



**Minnesota  
State  
Grant  
Program**

**2016-2017**



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## **I. Introduction**

This manual is written for schools participating in the Minnesota State Grant program and is subject to all subsequent changes in both federal and Minnesota state laws and regulations governing the Minnesota State Grant program.

The Agency will provide each school with an opportunity to respond to proposed changes to the State Grant program rules and regulations. Within 10 days following the adoption of new or modified program rules or regulations, the Agency will develop and distribute updated written information to schools that will later be included in this manual.

This chapter of the manual is updated on an annual basis. Schools are required to read all e-mail and written correspondence from the Agency to keep informed of current changes during the interim. According to the Institutional Participation Agreement (Appendix 5), policy changes announced during the interim have the full force and effect of the Financial Aid Manual. All participating schools are responsible for designating a State Grant contact on campus and notifying the Agency about changes to the campus contact information; including name, e-mail address and phone number.

## **II. Program Objectives**

The objective of the Minnesota State Grant program is to provide monetary assistance to eligible students who demonstrate financial need, in order to encourage their education at Minnesota postsecondary institutions of their choice.

## **III. Program Overview**

The Minnesota State Grant program provides undergraduate students with assistance in meeting the cost of attendance at eligible Minnesota public and private postsecondary institutions of their choice. Each academic year, the Agency determines which schools will be eligible according to program statutes and rules. Program funds are allocated to the Agency by the State Legislature.

To receive a State Grant, the student must be enrolled at an eligible Minnesota postsecondary institution for at least three credits per term, demonstrate financial need (as defined in Minnesota

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Statutes 136A.121, Subd. 5), and meet several other eligibility requirements outlined in the ‘Eligibility Requirements’ section of this chapter. A student may receive a State Grant for any year of undergraduate study unless the student fails to meet the program eligibility requirements.

<p>The following formula is used to calculate the 2016-2017 annual full-time State Grant award:</p> <ul style="list-style-type: none"> <li>Tuition and mandatory general fees (30 semester/45 quarter credits)*</li> <li>+ <u>Living and miscellaneous expense allowance (LME)</u></li> <li>= Award calculation budget</li> <li>- 50% student share</li> <li>- 94% (dependent)</li> <li>- 50% (independent w/o dependents) or 86% (independent w/ dependents) of annual 9-month FM EFC</li> <li>- <u>Full-time annual 9-month Pell Grant</u></li> <li>= State Grant award (\$100 annual minimum, \$50 semester, \$33 quarter)</li> </ul> <p>*Subject to tuition and fee maximums in law.</p> <p>(See also Appendix 8 – Shared Responsibility Formula)</p>
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Participating schools are responsible for screening applications, calculating awards, award notification, and disbursement of awards at the campus level, and electronically reporting the application and award data to the Agency on a monthly basis to ensure that the school’s award calculations and payments fall within established tolerances.

## **IV. Application Process**

### **A. Original Application**

The student applies for a State Grant by completing the Free Application for Federal Student Aid (FAFSA) on the Web at: [www.fafsa.gov](http://www.fafsa.gov). In order to provide an electronic signature on the FAFSA on the Web, the student and parents should apply for a FSA ID at [fsaid.ed.gov](http://fsaid.ed.gov) or while completing the FAFSA on the Web.

Once the FAFSA is submitted, the processor calculates the Federal Methodology need analysis results and sends an electronic FAFSA record called the Institutional Student Information Record (ISIR) with results to both the Agency and any college the student listed on the FAFSA. The student is sent an output document called the Student Aid Report or SAR. If the

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student provided an e-mail address on the FAFSA, the student will be sent an e-mail containing a link to the electronic version of the SAR.

Only schools participating in federal financial aid programs can receive ISIR records from the federal processor. Therefore, students attending schools that do not participate in federal aid programs must submit their paper SAR to the school.

The processor sends ISIR records to the Agency throughout the FAFSA processing cycle. ISIR records are downloaded by the Agency on a nightly basis. Each time the Agency downloads ISIR records, the records are screened to inform schools about possible eligibility problems and data is written to an on-line hold report for each school (see Appendix 3). The school is notified by the Agency via an automated e-mail any time data is changed on its on-line hold report.

