has authority to promulgate the necessary rules and regulations for the programs administered by the Office.


Rule 4.3 General Purpose of the Office of Student Financial Aid. The Mississippi Office of Student Financial Aid is responsible for administering all aspects of the state-supported student financial aid programs. The Office also administers or coordinates some federal and private grants and scholarships. For state loan/scholarship programs, the Office monitors student service obligations and collects funds paid in repayment of loans. The Office maintains records, documents activities, and reports on its activities in accordance with state and federal laws. The Office seeks to build awareness and understanding of financial aid opportunities. The Office
interfaces with external constituency groups, such as the Mississippi Legislature, state and national financial aid organizations, non-profit college access organizations, and others.


Rule 4.4 Mission of the Office of Student Financial Aid. The Mississippi Office of Student Financial Aid seeks 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.


Part 601 Chapter 5: Creation and Modification of Student Financial Assistance Programs

Rule 5.1 Creation of Student Financial Assistance Programs. State-supported student financial assistance programs may be created by the Mississippi Legislature through the established legislative process. The Legislature will name the administering agency in the authorizing legislation. If the Agency or the Postsecondary Board is named as the administering agency, the Mississippi Office of Student Financial Aid will complete the following process:

I. Draft Rules and Regulations and Contracts (when appropriate) to govern the program;

II. Submit the Rules and Regulations and Contracts to the Office of the Attorney General for review;

III. Present the Rules and Regulations and Contracts to the Postsecondary Board for approval, pending completion of the Administrative Procedures Act Process;

IV. After Board approval is obtained, complete the Administrative Procedures Act Process as required by the Secretary of State;

V. Publish the Rules and Regulations and other public information about the program;

VI. Make the program available for application through the state online application portal.


Rule 5.2 Modification of Student Financial Assistance Programs.

I. The Office of Student Financial Aid will continuously monitor the state-supported student financial aid programs for accessibility, necessity, affordability, and efficiency and will consider potential program modifications as needed.

II. The Office will consider potential program modifications that are expressed in writing from Legislators, higher education institutions, workforce or industry representatives, and
other government agencies.

III. If there is identified a need to modify a program, the Office will follow the following process:

A. The Office documents the need for the change by collecting data related to the number of students that will be affected by the change, the projected cost of the change, and the rationale for the change;

B. Once the need for modification of a program is documented, the Office drafts proposed changes to the program Rules and Regulations and Contract (when appropriate);

C. The modified Rules and Regulations and Contract (when appropriate) are submitted to the Office of the Attorney General for review and approval;

D. The modified Rules and Regulations and Contract (when appropriate) are then submitted to the appropriate Board(s) for consideration;

E. Once Board approval is obtained, the Office publishes the Rules and Regulations and other public information about the program and makes the program available for application through the state online application portal.


Part 601 Chapter 6: Reporting

Rule 6.1 Reporting.

I. The Mississippi Office of Student Financial Aid will report on the activities of the Office annually as required by state and/or federal law.

II. 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.

III. The Mississippi Office of Student Financial Aid will post the Annual Report to the Mississippi Legislature on its website and will furnish copies to the Agency and the Postsecondary Board.


Part 601 Chapter 7: Compliance with State and Federal Regulations

*Rule 7.1 Compliance with State and Federal Regulations.* The Mississippi Office of Student Financial Aid will comply with state and federal laws and regulations. All Office employees are expected to consistently follow and enforce the rules laid out herein and all state and federal laws and regulations.


*Rule 7.2 Compliance with the Federal Education Rights and Privacy Act of 1974 (FERPA).*

I. The Family Educational Rights and Privacy Act of 1974 (FERPA), is a federal law that grants important privacy rights to students regarding their educational records. More specifically, unless required by federal law, the information contained in educational records may not be disclosed to third parties, including parents, without the written consent of a student who is 18 or over. In addition to granting privacy rights, FERPA gives students the right to review their educational records and the right to request an amendment of those records should they feel the records contain inaccurate information.

II. The term, "educational records," as used in the FERPA statute, includes more than academic records in its meaning. Educational records may also be financial aid records, transcripts, letters of recommendation, disciplinary files, grades, test scores, admissions applications and course enrollments. In essence, any records maintained by an institution and which contain information directly related to a student are educational records. Additionally, FERPA designates certain types of student information which may be published or released without the consent of the student. This information is referred to as "directory information". Although such information is contained within an educational record, it is not generally considered harmful or an invasion of privacy if disclosed. Directory information can include a student's name, address, telephone listing, email address, photograph, birth date, place of birth, area of study, grade level, dates of attendance, and recognition for activities, honors and awards.

III. Applicants for state student financial assistance complete an educational records release form at the point of application and may update the educational records release permissions at any time by accessing the student account online. To provide permission for the Office to release a student's non-directory information, the student must provide the name of the person to whom information can be released, the relationship of that person to the student, the person's date of birth, and the last four digits of the person's
Social Security Number. Non-directory information will be released only to persons with an active records release form on file with the Office.

IV. The Office seeks to ensure the security of non-directory information, also referred to as Highly Confidential Information. Therefore, the Office will abide by the following policies when transmitting and storing such information:

A. The preferred method of transmitting Highly Confidential Information is via the Office's Secure Document Share Portal, which is protected via SSL technology. Some Highly Confidential Information may also be shared via the Office's Secure Counselor Web Application.

B. If it is necessary to mail physical copies of Highly Confidential Information, the Highly Confidential Information will be mailed in a tamper-proof, labeled container, with a tracking number and a delivery confirmation receipt.

C. When it is necessary to mail Highly Confidential Information on electronic media, such as CDs, DVDs, electronic tape, etc., the Highly Confidential Information will be encrypted. The Highly Confidential Information shall only be mailed in accordance with the provisions of IV.B. above.

D. If it is necessary to transmit Highly Confidential Information electronically via any method not listed in IV.A. above (such as email), the Highly Confidential Information will be encrypted.

E. Passwords or other information sufficient to allow decryption of Highly Confidential Information will not be emailed along with the Encrypted Highly Confidential Information.

F. Physical copies (paper or other physical representations) of Highly Confidential Information will be kept under lock and key when not in immediate use. Highly Confidential Information will not be left unsecured and unattended at any time.

G. Highly Confidential Information stored on electronic media, such as CDs, DVDs, tape, flash drives, etc. will be Encrypted. Further, such electronic media shall be kept locked, or otherwise have sufficient physical access control measures to prevent unauthorized access. Highly Confidential Information in any electronic format, including computer databases, will not be left unsecured, meaning accessible without a password, and unattended at any time.

H. Any laptop or computer that contains Confidential Information or Highly Confidential Information will be password protected. Additionally, any laptop or computer that contains Highly Confidential Information shall have its full hard drive encrypted. No laptop or computer will be left unattended without enabling a screen-lock or otherwise blocking access to the laptop or computer. No password or other information sufficient to access a laptop or computer containing Highly Confidential Information will be released to persons other than those with an active records release form on file with the Office.
Confidential Information will be attached to or located near the laptop or computer at any time.

**i.** Access to Highly Confidential Information through modems, networks, and the Internet will be carefully monitored and limited to authorized users.

**J.** Only authorized users who have signed a Certification Statement shall have access to Highly Confidential Information.


**Rule 7.3 Compliance by Institutions.** The Postsecondary Board may conduct its own annual compliance audits of any institution participating in the Mississippi Resident Tuition Assistance Grant or the Mississippi Eminent Scholars Grant. The Postsecondary Board may suspend or revoke an institution’s eligibility to receive future monies under the program if it finds that the institution has not complied with the provisions of all applicable laws and the program Rules and Regulations.


