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# State Financial Aid Manual Common Definitions

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## **About the Minnesota Office of Higher Education**

The Minnesota Office of Higher Education is a cabinet-level state agency providing students with financial aid programs and information to help them gain access to postsecondary education. The agency also serves as the state's clearinghouse for data, research and analysis on postsecondary enrollment, financial aid, finance and trends.

The Minnesota State Grant Program is the largest financial aid program administered by the Office of Higher Education, awarding up to \$207 million in need-based grants to Minnesota residents attending accredited institutions in Minnesota. The agency oversees tuition reciprocity programs, a student loan program, Minnesota's 529 College Savings Plan, licensing and early college awareness programs for youth.



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## Introduction

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This chapter of the manual is intended to provide information about terms and requirements that apply to several state financial aid programs. If a term or requirement applies only to one state financial aid program, it will be defined in that particular chapter. This manual is updated on a regular basis. Institutions are required to read all e-mail and written correspondence from the Office of Higher Education (Office) to keep informed of any changes in policy or guidance. Changes announced during the interim have the full force and effect of the State Financial Aid Manual.

## Definitions

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### Academic Year

A period of time in which a full-time student is expected to complete the equivalent of at least two semesters, two trimesters or three quarters; or at least 30 semester hours or 45 quarter hours; or at least 900 clock hours. For credit-hour programs, an academic year must be at least 30 weeks in duration. For a clock-hour program, an academic year must be at least 26 weeks in duration.

### Audits/Records Retention

Schools may arrange for audits of state financial aid awards and tuition reciprocity recipients in conjunction with their audits for federal financial aid programs.

Minnesota Statute [136A.1313](#) gives schools the ability to decide which agency or firm will conduct the audit of state financial aid programs. The school may opt to continue to have auditors from the Minnesota Office of Higher Education (the Agency) perform audits free of charge or may choose to employ an outside auditing firm to conduct the state audit in conjunction with the federal audit. The auditing firm must be the firm that conducts the school's audit of federal aid programs. Choosing an outside firm is not a free service.

If an outside auditing firm is used, the Office of Higher Education reviews each audit and determine the appropriate response to audit exceptions and findings.

The school must make available to auditors all pertinent books, documents, papers and records for audit and examination for three years after the last day of the fiscal year or until all audit exceptions for the period are resolved. (See chapter on 'SELF Loan' for additional records retention requirements for that program.)

## Certificate Program

A program that is offered by an eligible school and is:

- at least 12 quarter/8 semester credits or 300 clock hours; and
- at least eight weeks long

## Clock Hour

A clock hour is defined as a period of time consisting of:

- a 50 to 60 minute class, lecture or recitation in a 60 minute period;
- a 50 to 60 minute faculty-supervised laboratory, shop training or internship in a 60 minute period; or
- 60 minutes of preparation in a correspondence course

If an institution seeks to determine the number of clock hours in an educational program by aggregating the number of minutes in that program, it must divide those minutes by 60.

## Commissioner

The commissioner of the Minnesota Office of Higher Education.

## Credit Hour

A credit hour is a basic measure of the amount of student work completed. Credit hour is not defined in state statutes or Agency rules. Typically, accrediting agencies review credit hours assigned by colleges to ensure appropriateness. The definition of credit hour used to determine enrollment level for federal financial aid programs is one classroom hour and two out-of-class work hours over the course of 15 weeks (semester) or 10–12 weeks (quarter), or an equivalent amount of work over a different amount of time. This definition may also be used to determine enrollment level for state financial aid programs, but is not required.

For certain educational programs measured in credit hours, the credit hour value must be determined by applying a conversion formula linked to clock hours of instruction. The following conversion formula must be used:

- a semester or trimester credit hour must include at least 37.5 clock hours of instruction, and

- a quarter credit hour must include at least 25 hours of instruction.

For institutions that can demonstrate that a program credit hour meets the new definition of credit hour used for federal financial aid programs and the school's accreditor has identified no deficiencies regarding assignment of credit hours, the following conversion formula must be used:

- a semester or trimester credit hour must include at least 30 clock hours of instruction, and
- a quarter credit hour must include at least 20 hours of instruction.

The clock hour to credit hour conversion formula does not apply to a program if:

- the program is at least two academic years in length and provides an associate degree, bachelor's degree or a professional degree; or
- each course within the program is acceptable for full credit toward that institution's undergraduate or professional degree, provided that the institution's degree requires at least two academic years of study and the institution can demonstrate students enroll in and graduate from that degree program.

Public and private non-profit hospital-based nursing schools that award a diploma at the completion of the program are exempt from this requirement.

## Dependent Student

A student who is required to provide parental information on the financial aid application because the student does not meet the criteria for independent student in the Higher Education Act of 1965 as amended. (See definition of "[Independent Student](#)" in this section.)

## Eligible Institution

1. A postsecondary institution is eligible for state student aid under chapter [136A.103](#) and sections 197.791 and 299A.45 if the institution is located in this state and:
  - a. is operated by this state or the Board of Regents of the University of Minnesota; or
  - b. is operated privately and, as determined by the office, meets the requirements of paragraph b.
2. A private institution must:

- a. maintain academic standards substantially equivalent to those of comparable institutions operated in this state;
- b. be licensed or registered as a postsecondary institution by the office; and
- c. by July 1, 2010, participate in the federal Pell Grant program under Title IV of the Higher Education Act of 1965, Public Law 89-329, as amended; or
  - i. if an institution was participating in state student aid programs as of June 30, 2010, and the institution did not participate in the federal Pell Grant program by June 30, 2010, the institution must require every student who enrolls to sign a disclosure form, provided by the office, stating that the institution is not participating in the federal Pell Grant program. (See Appendix 23 in 'State Grant' chapter of this manual).
- d. An institution that offers only graduate-level degrees or graduate-level non-degree programs, or that offers only degrees or programs that do not meet the required minimum program length to participate in the federal Pell Grant program, is an eligible institution if the institution is licensed or registered as a postsecondary institution by the office.
- e. An eligible institution under paragraph b, clause 3, item ii, that changes ownership as defined in section [136A.63](#), subdivision 2, must participate in the federal Pell Grant program within four calendar years of the first ownership change to continue eligibility.
- f. An institution that loses its eligibility for the federal Pell Grant program is not an eligible institution.

## Expected Family Contribution

The Expected Family Contribution (EFC) is the amount the family is expected to contribute towards educational costs based on treatment of family income and assets under the federal need analysis. In the case of an independent student, the EFC is the same as the student contribution. For dependent students, the EFC is comprised of the student and parent contributions.