## **B. Correcting Applications**

### **1. Correction Methods**

Once a FAFSA is processed, there are several methods a student or school can use to make corrections:

- the student can make corrections on the paper SAR and resubmit the SAR to the FAFSA processor;
- the student can make corrections at [www.fafsa.gov](http://www.fafsa.gov); or
- if the school participates in federal aid programs, the school can electronically submit corrections to the FAFSA processor.

Schools not participating in federal financial aid programs must have students submit any corrections on their Student Aid Report (SAR) and provide the school with a revised SAR after the corrections have been processed by the Central Processing System (CPS).

### **2. Use of Professional Judgment**

The Agency allows data elements on the student's application to be adjusted based on the financial aid administrator exercising professional judgment, as outlined in federal aid

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regulations and Minnesota Statutes 136A.1312. This occurs when there are documented changes in the family’s economic status during the current or previous tax year. Examples of special cases are loss of employment, marriage, divorce, change in number of dependents, substantial medical expenses, etc. Professional judgment may also be used for a dependency override, whereby the aid administrator makes an otherwise dependent applicant independent based on documentation of unusual circumstances. (Please refer to ‘Professional Judgment’ under ‘Common Definitions’ chapter of this manual for further instructions.)

There must be written documentation of the special situation and the resulting financial impact in the student’s file. Documentation should include a description of the special situation, the effect it will have on the student’s ability to pay for his/her education, the effect on the student’s overall financial condition, and the date the school was informed of the special situation.

Corrections/adjustments based on the financial aid administrator exercising professional judgment must be submitted to CPS by the financial aid administrator either electronically or on the student’s paper SAR.

### **3. Institutional Responsibility for Correcting Applications**

Schools are responsible for resolving all conflicting information on the student’s application as well as any C codes on the student’s ISIR record. This includes actively comparing any new information received or accessed by the school to existing information to determine if a student’s eligibility is affected. Schools are required to make financial changes to a student’s application if the change will have an impact on the parent contribution, expected family contribution, Pell Grant award, or any other factor affecting the State Grant award calculation. Schools should also adhere to guidance in the Federal Student Aid Handbook’s Application and Verification Guide regarding the verification, updating and correction of student application data.

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Schools not participating in federal financial aid programs must have students submit any corrections on their Student Aid Report (SAR) and provide the school with a revised SAR after the corrections have been processed by the Central Processing System (CPS).

If a student's FAFSA application is selected for verification by the CPS, the institution is responsible for verifying the accuracy of data provided on the student's application using procedures and tolerances established for federal Title IV financial aid programs, even if the institution does not participate in those programs. The school should obtain a copy of the federal 'Application and Verification Guide' for the current aid year at [www.ifap.ed.gov](http://www.ifap.ed.gov) for further guidance.

If a student's ISIR record or SAR has a value of '2' or '3' for the unusual enrollment history flag, the school must delay disbursing State Grant funds to the student until the unusual enrollment history can be resolved in accordance with unusual enrollment history guidelines issued for federal financial aid programs. This applies even if the school does not participate in federal financial aid programs. The unusual enrollment history flags and required actions are described in the March 8, 2013 Dear Colleague letter from the U.S. Department of Education available at [www.ifap.ed.gov/dpcletters/GEN1309.html](http://www.ifap.ed.gov/dpcletters/GEN1309.html) and the Federal Student Financial Aid Handbook at [www.ifap.ed.gov](http://www.ifap.ed.gov).

In cases where a subsequent ISIR is received after the student is no longer attending the school and is not intending to reenroll, the school is not required to adjust the student's State Grant if:

- all the student's State Grant has already been disbursed; and
- there was no conflicting information at the time of disbursement.

If the school discovers the student reported incorrect information on the FAFSA for a prior aid year, the school must correct the prior year FAFSA and make any necessary award adjustments unless the federal processing system is no longer operational for that aid year.

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## **C. Application and Correction Deadlines**

### **1. Original Application Deadlines**

In order to receive a State Grant award for a term, the student's original FAFSA for the current aid year must be received by the federal central processing system (CPS) no later than the 30<sup>th</sup> calendar day of the term. For example, if fall semester started on September 1, the original FAFSA application receipt date at the CPS must be on or before September 30. There is no requirement that the original FAFSA result in a valid output document as long as the original FAFSA is received by the CPS no later than the 30<sup>th</sup> calendar day of the term. This same deadline applies to state financial aid applications submitted by undocumented students under the MN Dream Act.