**Part 601 Chapter 8: Rights and Responsibilities**

**Rule 8.1 Student Rights.** As an applicant of state student financial aid, a student has the right to:

**I.** Be informed of the correct procedures for applying for aid, the amount and types of aid available, initial and continuing eligibility criteria, deadline dates and the consequences of failure to meet the deadlines, and how academic progress is determined;

**II.** Be informed of the status of one’s application for state financial aid;

**III.** Be informed of the type and amount of state aid awarded, and when and when aid will be paid;

**IV.** Appeal to the state financial aid office decisions about an application or eligibility, if such decisions are eligible for appeal;

**V.** Access the Rules and Regulations for any state student financial aid program; and

**VI.** Decline state student financial aid.


**Rule 8.2 Student Responsibilities.** As an applicant of state student financial aid, a student is responsible for:

**I.** Making application by the established deadline date on an annual basis.
II. Submitting all additional documentation, corrections, and/or new information requested by the Office by the established deadline date.

III. Any student who willfully presents false evidence as to his residence status shall be deemed guilty of a misdemeanor, and upon conviction thereof may be fined not to exceed one hundred dollars, per Miss. Code of 1972, § 37-103-27.

IV. Reading and understanding all materials sent to the student from the Office.

V. Documenting all interaction with the Office.

VI. Being aware of and complying with the rules governing state student financial aid programs.

VII. Complying with the provisions of any contract and rules & regulations, signed by the student.

VIII. Registering for the number of hours required.

IX. Notifying the Office of changes of address, phone number, email address, institution, etc.

X. Maintaining satisfactory academic progress.

XI. Using aid only for expenses related to attending college/university.

XII. Checking regularly the student account for updates.


Rule 8.3 Institutional Responsibilities. It is the responsibility of each institution eligible for state student financial aid to:

I. Submit grade files by the deadline each term.

II. Submit enrollment files by the deadline each term.

III. Review award, disbursement, and balance reports published by the Office each term.

IV. Notify the Office of any discrepancies related to residency, citizenship, or financial need.

V. Ensure that no state financial aid recipient receives an aid package that exceeds cost of attendance, except in cases where the student receives the Mississippi Eminent Scholars Grant. In no case may the Mississippi Resident Tuition Assistance Grant be awarded with the Mississippi Eminent Scholars Grant if the financial aid package exceeds the student’s cost of attendance.
VI. For all returning students, a complete and accurate report of the student’s cumulative grade point average on all college course work attempted as of the end of the previous semester or trimester should be submitted to the Board within five (5) days of beginning of any given semester or trimester.

VII. For all students, a complete and accurate roster of the eligibility status of each recipient shall be submitted to the Board by the final add/drop date of each semester or trimester of the academic year the student receives a grant.

VIII. A balancing statement and certification statement, verifying monies disbursed to all students, must be submitted before the end of the semester or trimester to the Board.


Part 601 Chapter 9: Program Funding

Rule 9.1 Funding.

I. The Agency receives an annual appropriation for Student Financial Aid, which consists of the following:

A. General Funds from the State Treasury

B. Spending Authority from special sources, such as:

1. Collections from repayment accounts

2. Carryover funds

3. Private foundations

4. Interest accounts

5. Federal funds

6. Grants

7. Donations

8. Fees

II. Unless otherwise noted in the annual appropriation, unexpended funds appropriated for Student Financial Aid will not lapse into the General Fund but will carryover for use in subsequent fiscal years.
III. Typically, the annual appropriation does not specify funding levels for specific programs. In some cases, the appropriation may set a maximum funding level for a program and/or delineate funding for a specific program.

III-IV. 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.


Rule 9.2 Program Funding.

I. When determining how funds will be distributed by program, the Office will first take into consideration the level of funding available from all possible sources, including General Funds and Special Funds such as repayment accounts, private foundations, interest accounts, and the federal government;

II. The Office will seek to determine whether funding is sufficient to award all eligible applicants for all programs.

III. If funding is sufficient, all eligible applicants will receive an award offer.

IV. If funding is not sufficient to award all eligible applicants, funds will be disbursed, according to the following priorities set forth by the Mississippi Legislature.

A. It is the intent of the Legislature to first fund grant awards to eligible students.

B. If funds are insufficient to fully fund grant awards to eligible students, grant awards shall be prorated among all eligible students.

C. After grant awards are made, it is the intent of the Legislature to fund forgivable loan awards to eligible renewal students.

D. Lastly, forgivable loans will be awarded to eligible new students on a first-come, first-served basis.

Exhibit 2

Title 10: Education Institutions and Agencies

Part 605: General Administration Rules and Regulations

Part 605 Chapter 1: General Administration Rules and Regulations

Rule 1.1 General Administration Rules and Regulations. These Rules and Regulations apply to the general administration of all student financial assistance programs administered by the Board of Trustees of State Institutions of Higher Learning (hereafter referred to as the “Agency”) or the Mississippi Postsecondary Education Financial Assistance Board (hereafter referred to as the “Board” or “Postsecondary Board”) and are subject to change by the Board. These Rules and Regulations are meant to provide additional guidance for, not supplant the approved Rules and Regulations for each student financial assistance program. The Mississippi Office of Student Financial Aid (hereinafter referred to as the “Office”) will act on behalf of the Board and/or Agency to administer the student financial assistance programs.

I. APPLICATION PROCESS

A. All students must complete the online application for state student financial aid. Paper applications are not accepted. The Office will consider only applications made by the published deadlines, unless an exception is granted for all applicants.

B. A student should complete the following steps to apply for state student financial aid:

1. Complete the online portion of the application, available at www.mississippi.edu/financialaid by the published application deadline for the appropriate program(s). The application is available beginning January 1 each year. Students should complete an application EVERY year for which they wish to receive financial aid.

2. Print the confirmation page at the end of the online portion of the application and keep the confirmation page for record-keeping purposes.

3. Print and keep the confirmation email (if the student requests email correspondence), which verifies successful completion of the online portion of the application.

4. Wait approximately 48-72 hours to receive notification from the Office with the information needed to access a student’s secure online account. Notification will be sent via email if the student requests email correspondence or by mail if the student requests paper correspondence.
5. Submit all supporting documents requested via the student account. Supporting documents are essential to the application and must be received by the Office (not postmarked) by the published deadline for the appropriate program(s).

6. Check the student account often for updates and/or requests for documentation. NOTE: In certain situations, the Office may become aware of student circumstances that require the Office to collect other or additional supporting documents from the student.

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.

1. Residency Documentation - The Office will collect two documents to determine whether or not a student is a Mississippi resident. Any combination of two of the following documents will be accepted.

   a) Mississippi Driver’s License Number - A student should submit the Mississippi Driver’s License Number while completing the online application or make a color photocopy and send to the Office. Please do not fax a copy of the driver’s license. Dependent students must submit a parent’s Mississippi Driver’s License Number. Independent students must submit his/her own Mississippi Driver’s License Number.

   b) Mississippi Tax Return (Current Year) - A student should submit the first two pages of the state tax return for the current tax year. The tax return must be signed, unless prepared by a tax preparation professional. Dependent students must submit a parent’s tax return. Independent students must submit his/her own tax return.

   c) Free Application for Federal Student Aid (FAFSA) - The FAFSA is the application for federal student aid. It is available online at www.fafsa.gov. The student must complete the FAFSA by the document deadline specified by the program. The Office will automatically receive the applicant’s FAFSA results if the applicant’s official state of residency is Mississippi.

   d) Motor Vehicle Registration in Mississippi - Registration of vehicle must have been completed at least 12 months prior to the start of the term for which the student is seeking financial aid.

   e) Proof of Homestead Exemption - Homestead Exemption must have been filed at least 12 months prior to the start of the term for which the student is seeking financial aid.
f) Proof of Voter Registration in Mississippi - Voter registration must have been completed at least 12 months prior to the start of the term for which the student is seeking financial aid.

g) Other Documents for Military Personnel - Other residency documents may be required for students who are serving or have parents who are serving in the military.