## Financial Need

Demonstrated need of the applicant for financial assistance to meet the actual costs of attending the eligible institution of choice as determined from financial information on the applicant and, if required, on the applicant's parents under the federal need analysis formula.

For campus-based programs such as State Work Study, financial need is defined as the cost of attendance minus the federal EFC and other financial aid. The Minnesota State Grant program uses the Design for Shared Responsibility formula to determine financial need.

## **Fiscal Year**

A state fiscal year begins on July 1 and ends on June 30.

## **Independent Student**

A student who is not required to provide parental information on the financial aid application because the student meets one of the criteria for independent student in the Higher Education Act of 1965 as amended:

- is 24 years of age or older by December 31 of the award year;
- was an orphan, ward of the court, or in foster care at any time age 13 or older;
- is a veteran of the Armed Forces of the United States;
- is currently serving on active duty in the U.S. Armed Forces for purposes other than training;
- is a graduate or professional student;
- is a married individual;
- has legal dependents (other than children or a spouse) who live with and receive more than half of their support from the student;
- has children who receive more than half of their support from the student;
- is a student for whom a financial aid administrator makes a documented determination of independence by reason of other unusual circumstances;
- is/was an emancipated minor as determined by a court in the student's state of legal residence;
- is/was in legal guardianship as determined by a court in the student's state of legal residence;



- is/was an unaccompanied youth who is/was homeless as determined by a high school or school district homeless liaison or director of an emergency shelter program within the past year; or
- is/was an unaccompanied youth who was homeless or self-supporting and at risk of being homeless as determined by a director of a runaway/homeless youth or transitional living program within the past year.

## **Institutional Participation Agreement**

The document signed by the appropriate school official(s) and the designated representatives for the Minnesota Office of Higher Education which specifies the rights and the responsibilities of the school and the Agency as they relate to participation in the specific financial aid program(s) covered by that agreement.

## **Leave of Absence (LOA)**

A leave of absence is a period of time approved by the school during which the student is not in attendance but is considered to be enrolled. Each school is required to have a formal leave of absence policy. The student must follow that policy when requesting a leave of absence and the school must have approved the student's request in accordance with its policy. The student's request must be submitted in writing, specifying the reason for the LOA. A student may take multiple leaves of absence from a school within a 12-month period as long as the total number of days in all leaves does not exceed 180 days. A leave of absence need not consist of consecutive days when granted.

Schools participating in financial aid programs must have a written leave of absence policy that meets the definition of leave of absence used for federal financial aid programs, as defined in 34 CFR 668.22(d).

If a student does not return at the expiration of an approved leave of absence, the student is considered to have withdrawn on the day the student began the leave of absence.

State financial aid cannot be disbursed during a leave of absence unless it is for a term the student has already completed. Further, the institution may not assess the student any additional institutional charges, the student's financial need may not increase and the student is not eligible for any additional state financial aid due to a leave of absence.

## **Office**

The Minnesota Office of Higher Education.

## Parent Contribution

The amount parents are expected to contribute towards the student's education according to the federal need analysis formula.

## Postsecondary Institution

An academic, vocational, proprietary, technical, business, professional, college or university offering educational credentials or offering instruction or educational services (primarily to persons who have completed or terminated their secondary education or who are beyond the age of compulsory attendance) for attainment of educational, professional or vocational objectives. Postsecondary education institutions may be classified as either publicly or privately controlled. The privately controlled group includes two major categories—private nonprofit schools and proprietary schools.

## Professional Judgment

A procedure introduced under federal Title IV aid programs whereby the financial aid director is given the authority to make adjustments to the student's financial aid application based on unusual circumstances. Examples of unusual circumstances include, but are not limited to: death of a wage earner; divorce; unemployment; loss of benefits or child support; unusual medical expenses; unusually high child care costs; parents enrolled in college; or other changes in a family's income, assets or a student's status. Professional judgment may also be used for a dependency override, whereby the aid administrator changes a student's dependency status from dependent to independent based on documentation of unusual circumstances.

The aid administrator may not extend adjustments to a broad class of students, but must review each student's situation on a case-by-case basis. All adjustments must be documented in the student's file. Any adjustments to the EFC must be based on changing data elements (i.e., income, assets, etc.) used in the need analysis formula as opposed to making a bottom line change to the EFC itself. With the exception of the State Grant budget, the aid administrator is also allowed to adjust the student's cost of attendance based on unusual circumstances.

One example of a professional judgment adjustment is changing the income on a student's application to reflect the income for the current tax year (January 1–December 31) or academic year (July 1–June 30) if the student or parent became unemployed during or after the past tax year.

For further guidance, schools should refer to the section on professional judgment contained in the 'Application and Verification Guide' chapter of the Federal Student Aid Handbook at the [Knowledge Center](#) on the Federal Student Aid Partners website.

## Refund

The amount of financial aid and cash received for the term or program that is returned to the financial aid programs and/or student after the student withdraws, fails to enroll or changes enrollment status. Policies, procedures and worksheets/spreadsheets for refunds can be found in the 'State Grant' chapter of the financial aid manual.

## Resident Student

A resident student means a student who meets one of the following conditions:

- a dependent or independent student who has resided in Minnesota for 12 consecutive months without being enrolled in a postsecondary school for more than five credits in any term; or
- a dependent student whose parent or legal guardian resides in Minnesota at the time the student applies; or
- an independent or dependent student who graduated from a Minnesota high school if the student was a resident of Minnesota during the student's period of attendance at the Minnesota high school and, if the student is residing in another state, the student is physically attending a Minnesota postsecondary educational institution; or
- an independent or dependent student who, after residing in the state for a minimum of one year, holds a high school equivalency certificate (GED) issued in Minnesota (does not include a GED certificate issued in Minnesota for an authorized alternative test taken in another state); or
- an independent student who was granted residency as a dependent student and has not since left the state of Minnesota; or
- an independent or dependent student who is a member (or spouse/dependent of a member) of the armed forces of the United States stationed in Minnesota on active federal military service as defined in section 190.05, subdivision 5c; or
- a spouse or dependent of a veteran, as defined in Minnesota Statutes 197.447, if the veteran meets the residency definition used for state financial aid programs; or

- an independent or dependent student (or spouse of) who relocated to Minnesota from an area that is declared a presidential disaster area within 12 months of the disaster declaration if the disaster interrupted the person's postsecondary education; or
- an independent or dependent student defined as a refugee under United States Code, title 8, section 1101(a)(42) who, upon arrival in the United States, moved to Minnesota and has continued to reside in Minnesota; or
- a student eligible for resident tuition under the Minnesota Dream Act:
  - attended a Minnesota high school for at least three years,
  - graduated from a Minnesota high school or earned a GED in Minnesota,
  - if identified as male at the time of birth, complied with Selective Service registration requirements, and
  - applied for lawful immigration status if a federal process exists for doing so (does not refer to Deferred Action for Childhood Arrivals- DACA).
- An active member, or a spouse or dependent of that member, of the state's National Guard who resides in Minnesota or an active member, or a spouse or dependent of that member, of the reserve component of the United States armed forces whose duty station is located in Minnesota and who resides in Minnesota.