If the student's original FAFSA was submitted under an incorrect social security number and the student later submits a FAFSA under the correct social security number, the FAFSA receipt date on the original FAFSA is used to determine if the student meets the State Grant application deadline. The same applies to a student who files both a FAFSA and MN Dream Act application for the same aid year; the application receipt date for the first application filed will be used for purposes of the application deadline.

In certain cases, schools with uniform term start and end dates for all students have courses or programs which might start later in the term, or may even overlap terms. In these cases, the State Grant application deadline is 30 calendar days from the beginning of the term, rather than 30 days from the date the particular course or program begins.

Many term-based schools combine multiple mini-sessions into one term. When this occurs, the term start date is considered the first day of the first mini-session in the term and the term end date is considered the last date of the last mini-session in the term, regardless of whether or not the student was enrolled in all mini-sessions.

Some schools do not use uniform term start and end dates for all students. This group of schools includes progressive clock hour schools using payment periods instead of terms, credit-based schools that link together sequential credit-based modules to form a "term"

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for each student equal to a certain number of credits, or credit-based schools with “rolling” term start and end dates that may have the first fall semester running September 1 through December 15, the second fall semester running September 15 through December 30, and so forth.

In these cases, the term start date used to determine the State Grant application deadline will be the first calendar day of the student’s payment period or term. When the Agency processes State Grant DDS batches for these schools, it will not be able to verify the student’s FAFSA was received at the CPS by the application deadline because only one term start and end date can be stored on the State Grant database for each school. Therefore, these schools will need to monitor each student’s term start date on campus and prevent State Grant awards from going to students who missed the application deadline.

If the student’s original FAFSA was received by the CPS after the application deadline for a term, the student cannot receive a State Grant award for that term but may be eligible for subsequent terms during that academic year. For example, if fall term started September 1 and the student’s original FAFSA receipt date at the CPS were October 15, the student could not receive a State Grant for fall term but could be awarded for the subsequent terms of that aid year. The same applies to state financial aid applications submitted by undocumented students under the MN Dream Act.

## **2. Correction Deadlines**

The only State Grant application transaction that is subject to the application deadline is the student’s original FAFSA for the aid year. If the student’s original FAFSA was received by the deadline, the school may accept any subsequent correction transaction until the school closes out its State Grant activity for the aid year, which it must do no later than August 31. Therefore, schools are allowed to package and adjust the student’s State Grant throughout the aid year, which may involve late or retroactive payment for a term, as long as the original FAFSA was received by the application date. (See ‘Adjusting Payments Due to Revised Award’ and ‘Late/Retroactive Disbursement’ sections for

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further information.) The same applies to state financial aid applications submitted by undocumented students under the MN Dream Act.

#### **D. State Grant Student Eligibility Questionnaire**

Because the FAFSA does not contain all of the information needed to verify State Grant eligibility, the institution must collect and/or review supplemental data to determine each student's history of Minnesota residency and postsecondary attendance. The institution can use the paper Student Eligibility Questionnaire (see Appendix 2), the On-Line Student Eligibility Questionnaire (see Appendix 24) or include the questions from the Agency's questionnaire on its own institutional paper or on-line form as a proxy. If the institution chooses to include these questions on its own form, it is recommended they be included on a financial aid form since many students exclude previous postsecondary attendance on admissions forms if they do not wish to transfer credit.

A school is not required to have each State Grant applicant complete the Student Eligibility Questionnaire (or school's proxy) if the school has sufficient information from other sources (ISIR/SAR, NSLDS system, admissions and registration records, other financial aid records, etc.) that documents the student's eligibility. The following are examples of when state residency or the amount of postsecondary attendance can be documented without using the paper or On-Line Student Eligibility Questionnaire (or school's proxy):

- The school has a copy of the student's Minnesota high school diploma or another form the student completed indicating the student graduated from a Minnesota high school (establishes Minnesota residency via graduation from a Minnesota high school).
- A dependent student's SAR/ISIR indicates Minnesota as the parents' state of legal residence (establishes Minnesota residency by documenting parents resided in Minnesota when the FAFSA was completed).
- Student's date of birth on the SAR/ISIR or other records held by the college is such that it would be impossible for the student to have exceeded the limit on postsecondary attendance by continuous enrollment between the date of high school graduation and the current academic year, including summer terms.