2. Merit Documentation - The Office will collect documents to determine a student’s academic or merit eligibility for state student financial aid.

a) High School GPA - The high school grade point average (GPA) should be submitted either electronically by the high school through the approved grade file format or through the secure website. In limited cases, the Office will accept an official transcript. The GPA should be calculated on a 4.0 scale.

b) Official High School Transcript - The official high school transcript should include all courses attempted, completed or in progress; the GPA on a 4.0 scale; and the ACT/SAT score if available.

c) Official College Transcript(s) - The official college transcript should include all courses attempted, completed and in progress, and the GPA on a 4.0 scale.

d) Certification of HELP Core Curriculum by Counselor - Students applying for the Higher Education Legislative Plan for Needy Students (HELP) Scholarship may request that their counselor certify the HELP Core Curriculum on the High School Grade File, online through the Counselor Web Application, or via file upload to the Secure Document Share Portal. The counselor certification will serve as documentation that a student has completed or will complete all courses required to be eligible for the HELP Scholarship.

e) Certification of GEAR UP Core Curriculum by Counselor - Students applying for the GEAR UP Mississippi Scholarship may request that their counselor certify the GEAR UP Core Curriculum on the High School Grade File, online through the Counselor Web Application, or via file upload to the Secure Document Share Portal. The counselor certification will serve as documentation that a student has completed or will complete all courses required to be eligible for the GEAR UP Mississippi Scholarship.
f) Official ACT/SAT Score Report on National Test - Students may submit a copy of the official ACT/SAT Score Report. Scores from residual tests will NOT be accepted.

g) Passing Praxis Score Report - Students may submit a copy of the official Praxis Score Report.

h) Essay - Students should follow directions carefully for writing and submitting essays required for specific programs.

i) Resume - Students should follow directions carefully for drafting and submitting resumes required for specific programs.

3. Documentation of Financial Need - For some programs, the Office will collect documents to determine a student's financial need.

a) Free Application for Federal Student Aid (FAFSA) - The FAFSA is the application for federal student aid. It is available online at www.fafsa.gov. The student must complete the FAFSA by the document deadline specified by the program. The Office will automatically receive the applicant's FAFSA results.

b) Household Verification Worksheet (HELP Worksheet) - The household verification worksheet is used to determine the number of dependents who live in the home with the applicant.

4. Licensing Documentation - For some graduate programs, the Office will collect documents to determine a student's licensure status.

a) Current Teacher's License - The student may submit a copy of a valid teacher's license.

b) Current Nursing License - The student should go online and print a copy of the online nursing license verification available from the Mississippi Board of Nursing.

c) Documentation of Student Preparation for Program - For some programs, the Office will collect documents to determine a student's level of preparation for receiving state student financial aid.

5. Entrance Counseling - Entrance counseling will be provided as part of the contract for forgivable loans. As with the Master Contract and Note, the Entrance Counseling document is first presented electronically for electronic signature. However, Entrance Counseling documents can be
provided in paper format upon request. The entrance counseling document should be signed and returned by the deadline.

6. Letter of Acceptance - Letters of acceptance should be submitted as soon as they are received. Letters of acceptance should be submitted by the published deadline.

7. Letter of Recommendation - Letters of recommendation should be submitted by the document deadline.

D. A valid social security number shall be required from all students applying for state aid in order to create a permanent and lasting record and to facilitate student data sharing between the student's institution, the federal government, ACT, the Department of Revenue, the Department of Motor Vehicles, and the Office. An alternative number will be assigned and used for all purposes which do not require the social security number. The Office is dedicated to insuring the privacy and proper handling of confidential information pertaining to students.

E. Whoever, with intent to defraud the state or any department, agency, Board, Office, commission, county, municipality or other subdivision of state or local government, knowingly and willfully falsified, conceals or covers up by trick, scheme or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writings or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall upon conviction, be punished by a fine of not more than Ten Thousand Dollars ($10,000) or by imprisonment for not more than five (5) years, or by both such fine and imprisonment.

II. DETERMINING ELIGIBILITY

A. General Requirements for Determining Initial Eligibility

In general, to be eligible for state student financial aid, a student must:

1. Be a Mississippi resident per Mississippi Statute unless the applicant is applying for a program which does not require Mississippi residency;

2. Be a citizen of the United States or eligible non-citizen. Generally, an eligible non-citizen is one of the following:

   a) U.S. permanent resident, with a Permanent Resident Card (formerly known as an Alien Registration Receipt Card or "Green Card");

   b) Conditional permanent resident (I-551C);
c) Other eligible noncitizen with an Arrival-Departure Record (I-94) from the Department of Homeland Security showing any one of the following designations: “Refugee,” “Asylum Granted,” “Indefinite Parole,” “Humanitarian Parole,” or “Cuban-Haitian Entrant”; or

d) A citizen of the Republic of Palau (PW), the Republic of the Marshall Islands (MH), or the Federated States of Micronesia (FM).

3. Have a high school diploma or its recognized equivalent. Recognized equivalents include the General Education Diploma (GED). This requirement is applicable to students who have earned less than 12 college credits;

4. Not be in default on any federal or state education loan or owe a repayment on a federal or state grant;

5. Be registered with Selective Service (if required);

6. Complete the online application by the published deadline.

7. Provide all supporting documentation by the published deadline;

8. Enroll for the minimum number of hours required by the appropriate program;

9. Enroll in an approved postsecondary institution for the appropriate program;

10. For some programs, provide proof of acceptance into the appropriate educational program at an approved location;

11. Meet any other program-specific eligibility requirements for the appropriate program.

B. Process for Determining Initial Eligibility

To determine a student’s eligibility for state student financial aid, the Office may consider a student’s residency status, academic standing, enrollment status, licensure status, financial need, and preparation for the program. Below is the process the Office will follow:

1. The Office will receive a student’s online application.
2. The Office will notify the student of documents needed for determining initial eligibility.

3. The Office will collect the documents requested.

4. A Program Administrator will evaluate documents as they are submitted and update the student’s account with the date the document was received and with a code as to whether the document satisfies the request.

5. After the deadline for the submission of documents, all student accounts will be reviewed electronically.

6. Students, whose accounts show missing or outstanding documents, will be considered ineligible.

7. Students, whose accounts show no missing or outstanding documents, will advance for further evaluation.

8. For advancing students, documents will be evaluated on the basis of academic standing, merit, financial need, etc. to determine if the student meets the eligibility requirements of the appropriate program.

9. Students who meet all eligibility requirements will be awarded aid, as long as money is available for making awards.

10. Students who do not meet all eligibility requirements will receive notice regarding which eligibility requirement has not been made.

C. Process for Determining Continuing Eligibility

To determine a student’s continuing eligibility for state student financial aid, the Office may consider a student’s residency status, academic standing, enrollment status, licensure status, financial need, and preparation for the program. Below is the process the Office will follow:

1. The Office will receive a student’s online application.

2. The Office will notify the student of documents needed for determining continuing eligibility.

3. The Office will collect the documents requested.

4. A Program Administrator will evaluate documents as they are submitted and update the student’s account with the date the document was received and with a code as to whether the document satisfies the request.
5. After the deadline for the submission of documents, all student accounts will be reviewed electronically.

6. Students, whose accounts show missing or outstanding documents, will be considered ineligible.

7. Students, whose accounts show no missing or outstanding documents, will advance for further evaluation.

8. For advancing students, documents will be evaluated on the basis of academic standing, merit, financial need, etc. to determine if the student meets the eligibility requirements of the appropriate program.