<b>Establishing Minnesota Residency for State Grant, MN GI Bill, MN Indian Scholarship, State Work Study and Postsecondary Child Care Grant Programs</b>			
<b>Methods</b>	<b>Dependent Student</b>	<b>Independent Student</b>	<b>Documentation</b>
Graduated from MN high school while student resided in MN. (Home-schooling considered equivalent to traditional high school.) Must physically attend a MN college if currently residing in another state.	Meets residency definition indefinitely regardless of state of residency after high school, provided the student is not exclusively taking distance education classes while residing in another state.	Meets residency definition indefinitely regardless of state of residency after high school, provided the student is not exclusively taking distance education classes while residing in another state.	Supplemental questionnaire beyond FAFSA (includes OHE online questionnaire) or admissions/financial aid form asking location of high school and student's residence during high school. Registration records would indicate mode of delivery for current classes. Undocumented students who do not meet MN Dream Act must be lawfully residing (VISA, DACA, etc.) in Minnesota at the time of high school graduation.

<b>Establishing Minnesota Residency for State Grant, MN GI Bill, MN Indian Scholarship, State Work Study and Postsecondary Child Care Grant Programs</b>			
<b>Methods</b>	<b>Dependent Student</b>	<b>Independent Student</b>	<b>Documentation</b>
Earned GED in MN after residing in MN for 12 consecutive months. (Time incarcerated cannot be used to establish residency.) Does not include a GED issued in MN for an authorized alternative test taken in another state.	Meets residency definition indefinitely regardless of state of residence after GED earned.	Meets residency definition indefinitely regardless of state of residence after GED earned.	Supplemental questionnaire beyond FAFSA (includes OHE online questionnaire) or admissions/financial aid form asking when/where GED earned and date student moved to MN. Undocumented students who do not meet MN Dream Act must have been granted DACA status prior to residing in Minnesota and earning a GED.
Parents lawfully resided in MN when application completed.	Meets residency definition. In case of divorce, 'parent' is parent whose financial information is provided on FAFSA. Parents' absence from MN excused for military service, postsecondary education and missionary work if parents continue to file MN state taxes.	Not applicable.	Parent's state of legal residence on current FAFSA is sufficient if no conflicting information in student's file. Undocumented parents must be lawfully residing (VISA, DACA, DAPA, etc.) in Minnesota when the application is completed.
Student resided in MN for 12 consecutive months without being enrolled for more than five credits (includes withdrawn credits) per term. (Time incarcerated cannot be used to establish residency. Absence from MN during initial 12-month period excused for military service if student files MN state taxes.)	Meets residency definition. Subsequent absences from MN excused for up to one year for any reason and more than one year if reason for absence is postsecondary education, military service or missionary service and student continues to file taxes in MN.	Meets residency definition. Subsequent absences from MN excused for up to one year for any reason and more than one year if reason for absence is postsecondary education, military service or missionary service and student continues to file taxes in MN.	Supplemental questionnaire beyond FAFSA (includes OHE online questionnaire) or admissions/financial aid form asking student to list dates for all places student has resided and name/location of all colleges attended beyond high school. Undocumented students who do not meet MN Dream Act must be lawfully residing (VISA, DACA, etc.) in Minnesota during the 12-month period.

<b>Establishing Minnesota Residency for State Grant, MN GI Bill, MN Indian Scholarship, State Work Study and Postsecondary Child Care Grant Programs</b>			
<b>Methods</b>	<b>Dependent Student</b>	<b>Independent Student</b>	<b>Documentation</b>
Student met residency definition as a dependent applicant and has not since left the state of MN.	Not applicable.	Meets residency definition. This language grandfathers through independent students previously granted residency as a dependent student.	Documentation shows student met the definition of MN resident as a dependent applicant and still resides in Minnesota.
Student is a member (or spouse/dependent of a member) of the armed forces of the United States stationed in MN on active federal military service as defined in section 190.05, subdivision 5c.	Meets residency definition if parent(s) reside in MN for active federal military service, even if parents moved to MN after FAFSA was submitted.	Meets residency definition if residing in MN for own or spouse's active federal military service, even if student has not resided in MN for 12 months.	Supplemental questionnaire beyond FAFSA (includes OHE online questionnaire) or admissions/financial aid form asking student to list dates for all places student has resided and reason for residence in state. Form should ask student to self-identify to financial aid office if reason for residing in MN is active federal military service. Confirm by securing signed statement from military commander confirming student (or spouse) is stationed in MN for active federal military service. (OHE confirms for students using OHE online questionnaire.)

Establishing Minnesota Residency for State Grant, MN GI Bill, MN Indian Scholarship, State Work Study and Postsecondary Child Care Grant Programs			
Methods	Dependent Student	Independent Student	Documentation
Student is a dependent or spouse of a veteran who meets the residency definition used for state financial aid programs.	Meets residency definition if student is a dependent of a veteran who meets the residency definition.	Meets residency definition if student is a dependent or spouse of a veteran who meets the residency definition.	State Grant Program Student Eligibility Questionnaire (includes online version) directs student to self-identify to financial aid office if student is a dependent or spouse of a veteran who meets the residency definition. Confirm veteran status by obtaining DD214 form. Confirm veteran is resident by completing paper State Grant Program Student Eligibility Questionnaire. Confirm veteran status by obtaining DD214 or other supporting documentation from veteran. For definition of veteran, see <a href="https://www.revisor.leg.state.mn.us/statutes/?id=197.447">https://www.revisor.leg.state.mn.us/statutes/?id=197.447</a> . (OHE will confirm for students using OHE online questionnaire.)