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- The student has previously completed a Student Eligibility Questionnaire (or the school's proxy) and subsequent information received and accessed by the school (SAR/ISIR, NSLDS, institutional records, etc.) is reviewed to determine it does not contradict the student's continued eligibility.

Because the NSLDS and State Grant historical databases are not comprehensive sources of previous postsecondary attendance, they cannot be the only method used to initially determine the student's amount of previous postsecondary attendance. However, once the student has provided information about previous postsecondary attendance on the Student Eligibility Questionnaire (or school's proxy), these databases can be used to identify subsequent postsecondary attendance without the student having to complete additional forms. In cases where the amount of previous postsecondary attendance, including attendance at the current school, equals three or more academic years, the school is required to review the student's academic transcripts to determine the precise amount of previous postsecondary attendance.

#### **E. Disclosure Statement Required for Schools Not Participating in the Federal Pell Grant Program**

Private schools not participating in the Federal Pell Grant program must have all students sign the student disclosure statement (Appendix 23) upon enrollment at the school informing them that they will not be eligible to receive a Federal Pell Grant at that particular school.

### **V. Eligibility Requirements**

#### **A. Postsecondary Institutions**

At least annually, the Commissioner of the Minnesota Office of Higher Education adopts a list of schools at which a State Grant may be used. To be eligible, a postsecondary institution must:

- be located in Minnesota;
- offer at least one program that:
  - a) is vocational or academic in nature,
  - b) leads to a certificate or degree,

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- c) is at least eight weeks long, and
- d) involves at least 12 quarter/8 semester credits or 300 clock hours;
- meet the definition of eligible institution contained in the ‘Common Definitions’ chapter of this manual (for schools not participating in the Federal Pell Grant program, this requires having all enrolled students sign the student disclosure statement (Appendix 23));
- have the necessary administrative computing capability to administer the program on campus and electronically report student data records to the Agency; and
- provide to the Agency data on student enrollment and federal and state financial aid.

To be approved, the postsecondary institution must also:

- complete the on-line State Grant Budget Questionnaire;
- receive an on-site administrative overview from the supervisor of the Agency’s auditing staff;
- after the administrative review, be approved by the Agency’s Commissioner;
- once approved, sign an Institutional Participation Agreement which can be obtained from the State Grant unit (Appendix 5);
- attend a training session offered by the manager of the State Grant program; and
- purchase or create the software necessary to calculate federal need analysis and Minnesota State Grant awards on campus and electronically report student data records to the Agency.

Schools are also encouraged to become members of the Minnesota Association of Financial Aid Administrators (MAFAA) and subscribe to the MAFAA e-mail listserv at [www.mafaa.org](http://www.mafaa.org).

If a school is approved after the beginning of the academic year, the school will be eligible to disburse awards beginning with the term during which it obtained approval.

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## **B. Student Eligibility**

### **1. Comprehensive List of Eligibility Requirements**

To be eligible for a State Grant, a student must:

- be a Minnesota resident as defined in Minnesota Statutes 136A.101, Subd. 8;
- be an undergraduate student who has not received a baccalaureate degree;
- not have attended the equivalent of eight semesters of full-time postsecondary education after high school;
- be a graduate of a secondary school/GED recipient or be at least 17 years of age at the time of disbursement (high school students enrolled in postsecondary courses prior to receiving their high school diploma are not eligible for a State Grant);
- not owe the Agency for a State Grant overpayment;
- not be in default on a student educational loan;
- not be more than 30 days in arrears for child support payments owed to a public child support enforcement agency unless the student is complying with a written repayment plan;
- enroll at an eligible Minnesota postsecondary institution for at least three credits (or six clock hours per week at clock hour institutions) while pursuing a program or course of study that applies to a degree, diploma or certificate at any eligible Minnesota postsecondary institution;
- on the date of disbursement, be making satisfactory academic progress; and
- not be receiving tuition reciprocity benefits from another state while attending a Minnesota postsecondary institution.

### **2. Further Information on Selected Eligibility Requirements**

#### **a. Minnesota Resident**

A student must be a Minnesota resident to receive a State Grant. (See ‘Common Definitions’ chapter for definition of “Resident Student.”)