9. Students who meet all eligibility requirements will be awarded aid, as long as money is available for making awards.

10. Students who do not meet all eligibility requirements will receive notice regarding which eligibility requirement has not been made.

D. Special Issues Related to Determining Eligibility

1. Residency

   a) For most state-supported financial aid programs legal Mississippi residency is a requirement for eligibility. Residency status for the purpose of administering state financial aid shall be determined in the same manner as residency status for tuition purposes as set forth in Sections § 37-103-1 through § 37-103-29, with the exception of § 37-103-17. For the purpose of administering state financial aid, the term “dependent” will be used in place of the term “minor” in the applicable code sections. Eligible nonprofit institutions must comply with the same statutes set forth in these sections. The Office will use the following process to make the initial determination of residency:

      (1) The Office will look at the student’s responses to certain questions on the state financial aid application and/or on the Free Application for Federal Student Aid (FAFSA), whichever application is completed and processed first.

      (2) The Office will review supporting documents submitted by the student. A dependent student is considered a non-resident if the parent's permanent (legal) address is an out-of-state address, as reported on the supporting documents. An independent student is considered a non-resident if the student’s permanent (legal) address is an out-of-state
address, as reported on supporting documents. Both dependent and independent students are considered non-residents if the permanent or legal state of residence is left blank on the FAFSA or is reported as a state other than Mississippi.

3) The school should identify students where the school's residency status differs from the status reported by the Office.

4) When a student with a differing residency status has been identified, the school should contact the Office and provide the appropriate documentation to show that the student should/should not be considered a Mississippi resident.

b) Legal Residence of an Independent Student (§ 37-103-13) - The residence of an independent student is that place where he/she is domiciled, that is, the place where he/she actually physically resides with the intention of remaining there indefinitely or of returning there permanently when temporarily absent.

c) Legal Residence of a Dependent Student (§37-103-7) - The residence of a dependent student is that of the father, the mother, or a general guardian duly appointed by a proper court in Mississippi. If a court has granted custody of the dependent to one (1) parent, the residence of the dependent is that of the parent who was granted custody by the court. If both parents are dead, the residence of the dependent student is that of the last surviving parent at the time of that parent's death unless the dependent lives with a legal guardian duly appointed by a proper court of Mississippi, in which case his/her residence becomes that of the guardian.

d) If a dependent student resides in Mississippi, graduates from a Mississippi high school, and completes the final four years of high school in Mississippi as demonstrated by the transcript, the student shall not be required to pay out-of-state tuition. However, the dependent student's residency status continues to be that of his/her parent for financial aid purposes.

e) Legal Residence of Person Entering State for Purpose of Attendance at Educational Institution (§ 37-103-5) - A person who enters the state of Mississippi from another state and enters a postsecondary educational institution is considered a non-resident. Even though he/she may have been legally adopted by a resident of Mississippi or may have been a qualified voter, or a landowner, or
may otherwise have sought to establish legal residence, such a person will still be considered as being a non-resident of Mississippi if he/she has entered the state for the purpose of enrolling in a postsecondary educational institution.

f) Legal Residence of Children of Parents Who Are Employed by Institutions of Higher Learning (§ 37-103-9) - Children of parents who are members of the faculty or staff of any institution under the jurisdiction of the Board of Trustees ("Agency") may be classified as residents for the purpose of attendance at the institution where their parents are faculty or staff members.

g) Effect of Removal of Parents from Mississippi (§ 37-103-11) - If the parents of a dependent who is enrolled as a student in an institution of higher learning move their legal residence from the State of Mississippi, the dependent is immediately classified as a non-resident student.

h) Legal Residency Status of a Married Student (§ 37-103-13) - A married person may claim the residency status of his or her spouse, or he/she may claim residency status as any other independent student. A student who marries a Mississippi resident is considered a resident the day he/she marries.

i) Legal Residence of Active Duty Military Personnel Stationed in Mississippi (§ 37-103-17) - The residency requirements for members of the armed forces (and their spouses and dependents) stationed on full-time active duty in Mississippi are waived for tuition purposes only, not for student financial aid. Non-resident military personnel (or their spouses or dependents) stationed in Mississippi are not eligible for state financial aid. The financial aid applicant will be required to document legal residence by providing the military Leave and Earnings Statement listing Mississippi as the Home of Record. In cases where an active duty military applicant is determined to be a non-resident according to military documentation, the Board may request additional documentation to determine if the applicant has resident status under a different residency code section.

j) Children of Military Personnel (§ 37-103-19) - The dependent children of legal Mississippi residents who are members of the armed forces on extended active duty away from Mississippi shall be eligible for state financial aid, even when those dependents live out-of-state and receive their high school diplomas from non-Mississippi schools. The student will be required to document that legal residence has been maintained by providing the military
Leave and Earnings Statement listing Mississippi as the Home of Record. Other documents may be requested.

k) Military Personnel - If the student was a legal resident of Mississippi when he/she entered into the service and has maintained that legal residence while in the service, the student is presumed to meet the residency requirement. The student will be required to document that legal residence has been maintained by providing the military Leave and Earnings Statement listing Mississippi as the Home of Record. Other documents may be requested.

l) Residency Status of Aliens (§ 37-103-19) - Aliens are considered non-residents by the Mississippi Code of 1972. However, all state financial aid programs require the student to meet certain requirements relating to U.S. citizenship. Students will be considered to have fulfilled the citizenship requirement for state aid if they meet this requirement for federal programs. If the institution has any information that would cast doubt on an award recipient's ability to meet the citizenship requirement, the institution should notify the Office.

m) Duration of Residency - For grant and forgivable loan programs requiring award recipients to be Mississippi residents, the student must be a legal resident of Mississippi for at least 12 months before the term for which assistance is sought. Students who resided in Mississippi before meeting citizenship requirements are considered to meet Mississippi residency requirements for any term of study beginning after they have met citizenship requirements if they have resided in the state for at least 12 months.

n) Responsibility for Registration Under Proper Residence Status Is Placed Upon the Student (§ 37-103-27) - Any student who willfully presents false evidence as to his residency status shall be deemed guilty of a misdemeanor, and upon conviction thereof may be fined not to exceed one hundred dollars.

2. Dependency Status

a) For the purpose of awarding state financial aid, the Office will follow the federal guidelines for classifying a student as "dependent" or "independent."

b) To be "independent", a student must:
(1) Be at least 24 years old;

(2) Be married;

(3) Be pursuing a graduate degree;

(4) Be serving on active duty in the U.S. Armed Forces for purposes other than training;

(5) Be a veteran of the U.S. Armed Forces;

(6) Have a child or children for which the student provides more than half of the support;

(7) Have other dependents who live with the student for which the student provides more than half of the support;

(8) At any time since the age of 13, both parents of the student have been deceased, the student has been in foster care, or the student has been a dependent ward of the court;

(9) Be in a legal guardianship as determined by a court in Mississippi; or

(10) Be an unaccompanied youth who is homeless as determined by the high school or school district homeless liaison, by the director of an emergency shelter or transitional housing program funded by the U.S. Department of Housing and Urban Development, or by the director of a runaway or homeless youth basic center or transitional living program.

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:

(a) Twelve (12) semester hours each academic term (excluding summer) or nine (9) trimester hours per academic term or twenty-four (24) 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.

(2) 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 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) 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.

4. Contractual Agreements and Study Abroad - For the purposes of state financial aid, a contractual agreement is a written agreement between an eligible Mississippi school and an ineligible school. Study abroad programs will be treated as contractual agreements. A student, who is participating in a contractual agreement, including a study abroad program, may be eligible for state financial aid if the student meets all applicable requirements of continuous full-time enrollment at an eligible Mississippi institution. The eligible institution's registrar must consider the student to be a student at that school, and the student must be billed through the Business or Bursar's Office as a registered student.