Establishing Minnesota Residency for State Grant, MN GI Bill, MN Indian Scholarship, State Work Study and Postsecondary Child Care Grant Programs			
Methods	Dependent Student	Independent Student	Documentation
Student (or spouse of) who relocated to MN from an area that is declared a presidential disaster area within 12 months of the disaster declaration, if the disaster interrupted the person's postsecondary education.	Applies to dependent student, even if student has not resided in MN for 12 months.	Applies to independent student, even if student has not resided in MN for 12 months.	Supplemental questionnaire beyond FAFSA (includes OHE online questionnaire) or admissions/financial aid form asking student to list dates for all places student has resided and reason for residence in state. Form should ask student to self-identify to financial aid office if reason for residing in MN is disaster relocation. Confirm disaster declaration on <a href="#">FEMA website</a> and disruption of postsecondary education at college located in disaster area via documentation from college or list of affected colleges on FEMA, NASFAA or other government web site. (OHE confirms for students using OHE online questionnaire.) Undocumented students who do not meet MN Dream Act must be lawfully residing (VISA, DACA, etc.) in Minnesota.
Student defined as a refugee under United States Code, title 8, section 1101(a)(42) who, upon arrival in the United States, moved to MN and has continued to reside in MN.	Applies to dependent student, even if student has not resided in MN for 12 months. Subsequent absences from MN excused for up to one year for any reason and more than one year if reason for absence is postsecondary education, military service or missionary service and student continues to file taxes in MN.	Applies to independent student, even if student has not resided in MN for 12 months. Subsequent absences from MN excused for up to one year for any reason and more than one year if reason for absence is postsecondary education, military service or missionary service and student continues to file taxes in MN.	Supplemental questionnaire beyond FAFSA (includes OHE online questionnaire) or admissions/financial aid form asking student to list dates for all places student has resided and reason for residence in state. Form should ask student to self-identify to financial aid office if reason for residing in MN is refugee relocation. Confirm refugee status and date of entry to U.S. by student's immigration documentation.



<b>Establishing Minnesota Residency for State Grant, MN GI Bill, MN Indian Scholarship, State Work Study and Postsecondary Child Care Grant Programs</b>			
<b>Methods</b>	<b>Dependent Student</b>	<b>Independent Student</b>	<b>Documentation</b>
An active member, or a spouse or dependent of that member, of the state's National Guard who resides in Minnesota or an active member, or a spouse or dependent of that member, of the reserve component of the United States armed forces whose duty station is located in Minnesota and who resides in Minnesota.	Applies to both dependent and independent students.	Applies to both dependent and independent students.	Student should produce documentation from the MN National Guard or reserve member's commanding officer. An example of acceptable documentation for a MN National Guard member is provided in Appendix 26. Reserve member's documentation should also indicate reserve member is stationed in Minnesota.

Where "resided in" appears, interpret as legally residing or lawfully present; please consult with OHE staff if needed.

#### Residency Exceptions and Clarifications

- Although a student may meet the definition of a resident student, the student is not eligible to receive funds from the State Grant, Work Study or Postsecondary Child Care Grant programs if the student is receiving tuition reciprocity benefits from another state while attending a Minnesota postsecondary institution. (See 'General Eligibility Requirements Chart' in 'Introduction' chapter or individual program chapters for further guidance.) In cases where the school has determined that the student meets the definition of a Minnesota resident student and has an approved reciprocity application, if in the best interest of the student, the school (or student) may choose to cancel tuition reciprocity benefits in order to receive a State Financial Aid. Cancelling the tuition reciprocity application means the student is coded as a Minnesota resident, not a non-resident or resident of another state. In order to pay out state financial aid, this must be done even if the school does not charge a different rate to residents versus non-residents.
- Incarcerated students must demonstrate the criteria necessary for residency prior to being incarcerated.

- A family that physically resides in Minnesota near a bordering state but receives mail at a border state address (e.g., Wisconsin) will be considered to be residing in Minnesota.
- A student who completes high school via home-schooling in Minnesota is considered to be the equivalent of a student who graduates from a Minnesota high school while residing in Minnesota.
- If a student could not graduate from a Minnesota high school because the family resided in another state for purposes of military service, missionary work or postsecondary education, the student will be considered a resident if the parents retain Minnesota as the state of legal residence by filing taxes in Minnesota.
- If the only means by which a student can establish Minnesota residency by having graduated from a Minnesota high school while residing in Minnesota, the student must be physically attending a Minnesota college campus if currently residing in another state.
  - In these cases, at least one or more of the student's classes for the aid year must require physical class attendance at a Minnesota campus in order to be considered a Minnesota resident for the aid year. Such attendance must be beyond the required examinations or residential components of the program. The college has the option of checking the nature of the student's classes once at the beginning of each aid year or every term.
- A dependent applicant will be considered a resident if the applicant's parent(s) originally resided in Minnesota but resided in another state at the time of application due to missionary work, military service or postsecondary education but retained Minnesota as the state of legal residence by filing taxes in Minnesota.
- An applicant who does not initially reside in Minnesota for 12 consecutive months prior to attending a postsecondary school on a half-time basis or more may later establish residency by remaining in the state of Minnesota for 12 consecutive months without attending a Minnesota postsecondary institution for more than five credits in any term (this includes attempted credits with W or FW grades). An applicant who establishes residency by residing in Minnesota for 12 consecutive months will lose residency status by moving from Minnesota for more than one year for purposes other than education, military or missionary service.
- An applicant will not be penalized for failure to reside in Minnesota for 12 consecutive months without being enrolled for six or more credits in any term (this includes attempted credits with W or FW grades) if the student left Minnesota during the

12month period to serve in the military, provided the student enlisted in Minnesota and continues to file Minnesota taxes.

- In the case of legal separation or divorce, “parent” means the parent whose financial information was provided on the application according to the federal Title IV financial aid program guidelines.

## Satisfactory Academic Progress

To be making satisfactory academic progress, a student is expected to complete a program within a specified time frame and maintain a grade point average consistent with requirements. Schools are required to follow the satisfactory academic progress requirements in state law (Minnesota Statutes [136A.101](#), Subd.10), which adopts the satisfactory academic progress requirements used for federal student financial aid programs as defined in the Code of Federal Regulations Title 34, sections 668.16(e), 668.32(f), and 668.34, except that a student with an intellectual disability as defined in Code of Federal Regulations, title 34, section 668.231, enrolled in an approved comprehensive transition and postsecondary program under that section is subject to the institution's published satisfactory academic process standards for that program as approved by the Agency.

Schools should rely on Volume 1, Chapter 1 of the [Federal Student Aid Handbook](#), which provides additional details and guidance regarding the federal satisfactory academic progress requirements. The Federal Student Aid Handbook can be accessed from the [Knowledge Center](#) on the Federal Student Aid Partners website. According to the federal regulations referred to in the state law, a student is making satisfactory academic progress if:

- by the end of a student’s second academic year of attendance at an institution, the student has at least a cumulative grade point average of C or its equivalent or academic standing consistent with the institution’s graduation requirements; and
- the student will be able to complete the program within a maximum time frame that is no longer than 150 percent of the published program length.

“Academic year” is defined in this chapter as the period of time it takes a full-time student to complete the equivalent of at least two semesters, two trimesters or three quarters, or at least 30 semester hours, 45 quarter hours or 900 clock hours.

Satisfactory academic progress should be measured and monitored in the following manner:

- The school must check state satisfactory academic progress using the same increments required for federal aid programs. Federal Title IV regulations require schools to divide a student’s program into equal evaluation periods called increments.

- For programs that are one academic year or less, schools must evaluate satisfactory academic progress at the end of each payment period. For programs longer than one academic year, schools must evaluate at least annually to correspond to the end of a payment period, but can choose to evaluate at the end of each payment period. Clock hour schools participating in federal financial aid programs should monitor satisfactory academic progress using federal payment periods.
- Any time an increment or “check point” falls within the student’s first two academic years, the school must verify the student is meeting the timely completion component in the federal satisfactory academic progress policy. There is no GPA requirement in the federal policy within the student’s first two academic years other than the student meeting any GPA requirements in the school’s own policies.
- To determine if the student is meeting the timely completion component of satisfactory academic progress, the school would divide the program length by the maximum time frame set by the school (must be no longer than 150 percent of the program length) to determine the percentage of credits the student must complete. For example, a four year degree program would typically have a maximum time frame of six years, which would result in a completion percentage of 66.7 percent (4 divided by 6 = .667).
- Any time an increment or “check point” falls after the end of the student’s second academic year, the student must have a GPA of 2.0 (or its equivalent on a grading system) or academic standing consistent with graduation standards to be making satisfactory academic progress. “Consistent with graduation standards” means the student’s GPA can fall below 2.0 if the institution’s graduation requirement is less than 2.0 or the institution has a progressive GPA requirement that gradually progresses throughout the student’s course of study (e.g., 1.50 freshmen, 1.75 sophomore, 1.85 junior, 2.0 senior). The school must also verify the student is meeting the timely completion component in the federal satisfactory academic progress policy.

If a student’s enrollment status is comprised of course work undertaken at two schools during the same term, satisfactory academic progress must be verified by evaluating all course work that was used to determine the student’s enrollment status.

For transfer students, cumulative GPA may be based on course work completed at a previous institution, course work at the current institution or a combination. If the student has not yet completed a term at the current institution when satisfactory academic progress is being checked, the GPA may be based on all the course work completed at the previous institution or on the course work that transferred to the current institution. If the student has completed a term at the current institution, the GPA may be based solely on course work completed at the

current institution or in combination with course work completed at or transferred from the previous institution.

The school must choose one method of calculating the cumulative GPA for transfer students and apply this method across all applicable state financial aid programs. When combining grades from the previous and current institutions, the current institution must convert previous credits and grade points onto its own grade point system.

When monitoring the timely completion component of satisfactory academic progress for transfer students, the school must either:

- count all courses that transferred to the current institution; or
- at a minimum, count all courses that will transfer to the student's program; or
- "reset the clock" at the current institution, whereby the maximum time frame is determined by multiplying the remaining time left in the student's program at the current institution by 150 percent. For example, if the student, upon transferring to the current institution, had two years remaining in a four-year degree program, maximum time frame would be three years (2 years remaining X 1.5 = 3 years).

With respect to credits attempted/earned under the state's Postsecondary Enrollment Options (PSEO) program, PSEO credits taken at the current institution are treated in the same manner as any other course work taken at the current institution and should be included when determining the student's GPA and monitoring the timely completion component of satisfactory academic progress. PSEO credits taken at a previous institution are treated in the same manner as any other type of course work transferred to the current institution.

If a student is not meeting the standards of satisfactory academic progress, the consequences will be based on how often the school evaluates the student's satisfactory academic progress.

If a school evaluates the student's satisfactory academic progress at the end of each payment period, the school may place a student who does not meet standards on warning status for one payment period during which the student can continue to receive financial aid. A student appeal is not required to be placed on warning status. If, upon completion of the warning period, the student still does not meet standards, the student can continue to receive financial aid for one additional payment period upon a successful appeal of the student to be placed on financial aid probation.

If satisfactory academic progress is evaluated only once per academic year, a student cannot be placed on warning status. Rather, eligibility for financial aid can only be extended upon a successful appeal by the student to be placed on probation for one payment period. After

probation, a student must be making satisfactory academic progress or successfully following an academic plan that ensures the student will be able to meet standards by a specific point in time.

An appeal by the student must include what special circumstances resulted in the student's failure to make satisfactory academic progress and what has changed that will allow the student to make satisfactory academic progress at the next evaluation point. A student may appeal on more than one occasion if there are a different set of special circumstances that resulted in the student not meeting standards for satisfactory academic progress.

To the extent possible, appeals should be made prior to the end of the term for which the student is requesting probationary status. However, an appeal may be granted retroactively for a term that has been completed, in which case the student would be awarded retroactively based on the enrollment level at the end of the term.

All institutions must have a written satisfactory academic progress policy in compliance with the requirements in for federal financial aid programs, as required in 34 CFR 668.34 and described in Volume 1, Chapter 1 of the [Federal Student Aid Handbook](#).

## **Student Contribution**

The student contribution is the amount a student is expected to contribute towards educational costs based on treatment of the student's income and assets under the federal need analysis formula.

## **Veteran**

The definition of veteran, as referred to in the definition of Minnesota resident used for state financial aid programs, means a citizen of the United States or a resident alien who has been separated under honorable conditions from any branch of the armed forces of the United States after having served on active duty for 181 consecutive days or by reason of disability incurred while serving on active duty, or who has met the minimum active duty requirement as defined by Code of Federal Regulations, title 38, section 3.12a, or who has active military service certified under section 401, Public Law 95-202. The active military service must be certified by the United States secretary of defense as active military service and a discharge under honorable conditions must be issued by the secretary.

## Withdrawal Date

For schools participating in federal financial aid programs, withdrawal date is as defined in the Code of Federal Regulations (CFR) 668.22. Schools not participating in federal aid programs are subject to any definition of withdrawal date that exists in state law or, if none exists, institutional policy.

# Appendices

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## Appendix A: Minnesota Statutes: Common Definitions for Financial Aid Programs

### 136A.101 DEFINITIONS.

Subdivision 1. Scope. For purposes of sections [136A.095](#) to [136A.1311](#), the terms defined in this section have the meanings ascribed to them.

Subd. 2. [Repealed, [2014 c 149 s 75](#)]

Subd. 3. [Repealed, [2014 c 149 s 75](#)]

Subd. 4. Eligible institution. “Eligible institution” means an institution that meets the eligibility requirements under Section [136A.103](#).

Subd. 5. Financial need. “Financial need” means the demonstrated need of the applicant for financial assistance to meet the recognized costs of attending the eligible institution of choice as determined from financial information on the applicant and, if required, on the applicant's parents, by the federal need analysis.