5. Consortium Agreements - For the purposes of state financial aid, a consortium agreement is a written agreement between two eligible Mississippi schools. The home school is the school where the student is enrolled in a degree or certificate program. The host school is the school where the student is taking part of his or her program requirements. A student who is participating in a consortium agreement may be eligible for state financial aid if the student meets all applicable requirements of continuous full-time enrollment. The home institution's registrar must consider the student to be a student at that school, and the student must be billed through the Business or Bursar's Office as a registered student.
6. Grade Point Average - To be eligible and maintain eligibility for state financial aid, recipients must have a minimum Grade Point Average (GPA).

   a) For first-time college students, the Office accepts the seven-semester high school GPA, as certified by the high school counselor or other school administrator. Most Mississippi high schools submit a high school Grade File directly to the Office, which includes the seven-semester high school GPA and ACT/SAT scores for all graduating seniors. However, the Office may request this information from a student if the high school does not submit a Grade File. The Office will not calculate GPAs. After a student's initial year in college, the Office will not accept high school GPAs that have been recalculated for reasons such as a change in the high school grading scale or high school grading policy.

   b) For continuing college students, the Office accepts the college GPA, as calculated and certified by the registrar at the end of each term or year. The college GPA is reported directly to the Office at the end of each term by the college in a Grade Report. A student should not submit a transcript at the end of each term unless requested by the Office. The Office will not calculate GPAs, but will accept the GPA calculated by the college.

7. ACT/SAT Scores - To be eligible for some state financial aid, recipients must document a certain minimum score on the ACT or SAT, as determined by the program for which the applicant is applying. Only scores on the national ACT or national SAT will be accepted. Scores on residual tests will not be accepted.

8. Satisfactory Academic Progress (SAP) - All students must make Satisfactory Academic Progress (SAP) toward a certificate or degree to maintain eligibility for state financial aid. To make SAP, a student must have attempted fewer than 96 credit hours at the two-year college level and fewer than 192 credit hours at the four-year college level to maintain eligibility. Each term, the Office will review the total number of hours attempted by each student to determine continued eligibility for state financial aid. However, a student may appeal SAP rulings by following the approved Appeal Process and may be granted an exception for cause. In addition, if a student has appealed a SAP ruling by the school and been granted eligibility for federal student aid, the Office will defer to the ruling made by the attending institution.

9. Eligible Institutions - All state financial aid programs require recipients to attend an eligible institution. Some state financial aid programs are not
available to students at all “eligible” institutions. An eligible institution for state aid purposes is an institution of higher learning, public or private, located in Mississippi, which is accredited by the Southern Association of Colleges and Secondary Schools, or its equivalent, or a business, vocational, technical or other specialized school recognized and approved by the Board. In keeping with the Legislative intent established in Miss. Code Ann. § 37-101-241, the Board hereby approves any community, junior, or senior college or university with the main campus in Mississippi that was chartered, authorized, or approved by the Mississippi Commission on College Accreditation prior to July 1, 1988. Eligible institutions for the SREB Regional Contract Program and the Graduate and Professional Degree Program are not in Mississippi.

a) Eligible In-State Institutions:

<table>
<thead>
<tr>
<th>Institution Name</th>
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<tbody>
<tr>
<td>Alcorn State University</td>
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<tr>
<td>Delta State University</td>
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<tr>
<td>Jackson State University</td>
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<tr>
<td>Mississippi State University</td>
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<tr>
<td>Mississippi University for Women</td>
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<tr>
<td>Mississippi Valley State University</td>
</tr>
<tr>
<td>University of Mississippi</td>
</tr>
<tr>
<td>University of Mississippi Medical Center</td>
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<tr>
<td>University of Southern Mississippi</td>
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<tr>
<td>Coahoma Community College</td>
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<tr>
<td>Copiah-Lincoln Community College</td>
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<tr>
<td>East Central Community College</td>
</tr>
<tr>
<td>East Mississippi Community College</td>
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<tr>
<td>Hinds Community College</td>
</tr>
<tr>
<td>Holmes Community College</td>
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<tr>
<td>Itawamba Community College</td>
</tr>
<tr>
<td>Jones County Junior College</td>
</tr>
<tr>
<td>Meridian Community College</td>
</tr>
<tr>
<td>Mississippi Delta Community College</td>
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<tr>
<td>Mississippi Gulf Coast Community College</td>
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<td>Northeast Mississippi Community College</td>
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<td>Northwest Mississippi Community College</td>
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<td>Pearl River Community College</td>
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<tr>
<td>Southwest Mississippi Community College</td>
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<tr>
<td>Belhaven University</td>
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<tr>
<td>Blue Mountain College</td>
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<tr>
<td>Millsaps College</td>
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<tr>
<td>Mississippi College</td>
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<tr>
<td>Rust College</td>
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<tr>
<td>Tougaloo College</td>
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</tbody>
</table>
Wesley College
William Carey University

b) Eligible Out-of-State Institutions (for certain programs)

<table>
<thead>
<tr>
<th>Institution Name (State Abbreviation)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alabama State University (AL)</td>
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<tr>
<td>Barry University (FL)</td>
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<tr>
<td>CA School of Podiatric Med. – Samuel Merritt Univ. (CA)</td>
</tr>
<tr>
<td>Cleveland Chiropractic College (MO)</td>
</tr>
<tr>
<td>Des Moines University – College of Podiatric Medicine (IA)</td>
</tr>
<tr>
<td>Kent State University – College of Podiatric Medicine (OH)</td>
</tr>
<tr>
<td>Life University (GA)</td>
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<tr>
<td>Logan Chiropractic College – Logan University (MO)</td>
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<tr>
<td>Los Angeles College of Chiropractic Medicine (CA)</td>
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<tr>
<td>New York College of Podiatric Medicine (NY)</td>
</tr>
<tr>
<td>Northwestern Health Science Univ. – Chiropractic Coll. (MN)</td>
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<tr>
<td>Northwestern University – Prosthetics-Orthotics Center (IL)</td>
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<tr>
<td>Palmer College of Chiropractic (IA)</td>
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<tr>
<td>Parker University – Chiropractic College (TX)</td>
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<tr>
<td>Sherman College of Chiropractic Medicine (SC)</td>
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<tr>
<td>Southern College of Optometry (TN)</td>
</tr>
<tr>
<td>Temple University – School of Podiatric Medicine (PA)</td>
</tr>
<tr>
<td>Texas Chiropractic College (TX)</td>
</tr>
<tr>
<td>University of Alabama Birmingham (AL)</td>
</tr>
<tr>
<td>UT Southwestern Medical Center – Prosthetics-Orthotics (TX)</td>
</tr>
</tbody>
</table>

10. Default on Student Loan or Refund - A student is not eligible for state student financial assistance if he or she is in default on a federal or state loan or owes a refund on a federal or state award. If the student has defaulted but repaid the loan in full or has refunded the award in full, the student is eligible for state funds. To demonstrate that the student meets this eligibility requirement, the student must either complete the FAFSA or the Certification Statement on the state financial aid application.

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 Office will not hear appeals related to 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, the student should have the high school or college submit an official updated transcript directly to the Office.

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3. The appeal process is as follows:

a) Student submits a written appeal which addresses the following: reason why the student was deemed ineligible and the reason why the Office should consider making an exception to the eligibility requirement. Acceptable reasons vary, but typically include: serious illness, personal injury, divorce of a parent or death of an immediate family member. An immediate family member is defined as a parent, spouse, sibling, or child.

b) The written appeal should be accompanied by appropriate supporting documentation and should be mailed to the Mississippi Office of Student Financial Aid, 3825 Ridgewood Road, Jackson, MS 39211.

c) The written appeal along with supporting documentation is reviewed by the Director to ensure that the issue may be considered for appeal.

d) The Director presents the written appeal, supporting documentation, and any other necessary documentation/data related to the student’s file to the Appeals Committee.

e) The Appeals Committee reviews information. The Committee may request additional information from the student and/or other parties.

f) The Appeals Committee issues a decision. The Committee’s decision is final.

g) The decision is delivered in writing to the student and a copy is kept for the student’s file.