Subd. 5a. Assigned family responsibility. “Assigned family responsibility” means the amount of a family's contribution to a student's cost of attendance, as determined by a federal need analysis. For dependent students, the assigned family responsibility is 79 percent of the parental contribution. For independent students with dependents other than a spouse, the assigned family responsibility is 71 percent of the student contribution. For independent students without dependents other than a spouse, the assigned family responsibility is 35 percent of the student contribution.

Subd. 6.[Repealed, 1989 c 293 s 85]

Subd. 7. Student. “Student” means a person who is enrolled for at least three credits per term in a program or course of study that applies to a degree, diploma, or certificate. Credit equivalencies assigned by an institution that are applicable to federal Pell grant calculations shall be counted as part of a student's credit load.

Subd. 7a. Full time. “Full time” means enrollment in a minimum of 15 credits per term.

Subd. 7b. Half time. “Half time” means enrollment in a minimum of six credits per term.



Subd. 8. Resident student. “Resident student” means a student who meets one of the following conditions:

(1) a student who has resided in Minnesota for purposes other than postsecondary education for at least 12 months without being enrolled at a postsecondary educational institution for more than five credits in any term;

(2) a dependent student whose parent or legal guardian resides in Minnesota at the time the student applies;

(3) a student who graduated from a Minnesota high school, if the student was a resident of Minnesota during the student's period of attendance at the Minnesota high school and the student is physically attending a Minnesota postsecondary educational institution;

(4) a student who, after residing in the state for a minimum of one year, earned a high school equivalency certificate in Minnesota;

(5) a member, spouse, or dependent of a member of the armed forces of the United States stationed in Minnesota on active federal military service as defined in section [190.05](#), subdivision 5c;

(6) a spouse or dependent of a veteran, as defined in section [197.447](#), if the veteran is a Minnesota resident;

(7) a person or spouse of a person who relocated to Minnesota from an area that is declared a presidential disaster area within the preceding 12 months if the disaster interrupted the person's postsecondary education;

(8) a person defined as a refugee under United States Code, title 8, section 1101(a)(42), who, upon arrival in the United States, moved to Minnesota and has continued to reside in Minnesota; or

(9) a student eligible for resident tuition under Section [135A.043](#); or.

(10) an active member, or a spouse or dependent of that member, of the state’s National Guard who resides in Minnesota or an active member, or a spouse or dependent of that member, of the reserve component of the United States armed forces whose duty station is located in Minnesota and who resides in Minnesota.

Subd. 9. Independent student. “Independent student” has the meaning given under Title IV of the Higher Education Act of 1965, as amended, and applicable regulations.

Subd. 10. Satisfactory academic progress. “Satisfactory academic progress” as defined under Code of Federal Regulations, title 34, sections 668.16(e), 668.32(f), and 668.34, except that a

student with an intellectual disability as defined in Code of Federal Regulations, title 34, section 668.231, enrolled in an approved comprehensive transition and postsecondary program under that section is subject to the institution's published satisfactory academic process standards for that program as approved by the Office of Higher Education.

Subd. 11. Award year. "Award year" has the meaning given in the Higher Education Act of 1965, title 4, section 481.20, as amended.

History: [1971 c 862 s 2](#); [1975 c 271 s 6](#); [1975 c 390 s 4](#); [1Sp1985 c 11 s 29](#); [1987 c 401 s 15](#); [1989 c 293 s 24-26](#); [1991 c 356 art 8 s 1-5](#); [1992 c 513 art 1 s 12](#); [1Sp1993 c 2 art 2 s 7,8](#); [1995 c 186 s 119](#); [1995 c 212 art 3 s 17-21,59](#); [1996 c 398 s 30](#); [1997 c 183 art 2 s 3](#); [1998 c 384 s 7](#); [1Sp2001 c 1 art 2 s 8,9](#); [2003 c 133 art 2 s 8](#); [2005 c 107 art 2 s 60](#); [2006 c 282 art 8 s 3](#); [2007 c 144 art 2 s 17,18](#); [2008 c 298 s 3](#); [2008 c 363 art 4 s 6](#); [2009 c 95 art 2 s 10](#); [2010 c 364 s 5,6](#); [2013 c 99 art 2 s 5,6](#); [art 3 s 1](#); [art 4 s 3](#); [2014 c 149 s 10-13](#); [2015 c 69 art 3 s 8](#); [2016 c 189 art 1 s 8,9](#); [2017 c 89 art 2 s 6](#); [2019 c 64 art 2 s 4](#); [1Sp2021 c 2 art 2 s 2](#)

### [136A.103 INSTITUTION ELIGIBILITY REQUIREMENTS.](#)

(a) A postsecondary institution is eligible for state student aid under chapter 136A and sections [197.791](#) and [299A.45](#), if the institution is located in this state and:

- (1) is operated by this state or the Board of Regents of the University of Minnesota; or
- (2) is operated privately and, as determined by the office, meets the requirements of paragraph (b).

(b) A private institution must:

(1) maintain academic standards substantially equivalent to those of comparable institutions operated in this state;

(2) be licensed or registered as a postsecondary institution by the office; and

(3)(i) by July 1, 2010, participate in the federal Pell Grant program under Title IV of the Higher Education Act of 1965, Public Law 89-329, as amended; or

(ii) if an institution was participating in state student aid programs as of June 30, 2010, and the institution did not participate in the federal Pell Grant program by June 30, 2010, the institution must require every student who enrolls to sign a disclosure form, provided by the office, stating that the institution is not participating in the federal Pell Grant program.

(c) An institution that offers only graduate-level degrees or graduate-level nondegree programs is an eligible institution if the institution is licensed or registered as a postsecondary institution by the office.

(d) An eligible institution under paragraph (b), clause (3), item (ii), that changes ownership as defined in section [136A.63, subdivision 2](#), must participate in the federal Pell Grant program within four calendar years of the first ownership change to continue eligibility.

(e) An institution that loses its eligibility for the federal Pell Grant program is not an eligible institution.

(f) An institution must maintain adequate administrative and financial standards and compliance with all state statutes, rules, and administrative policies related to state financial aid programs.

History: [2010 c 364 s 7](#); [2017 c 89 art 3 s 2](#); [2020 c 109 art 3 s 1](#)

#### [136A.1312 FINANCIAL AID ADMINISTRATOR, PROFESSIONAL JUDGMENT.](#)

Nothing in this chapter or in the office's rules shall be interpreted as limiting the ability of student financial aid administrators, on the basis of adequate documentation, to make necessary adjustments to the cost of attendance and expected family contribution computations to allow for treatment of individual students with special circumstances, with the exception of the cost of attendance defined under section [136A.121](#), subdivision 6. In addition, nothing in this chapter or in the office's rules shall be interpreted as limiting the ability of the student financial aid administrator to use supplementary information about the financial status of eligible applicants with special circumstances in selecting recipients of state financial aid and determining the amount of awards. Nothing in this section precludes a financial aid administrator from establishing an appeals process for other extenuating circumstances.

History: [1996 c 398 s 31](#)

#### [136A.1313 FINANCIAL AID AUDITS.](#)

Beginning with audits for fiscal year 1996, in place of the audits provided by the office, public institutions that administer state grants under decentralized delivery may arrange for audits of state financial aid awards and tuition reciprocity recipients in conjunction with their audits for federal financial aid. Audits must be conducted in compliance with guidelines and materials prepared by the office. The office shall develop a review process including procedures for responding to audit exceptions. All other institutions under decentralized delivery may arrange for audits under this section beginning with audits for fiscal year 1997.

History: [1996 c 398 s 32](#)

## Appendix B: Minnesota Administrative Rules: Common Definitions for Financial Aid Programs

### [4830.0100 DEFINITIONS FOR HIGHER EDUCATION PROGRAMS.](#)

Subpart 1. Scope. For the purposes of chapters 4800, 4810, and this chapter, the terms defined in this part have the meanings given them unless specifically provided otherwise.

Subp. 1a. Academic year. "Academic year" means a period of time in which a full-time student is expected to complete:

- A. the equivalent of at least two semesters, two trimesters, or three quarters at an institution that measures academic progress in credit hours and uses a semester, trimester, or quarter system;
- B. at least 30 semester hours or 45 quarter hours at an institution that measures academic progress in credit hours but does not use a semester, trimester, or quarter system; or
- C. at least 900 clock hours at an institution that measures academic progress in clock hours.

Subp. 2. Office. "Office" means the Minnesota Office of Higher Education.

Subp. 2a. Certificate program. "Certificate program" means a program that is:

- A. offered by an eligible school as defined in part [4830.0300](#), subpart 1;
- B. at least 12 quarter credits or the equivalent, or 300 clock hours for clock hour schools; and
- C. at least eight weeks long.

Subp. 3. Dependent student. "Dependent student" means a student who is not an independent student.

Subp. 3a. [Repealed, 23 SR 594]

Subp. 4. Educational costs. Educational costs" means tuition, required fees, room and board, books, and miscellaneous expenses.

Subp. 5. Eligible student. "Eligible student" means a student who meets, at a minimum, all of the following requirements:

- A. has not earned a baccalaureate degree and has not entered a graduate school program as a full-time graduate student;
- B. is a resident of Minnesota;

C. is not receiving tuition reciprocity benefits while attending a Minnesota postsecondary institution;

D. is enrolled or is intending to enroll as at least a half-time student in an eligible school;

E. is in good standing and making satisfactory academic progress, as defined in Minnesota Statutes, section [136A.101](#), subdivision 10;

F. [Repealed, L 2013 c 99 art 4 s 4]

G. is not in default, as defined under the applicable loan program, of any educational loan, or, if the student is in default, has made satisfactory arrangements to repay the loan.

Subp. 6. Commissioner. "Commissioner" means the commissioner of the office, or office staff who perform duties as assigned by the commissioner.

Subp. 7. Financial need. "Financial need" means the amount of monetary assistance necessary for a student to meet educational costs after parental and student contributions, determined by the financial need analysis, are subtracted from the student's educational costs.

Subp. 8. Financial need analysis. "Financial need analysis" means a system for analyzing a family's financial strength to determine the expected parental and student contributions to educational costs. The system is a federally approved system or an equivalent need analysis system adopted each year by the office for the appropriate processing year.

Subp. 8a. Full time. "Full time" means the enrollment level defined in Minnesota Statutes, section [136A.101](#), subdivision 7a, except that for purposes of work-study grants administered under parts [4830.2000](#) to [4830.2600](#), "full time" means enrollment in a minimum of 12 credits per quarter or semester, or the equivalent.

Subp. 9. Independent student. "Independent student" has the meaning given it in the Higher Education Act of 1965, United States Code, title 20, section 1070a-6, and applicable regulations.

Subp. 10. Minnesota resident. "Minnesota resident" means:

A. a dependent student whose parent or legal guardian resides in Minnesota on the date of application;

B. a student who has resided in Minnesota for other than educational purposes for at least 12 consecutive months without being enrolled at a postsecondary institution for more than five credits in any term prior to the date of application;

C. a student who graduated from a Minnesota high school, if the student was a resident of Minnesota during the student's period of attendance at the Minnesota high school;

D. a student who, after residing in the state for a minimum of one year, earned a high school equivalency certificate in Minnesota; or

E. an independent student who was initially a Minnesota resident as defined in item A and who has continued to reside in Minnesota.

Subp. 10a. Determination of student residence. The residence of the parent whose financial information is reported in the financial need analysis determines the residence of the student.

Subp. 11. Audit requirements. Audit requirements means that the school must make available to the office and its authorized representatives all pertinent books, documents, papers, and records for audit and examination for three years after the last day of a fiscal year or until audit exceptions for the period are resolved.

Subp. 12. [Repealed, 20 SR 2284]

Statutory Authority: *MS s* [14.388](#); [136A.01](#); [136A.04](#); [136A.111](#); [136A.134](#); [136A.16](#); [136A.234](#); [136A.70](#); [147.30](#)

History: 8 SR 196; 10 SR 2319; 13 SR 128; 15 SR 1780; 16 SR 2732; 19 SR 1491; L 1995 c 212 art 3 s 59; 20 SR 2284; 21 SR 1821; 23 SR 594; 28 SR 889; L 2005 c 107 art 2 s 60; L 2013 c 99 art 2 s 29; art 4 s 4

#### [4830.0110 DEFINITIONS FOR SATISFACTORY ACADEMIC PROGRESS.](#)

Subpart 1. Scope. For the purposes of parts [4830.0200](#) to [4830.0700](#) and [4830.7000](#) to [4830.7900](#), the definitions in this part apply to satisfactory academic progress as defined in Minnesota Statutes, section [136A.101](#), subdivision 10.

Subp. 2. Academic standing consistent with the institution's graduation requirements. "Academic standing consistent with the institution's graduation requirements" means the student's cumulative grade point average must meet the cumulative grade point average required by the institution for graduation. The institution's graduation requirement may be a fixed cumulative grade point average which is the same for all grade levels or a graduated cumulative grade point average which progresses towards the grade point average required for graduation.

Subp. 3. Academic year. "Academic year" means the grade level as defined by the school.