F. Application Status

A student may check the status of an application online at www.mississippi.edu/financialaid at any time after the application has been processed. To check the status of an application, a student must log in, using his/her social security number, date of birth, and state assigned Personal Identification Number (PIN). Below is a processing schedule for applications:

<table>
<thead>
<tr>
<th>Day/Time Application Submitted</th>
<th>Day/Time Application Processed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sunday after 7:00 p.m. through Monday before 7:00 p.m.</td>
<td>Tuesday before noon</td>
</tr>
<tr>
<td>Monday after 7:00 p.m. through Tuesday</td>
<td>Wednesday before noon</td>
</tr>
<tr>
<td>before 7:00 p.m.</td>
<td></td>
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<tr>
<td>------------------</td>
<td></td>
</tr>
<tr>
<td>Tuesday after 7:00 p.m. through Wednesday before 7:00 p.m.</td>
<td>Thursday before noon</td>
</tr>
<tr>
<td>Wednesday after 7:00 p.m. through Thursday before 7:00 p.m.</td>
<td>Friday before noon</td>
</tr>
<tr>
<td>Thursday after 7:00 p.m. through Sunday before 7:00 p.m.</td>
<td>Monday before noon</td>
</tr>
</tbody>
</table>

G. Updating an Application

A student should update the online application if any of the following information changes after an application has been completed online during a given aid year:

1. School attending
2. Enrollment status
3. Terms of enrollment
4. Contact information

II. AWARD OFFER AND ACCEPTANCE PROCESS

A. Award Offer and Acceptance Process for Grant and Scholarship Programs

1. The Office will notify students of award offers through email or mail, depending on the type of communication requested by the student at the point of application.

2. Award notices are typically made beginning in July, but will be made only after an application is considered complete and eligible.

3. Students who wish to accept a grant or scholarship award offer do not need to take any action.

4. Students who wish to decline a grant or scholarship award should notify the Office in writing of that decision.

B. Award Offer and Acceptance Process for Loan/Scholarship Programs

1. The Office will notify students of award offers through email or mail, depending on the type of communication requested by the student at the point of application.

2. Award notices are typically made beginning in July, but will be made only after an application is considered complete and eligible.
3. First-time loan/scholarship applicants who wish to accept a loan/scholarship award offer must complete, sign, and submit the following documents:

   a) Entrance Counseling

   b) Master Contract and Note incorporating the program Rules and Regulations

   c) Self-Certification Form

4. Renewing loan/scholarship applicants who wish to accept a loan/scholarship award offer must complete, sign, and submit the Self-Certification Form each year.

5. Some documents may be available for signature electronically, but the student may request a paper document for signature.

6. Students who wish to decline a loan/scholarship award offer should notify the Office in writing of that decision.

C. Award Offer Process for Gear Up Mississippi Scholarships

1. When the Office determines a GEAR UP Mississippi application to be complete and eligible, the Office will send a file to the institution where the applicant is attending. The file will include the applicant’s name and identifying information.

2. The institution must complete the file by confirming full-time enrollment and by documenting the other sources of financial aid awarded to the applicant and the amount of financial assistance the applicant is eligible to receive through the GEAR UP Mississippi Scholarship program.

3. Once the Office receives the completed file back from the institution, the Office will make the applicant an award offer and will notify the applicant of the award offer through email or mail, depending on the type of communication requested by the applicant at the point of application.

4. Students who wish to accept the GEAR UP Mississippi award offer do not need to take any action.

5. Students who wish to decline the GEAR UP Mississippi award should notify the Office in writing of that decision.
D. Award Offer Process for Summer Developmental Program Grants

1. Each of the eight public universities will submit a Summer Developmental Program enrollment file to the Office.

2. The Office will compare the enrollment files with active applications for state financial aid.

3. If a student has made application for state financial aid AND is enrolled in the Summer Developmental Program, the Office will send a file back to the institution where the student is attending. The file will include the applicant’s name and identifying information.

4. The institution must complete the file by confirming full-time enrollment in the Summer Developmental Program and by documenting the other sources of financial aid awarded to the applicant and the amount of financial assistance the applicant is eligible to receive through the Summer Developmental Program Grant.

5. Once the Office receives the completed file back from the institution, the Office will make the applicant an award offer and will notify the applicant of the award offer through email or mail, depending on the type of communication requested by the applicant at the point of application.

6. Students who wish to accept the Summer Developmental Program Grant award offer do not need to take any action.

7. Students who wish to decline the Summer Developmental Program Grant award should notify the Office in writing of that decision.

E. The Office will create and distribute Award Reports to notify each approved institution of the students at the institution who have received an award offer. New Award Reports are posted regularly (typically once a week), and may include changes to an award amount, reasons for cancellation of an award, and other information.

F. Some state financial aid awards may be used only for tuition, but other awards may be used for other costs of attendance. Consult the Rules and Regulations of a particular program to determine what may/may not be covered by an award. In no case shall any student receive any combination of financial aid that would be more than the cost of attendance, except in cases where the student receives the Mississippi Eminent Scholars Grant. In no case may the Mississippi Resident Tuition Assistance Grant be awarded with the Mississippi Eminent Scholars Grant if the financial aid package exceeds the student’s cost of attendance. The Office
encourages the institutions to reduce other aid (excluding Pell Grant) which it
controls prior to returning state funds.

III. DISBURSEMENT PROCESS

State financial aid funds will be disbursed directly to the approved institution on behalf of
the eligible student. Money will never be disbursed directly to the student.

A. Enrollment Verification - No state financial aid funds will be disbursed until the
Office receives verification of enrollment. Each approved institution will submit
an Enrollment Verification Report after the final add/drop date at the beginning of
each term. The Office will process the Enrollment Verification Reports in the
order in which they are received.

B. Requesting Funds - After the Office has processed the Enrollment Verification
Report, the Office requests that funds be disbursed to the institution for eligible
students with confirmed enrollment.

C. Transferring Funds to the Institution - State financial aid funds will be transferred
to the institution by check or electronic funds transfer. After funds are requested,
the transfer of funds may take as long as 14-21 days. Once the funds have been
transferred to the institution, the institution will be responsible for crediting each
student’s account with the correct award amount.

D. Disbursing Funds to the Student - Funds are considered to be disbursed to the
student at the point at which the institution makes the funds unconditionally
available to the student for use in payment of tuition, fees, or other eligible costs
of attendance. Funds are considered to be disbursed to the student if the institution
uses its own funds to advance payment of the funds and later requests the Board
for reimbursement. Funds are not considered to be disbursed if the institution
merely waives payment of costs pending receipt of payment from the Office.

E. Returning Funds to the State - If a student, who is required to maintain continuous
full-time enrollment for continued eligibility, withdraws or drops to below full-
time status before state financial aid funds are disbursed to the student, the
institution should return the funds to the state. The student will not be eligible for
state financial aid for the subsequent term, since he/she did not maintain
continuous full-time enrollment. If a student, who is required to maintain
continuous full-time enrollment for continued eligibility, withdraws or drops to
below full-time status after state financial aid funds are disbursed to the student,
the student may keep the funds. However, the student will not be eligible for state
financial aid for the subsequent term, since he/she did not maintain continuous
full-time enrollment.