Subp. 4. [Repealed, 23 SR 594]

Subp. 5. [Repealed, 23 SR 594]

Subp. 6. [Repealed, 23 SR 594]

Subp. 7. [Repealed, 23 SR 594]

Subp. 8. [Repealed, 23 SR 594]

Subp. 9. [Repealed, 23 SR 594]

Statutory Authority: *MS s [136A.01](#)*

History: 20 SR 2284; 23 SR 594

#### [4830.0120 SCOPE.](#)

For the purposes of this chapter and chapter 4850, the procedure in parts 4830.0130 to 4830.0195 applies to the termination of an institution's eligibility to participate in a student financial aid program administered by the Minnesota Office of Higher Education.

Stat Auth: MS s 136A.01 Hist: 24 SR 389; L 2005 c 107 art 2 s 60

#### [4830.0130 DEFINITIONS.](#)

Subpart 1. Scope. For the purposes of parts [4830.0120](#) to [4830.0195](#), the terms defined in this part have the meanings given them.

Subp. 2. Commissioner. "Commissioner" means the commissioner of the office, or office staff who perform duties as assigned by the commissioner.

Subp. 3. Fiscal year. "Fiscal year" means the period from July 1 to the following June 30.

Subp. 4. Funds. "Funds" means money disbursed or the commitment to disburse money under any program to an institution or to an institution on behalf of students enrolled and attending the institution.

Subp. 5. Institution. "Institution" means a post-secondary institution that participates in a student financial aid program or student loan program administered by the office.

Subp. 6. Office. "Office" means the Minnesota Office of Higher Education.

Subp. 7. Program. "Program" means a financial aid and loan program administered by the Minnesota Office of Higher Education.

Statutory Authority: *MS s [136A.01](#)*

History: 24 SR 389; L 2005 c 107 art 2 s 60; L 2013 c 99 art 2 s 29

#### [4830.0140 TERMINATION.](#)

The office shall terminate an institution's eligibility to participate in a program if the institution:

A. violates a provision of Minnesota statutes or rules governing the program, and fails to correct the violation within 90 days from the date on the written notification of the termination;

B. refuses to allow inspection of or provide information relating to financial aid records, after written request by the office;

C. is no longer eligible to participate in a program under part [4830.0300](#), subparts 1 and 2; [4830.7200](#); or [4850.0011](#), subpart 14; or

D. is not complying with chapter 4850.

Statutory Authority: *MS s* [136A.01](#)

History: 24 SR 389

#### [4830.0150 TERMINATION PROCEDURE.](#)

Subpart 1. Termination. The office shall provide written notice of its intent to terminate an institution's eligibility to participate in a program or programs if there is evidence that the institution has been in noncompliance based on the criteria under part [4830.0140](#). At the time the office provides notice of its intent to terminate, it shall also provide an institution an opportunity for a hearing pursuant to Minnesota Statutes, chapter 14.

Subp. 2. Notification. The office shall send the institution written notification of the termination of the institution's eligibility to participate in a program. Termination shall be effective 90 days from the date of the written notification or after appeal proceedings are complete, whichever is later. An appeal proceeding is complete when all appeals or rights to appeal from the commissioner's order have concluded or expired.

Statutory Authority: *MS s* [136A.01](#); [136A.16](#)

History: 24 SR 389; 43 SR 831

#### [4830.0160 REQUEST FOR HEARING.](#)

An institution may request a hearing pursuant to Minnesota Statutes, chapter 14, regarding its termination of eligibility to participate in a program. The request must be in writing and must be received by the commissioner within 30 days of the date on the written notification of termination sent by the office. Within ten days of receipt of the request for hearing, the office shall contact the Office of Administrative Hearings to arrange a hearing date.



Statutory Authority: *MS s [136A.01](#)*

History: 24 SR 389; L 2013 c 99 art 2 s 29

[4830.0170 FINAL DECISION, ORDERS.](#)

The commissioner shall render a decision and order in writing following receipt of the report issued by the administrative law judge after the hearing. The final decision of the commissioner shall take into consideration the hearing record and the report of the administrative law judge. The order of the commissioner is the final decision in the termination of the institution's eligibility to participate in a program administered by the office.

Statutory Authority: *MS s [136A.01](#)*

History: 24 SR 389; L 2013 c 99 art 2 s 29

[4830.0180 REIMBURSEMENTS AND REFUNDS.](#)

A. The office's director of student financial aid services or the commissioner of the office shall require an institution to remedy a violation of applicable program statutes and rules.

B. If an institution is required to reimburse or make other payments to the office, the commissioner shall offset these claims against benefits or claims due to the institution.

Statutory Authority: *MS s [136A.01](#)*

History: 24 SR 389; L 2013 c 99 art 2 s 29

[4830.0190 STUDENT AWARDS AFTER TERMINATION.](#)

Subpart 1. Payment of awards. If an institution is terminated from participating in a program during a payment period, a student at the institution who was eligible for an award before the effective date of the termination shall receive a payment for that payment period.

Subp. 2. Notice. For the purposes of subpart 1, "notice" occurs:

A. under the Student Educational Loan Fund (SELF) Program when the commissioner or servicer advises the student, in writing, that the loan is approved; and

B. under the state grant and campus-based programs when the commissioner or institution has notified the student, in writing, of the award.

Statutory Authority: *MS s [136A.01](#)*

History: 24 SR 389; L 2013 c 99 art 2 s 29

#### 4830.0195 REINSTATEMENT.

Subpart 1. Application. An institution terminated from participation in a program by the office under part [4830.0140](#), may request reinstatement to participate in the program. The institution must wait at least 12 consecutive months from the effective date of the termination to submit a request for reinstatement. A request for reinstatement must be in writing and submitted to the commissioner. If the institution is initially denied reinstatement, the institution must wait at least 90 days from the date of denial of reinstatement, as specified in subpart 3, to resubmit a request for reinstatement. If an institution's eligibility is reinstated after the start of the academic term, eligible students shall receive payment retroactively to the beginning of the term when the institution was reinstated.

Subp. 2. Reinstatement requirements. An institution's reinstatement request must include:

- A. written documentation of the process used to correct a violation, and how the violation will be prevented in the future;
- B. evidence of full repayment to the office of program funds the institution improperly received, withheld, disbursed, or caused to be disbursed; and
- C. new participation agreements with the office for all programs the institution wishes to participate in.

Subp. 3. Response to reinstatement request.

Within 60 days of receiving the institution's reinstatement request, the office shall:

- A. grant the request; or
- B. deny the request based on evidence of noncompliance with the requirements in subpart 2.

Statutory Authority: *MS s* [136A.01](#)

History: 24 SR 389; L 2013 c 99 art 2 s 29