§ 37-103-29.
Exhibit 3

Title 10: Education Institutions and Agencies

Part 665: Southern Regional Education Board Doctoral Scholars Forgivable Loan (SDSP) Rules and Regulations

Part 665 Chapter 1: Southern Regional Education Board Doctoral Scholars Forgivable Loan (SDSP) Rules and Regulations

Rule 1.1 Southern Regional Education Board Doctoral Scholars Forgivable Loan (SDSP) Rules and Regulations. These Rules and Regulations are subject to change by the Board of Trustees of State Institutions of Higher Learning, Mississippi Postsecondary Education Financial Assistance Board (hereinafter referred to as the “Board”). The number of awards and recipients are dependent upon availability of funds and selection shall be based on a first-come, first-served basis of all eligible applicants; however, priority consideration shall be given to persons previously receiving awards under the Southern Regional Education Board Doctoral Scholars Loan/Scholarship Forgivable Loan program (SDSP).

I. GENERAL ELIGIBILITY

A. The applicant must be a current legal resident of Mississippi. Resident status for purposes of receiving SDSP shall be determined in the same manner as resident status for tuition purposes as set forth in Sections 37-103-1 through 37-103-29 of Ms. Code Ann., with the exception of Section 37-103-17.

B. The applicant must be selected for participation in the SDSP Program by the attending institution and the Southern Regional Education Board.

C. The applicant must adhere to all “Scholar Responsibilities”, as outlined in the Memorandum of Agreement.

D. The applicant must have expressed in writing a present intention to teach in the State of Mississippi in a postsecondary institution.

II. APPLICATION REQUIREMENTS FOR LOAN/SCHOLARSHIP FORGIVABLE LOAN APPLICANT

A. First time applicants must:

1. Complete an application online at www.mississippi.edu/financialaid.

2. If residency has not been established, submit two forms of documentation of current legal residency. Acceptable forms of residency documentation are listed in the General Administration Rules and Regulations and published online at www.mississippi.edu/financialaid.
3. Signify understanding of the SDSP Rules and Regulations, enter into a Contract and Note with the Board pursuant to the applicable Rules and Regulations and all applicable State laws, and complete, sign and return the Self Certification of a Private Loan form prior to the disbursement of funds. Note: The Contract and Note will be issued once the applicant has been awarded. Funds will not be disbursed until the Contract and Note has been signed.

B. Renewal applicants must:

1. Complete an application online at [www.mississippi.edu/financialaid](http://www.mississippi.edu/financialaid).

2. Complete, sign and return the Self Certification of a Private Loan.

<table>
<thead>
<tr>
<th>III. AMOUNT AND LENGTH OF LOAN/SCHOLARSHIP/FORGIVABLE LOAN</th>
</tr>
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<tbody>
<tr>
<td>A. The maximum annual award amount shall be jointly agreed upon by the Southern Regional Education Board and the State of Mississippi.</td>
</tr>
<tr>
<td>B. Students may receive a lifetime maximum of three (3) annual awards.</td>
</tr>
<tr>
<td>C. Awards shall be disbursed directly to the Southern Regional Education Board.</td>
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</table>

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<tr>
<th>IV. RECIPIENT RESPONSIBILITIES</th>
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</thead>
<tbody>
<tr>
<td>A. An SDSP recipient must adhere to all “Scholar Responsibilities” as outlined in the Memorandum of Agreement.</td>
</tr>
</tbody>
</table>

B. While receiving funds, the SDSP recipient must at all times keep the Board informed of the recipient’s current, correct, and complete contact information. This information may be updated via the SDSP recipient’s student account online at [www.mississippi.edu/financialaid](http://www.mississippi.edu/financialaid). Once in repayment, the SDSP recipient must at all times keep the Board or its loan servicer informed of the recipient’s current, correct, and complete contact information until the debt is completely satisfied.

C. An SDSP recipient should address in writing to the Board or its loan servicer any special circumstances regarding enrollment status, withdrawal from school, or failure to complete the approved program of study.

<table>
<thead>
<tr>
<th>V. REPAYMENT</th>
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<tbody>
<tr>
<td>A. An SDSP loan/scholarship/forgivable loan recipient enters repayment when the recipient completes the approved program of study, withdraws from school, or fails to complete the approved program of study. Pursuant to Sub-Section J. of the “Scholar Responsibilities” and pursuant to Subsection E. of the “State Responsibilities” within the Memorandum of Agreement, as a condition of participation in the SDSP program, the</td>
</tr>
</tbody>
</table>
SDSP recipient may satisfy his/her loan/scholarship/forgivable loan debt either by cancellation through teaching/employment service or by loan repayment.

B. Cancellation through Teaching/Employment Service

1. An SDSP loan/scholarship/forgivable loan recipient must meet all of the following criteria to qualify for debt cancellation through teaching/employment service:

   a) Teach/work full-time. “Full-time” is understood to mean that the recipient shall maintain the normal full-time work schedule where the recipient is employed.

   b) Teach/work (positions may include post doctoral/research and adjunct faculty positions) at an accredited college, university, or research facility.

   c) Adhere to the following:

      (1) Full-time teaching/employment to include post doctoral/research and adjunct faculty positions must be sought first in a public postsecondary institution in Mississippi.

      (2) If no employment is offered by a public postsecondary institution in Mississippi, the SDSP recipient is requested to seek employment in a private college/university (regionally accredited) in Mississippi.

      (3) If no employment is offered in Mississippi, employment in postsecondary teaching, including doctoral/research and adjunct faculty positions may be sought in another state.

      (4) Documentation of both an employment search and any denial of employment must be provided along with verification of employment when it occurs to the Board.

2. An SDSP loan/scholarship/forgivable loan debt shall be cancelled on the basis of one year’s teaching/employment service for one year of loan/scholarship/forgivable loan received. For all SDSP recipients, such service shall never be less than nine (9) consecutive months, regardless of the length of study provided under this loan/scholarship/forgivable loan.

3. At the time of separation from the approved program of study, unless granted a grace period or other type of deferment, the SDSP loan/scholarship/forgivable loan recipient must request in writing a deferment of the accrual of interest and repayment of principal and penalty for purposes of completing the teaching/employment service option. The service deferment request must be
accompanied by evidence of appropriate employment as defined in Section V.B.1.

4. At the end of each service deferment period, the SDSP loan/ scholarship forgivable loan recipient must request in writing a cancellation of the equivalent of one annual award.

5. The service deferment and cancellation must be requested in writing and approved each year until the debt is fully satisfied.

C. Loan Repayment

1. Unless granted a grace period or other deferment, an SDSP loan/ scholarship forgivable loan recipient shall become liable to the Board for the sum of all SDSP loan/ scholarship forgivable loan awards made to that person less the corresponding amount of debt previously cancelled through teaching service, plus a penalty of 5% of the outstanding principal, and interest on the combined outstanding principal and penalty, plus interest, immediately at the time of occurrence of one of the following events:
   a) The recipient withdraws from school;
   b) The recipient fails to complete the approved program of study;
   c) The recipient fails to complete the teaching service option defined in Section V.B.

2. At the time of the occurrence of one of the events outlined in Section V.C.1. or upon termination of a grace period or other deferment, a 5% penalty will be applied to the sum of all forgivable loan awards made to the recipient less any amount previously cancelled through service.

2.3. The rate of interest charged an SDSP loan/ scholarship forgivable loan recipient on the unsatisfied balance shall be the current unsubsidized Federal Stafford Loan rate at the time of occurrence of one of the events outlined in Section V.C.1. or upon termination of a grace period or other deferment.

3. Interest begins accruing at the time of occurrence of one of the events outlined in Section V.C.1. or upon termination of a grace period or other deferment, and repayment commences one (1) month after the occurrence of the event.

4.5. Loan/ scholarship Forgivable loan recipients must repay the loan (principal, penalty, and interest thereon) in 60 or less equal consecutive monthly installments. If the recipient fails to repay his/her loan (principal, penalty, and interest thereon) in 60 or less equal consecutive monthly installments, all principal, penalty, and interest outstanding, together with costs of collection,
shall become immediately due and payable and, demand shall be made by
mailing the same to the obligor at the last address furnished by said obligor.
Should payment of the sum due not be made in full within thirty (30) days, from
the date demand was made, the Contract and Note executed by the obligor shall
be placed with a collection agency or an attorney for collection, at which point
the obligor shall become liable for reasonable collection or attorneys' fees, which
may be based on a percentage of the amount of the debt, and court costs, in
addition to the other sums due and owing.

D. The obligations made by the recipient of this loan/scholarship/forgivable loan shall not be
voidable by reason of the age of the student at the time of receiving the
loan/scholarship/forgivable loan.

E. Special circumstances regarding a recipient's failure to complete the teaching service
option and/or fulfill the loan obligation should be addressed in writing to the Board or its
loan servicer.

VI. GRACE PERIOD AND OTHER DEFERMENTS

A. Grace Period

1. Upon completion of the approved program of study, the SDSP
   loan/scholarship/forgivable loan recipient will be granted a 12-month grace
   period, during which the recipient should secure appropriate employment as
defined in Section V.B.1.

2. An SDSP loan/scholarship/forgivable loan recipient who does not complete the
   approved program of study will not be granted a 12-month grace period and will
   enter repayment immediately upon separation from the approved program of
   study. Such a recipient may be eligible for an in-school deferment as defined in
   Section VI.B.

B. In-School Deferment

1. An SDSP loan/scholarship/forgivable loan recipient who does not complete the
   approved program of study, but remains enrolled at least part-time in doctoral
   level program may request deferment of the accrual of interest and the repayment
   of principal and penalty for purposes of remaining in school.

2. The in-school deferment must be requested in writing to the Board or its loan
   servicer and must be accompanied by verification of at least part-time enrollment
   from the attending institution.

3. The in-school deferment must be requested by the recipient and approved every
term (except Summer) throughout the duration of the deferment.
C. Temporary Disability Deferment

1. An SDSP loan/scholarship forgivable loan recipient in repayment who is unable to secure or continue employment because of temporary total disability may request deferment of the accrual of interest and the repayment of principal and penalty. To qualify, a recipient must be unable to work and earn money due to the disability for at least sixty (60) days, or be providing continuous care for a dependent or spouse during a period of at least (90) consecutive days.

2. The temporary disability deferment must be requested in writing to the Board or its loan servicer and must be accompanied by certification from a doctor of medicine or osteopathy who is legally authorized to practice medicine.

3. The temporary disability deferment must be requested by the recipient and approved every six (6) months throughout the duration of the deferment and condition for a total period of time not to exceed three (3) years.

D. Military Service Deferment

1. In terms of military service the following definitions shall apply:

   a) REQUIRED military service is that service which is required of an individual in the service of the Armed Forces of the United States; it does not include a military service obligation incurred to repay a grant, stipend or scholarship granted the individual prior to, during, or after the award under the SDSP program.

   b) OBLIGATED or VOLUNTARY military service is that service which is performed by the individual in repayment of a debt owed the United States government as a result of military scholarships, ROTC scholarships, etc. received by the individual. Service is VOLUNTARY if the individual is not obligated to incur a period of military service, but chooses to incur the service obligation.

2. An SDSP loan/scholarship forgivable loan recipient shall be eligible for deferment of the accrual of interest and the repayment of principal and penalty during the time of required military service.

3. The military deferment must be requested in writing to the Board or its loan servicer, stating beginning and ending dates of such required military service, and must be accompanied by a copy of the military orders.

4. The military deferment must be requested by the recipient and approved on a year-to-year basis (annually).
5. If a recipient continues military service for any reason beyond the REQUIRED time, then that person shall be declared ineligible for military deferment and the remaining unsatisfied principal, penalty, and interest shall become due and payable to the Board according to the terms outlined in Section V.C.

6. If a recipient obligates himself/herself to VOLUNTARY military service prior to, during, or after the SDSP award, then that person shall be declared ineligible for military deferment and the remaining unsatisfied principal, penalty, and interest shall become due and payable to the Board according to the terms outlined in Section V.C.

VII. CANCELLATION OF DEBT

A. Death

1. If an individual recipient dies, then the recipient's obligation to repay the loan or render service is canceled.

2. The Board shall require a copy of the death certificate or other proof of death that is acceptable under applicable State Law. If a death certificate or other acceptable proof of death is not available, the recipient's obligation for service or repayment on the loan is canceled only upon a determination by the Board on the basis of other evidence that the Board finds conclusive.

3. The Board may not attempt to collect on the loan from the deceased recipient's estate.

B. Total and Permanent Disability

1. If the Board determines that an individual recipient is totally and permanently disabled, the recipient's obligation to make any further payments of principal, penalty, and interest on the loan is canceled. A recipient is not considered totally and permanently disabled on the basis of a condition that existed before he/she applied for the loan/scholarshipforgivable loan, unless the recipient's condition has substantially deteriorated since he/she submitted the loan/scholarshipforgivable loan application, so as to render the recipient totally and permanently disabled.

2. After being notified by the recipient or the recipient's representative that the recipient claims to be totally and permanently disabled, the Board shall promptly request that the recipient or the recipient's representative obtain a certification from a physician, who is a doctor of medicine or osteopathy and legally authorized to practice, on a form provided or approved by the Board and other necessary documents as requested, that the recipient is totally and permanently disabled. The Board shall continue collection until it receives the certification or
receives a letter from a physician stating that the certification has been requested and that additional time is needed to determine if the recipient is totally and permanently disabled. After receiving the physician's certification or letter and other necessary documents as requested and the student is found to be totally and permanently disabled, the Board may not attempt to collect from the recipient.

3. If the Board determines that a loan owed by a recipient, who claims to be totally and permanently disabled, is not eligible for cancellation for that reason, or if the Board has not received the physician's certification and other requested documents, as described in Section VII.B.2., within 60 days of the receipt of the documents as described in Section VII.B.2., the Board shall resume collection and shall be deemed to have exercised forbearance of payment of both principal, penalty, and interest from the date the Board received the documents described in Section VII.B.2. until such a determination of ineligibility is made by the Board.

C. Bankruptcy

SDSP loans/scholarship forgivable loans are nondischargeable in bankruptcy.

VIII. WARRANTY

The acceptance of the SDSP loan/scholarship forgivable loan shall serve to appoint the Secretary of State of the State of Mississippi by each recipient as his/her designated agent for service of process, upon whom may be served all lawful processes and summons in any action or proceeding against him/her in the event he/she removes himself/herself from this State and the processes of its courts, growing out of any breach of Contract and Note by the recipient for failure to fulfill his/her Contract and Note with the Board or, to repay the SDSP loan/scholarship forgivable loan, including penalty and -interest pursuant to the law and Contract and Note, and, said acceptance of the loan rights and privileges shall be a signification of the applicant's agreement that any such process or summons against him/her, which is so served upon the Secretary of State, shall be of the same legal force and validity as if served on him/her personally. The venue of all causes of action against such nonresidents shall be Hinds County, Mississippi.

IX. AUTHORIZATION

The acceptance of the SDSP loan/scholarship forgivable loan shall serve to authorize the Mississippi Office of Student Financial Aid, the Board, and their respective agents and contractors to contact the recipient regarding the recipient’s loan request or loan(s), including repayment of loan(s), at the current or any future number the recipient provides for the recipient’s cellular phone or other wireless device using automated telephone dialing equipment or artificial or pre-recorded voice or text messages.