#### **b. Undergraduate Requirement**

A student enrolled in an undergraduate program who has not earned a baccalaureate degree is eligible for a Minnesota State Grant. A comparable four-year postsecondary

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degree earned in another country, but not officially called a “baccalaureate” degree, will be considered a baccalaureate degree for purposes of the State Grant program. A foreign bachelor’s degree consisting of six or fewer semesters without general education requirements is not considered a bachelor’s degree for purposes of the State Grant program.

A student enrolled in a graduate program who has not yet earned a baccalaureate degree is not eligible for a State Grant, even if some of the student’s course work is at the undergraduate level. A student enrolled in an undergraduate program is eligible for a Minnesota State Grant, even if some of the student’s courses are at the graduate level. The key to determining eligibility is whether the student is enrolled in an undergraduate (eligible) or graduate (ineligible) program.

**c. Limit on Postsecondary Attendance**

(1) General

An applicant who does not have the equivalent of eight full-time semesters of postsecondary attendance after high school is eligible for a Minnesota State Grant. Attendance is accumulated in units, with 96 units being the equivalent of eight semesters of full-time attendance. Units are assigned as follows:

<b>Units Chart - Course Work Prior to July 1, 1992</b>		
<b>Term Enrollment Status</b>	<b>Units Assigned - Qtr</b>	<b>Units Assigned - Sem</b>
Full-time (12+ credits)	8	12
3/4-time (9-11 credits)	6	9
1/2-time (6-8 credits)	4	6
(1-5 credits)	Bank Credits	Bank Credits

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<b>Units Chart - Course Work After July 1, 1992</b>			
<b>Credits Per Term</b>	<b>Clock Hours Per Week</b>	<b>Units for Quarter</b>	<b>Units for Semester</b>
15+	30+	8	12
14	28-29	7.5	11.2
13	26-27	6.9	10.4
12	24-25	6.4	9.6
11	22-23	5.9	8.8
10	20-21	5.3	8.0
9	18-19	4.8	7.2
8	16-17	4.3	6.4
7	14-15	3.7	5.6
6	12-13	3.2	4.8
5	10-11	2.7	4.0
4	8-9	2.1	3.2
3	6-7	1.6	2.4
2	4-5	1.1	1.6
1	2-3	.5	.8

If the student's total credits for a term are not a whole number (e.g., 14.5 credits), the remaining percentage/fraction must be dropped (e.g., assign units based on 14 credits rather than 14.5). If a student has less than one credit per term, it would be considered a term with zero credits.

A student loses eligibility once the student's remaining units of eligibility are less than those assigned for a Level 3 term (three credits) as shown on the 'Course Work After July 1, 1992' chart. For example, if a student attending a quarter institution had accumulated 95 units, the student would not be eligible because the remaining units of eligibility (96 maximum units minus 95 accumulated units = 1 remaining unit) are less than those assigned to a Level 3 quarter (1.6 units). Therefore, a student with more than 94.4 units is no longer eligible for a State Grant at a quarter system institution. A student with more than 93.6 units is no longer eligible for a State Grant at a semester system institution.

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Institutions that disburse aid on a quarter system may exceed the maximum of 96 units by disbursing up to one additional full-time quarter of aid to a student who has not accumulated more than 94.4 units. Institutions that disburse aid on a semester system may exceed the maximum of 96 units by disbursing up to one additional full-time semester of aid to a student who has not accumulated more than 93.6 units.

(2) Extra Term of Eligibility for Students Who Withdraw for Active Military Service

If a student had to withdraw from college for active military service after December 31, 2002, course work taken during that term shall not count against the limit on postsecondary education used for the State Grant program. The State Grant Student Eligibility Questionnaire (Appendix 2) has been modified to identify students who may have withdrawn for active military service. If schools do not use this form, it is recommended that they incorporate language to solicit such information into any institutional forms used to determine State Grant eligibility and make arrangements for the school's registrar or VA counselor to notify the financial aid office about such withdrawals. The financial aid administrator should request documentation from the student to verify the student has withdrawn for active military service. Once the financial aid administrator identifies such a student, the administrator should notify the grant unit at the Office of Higher Education so the appropriate adjustments can be made to the State Grant database. There is no restriction against this provision being used for multiple occurrences.

(3) Extra Term of Eligibility for Students Who Withdraw for Major Medical Illness

If a student had to withdraw from college for a major medical illness, while under the care of a medical professional that substantially limited the student's ability to complete the term, the current institution may exclude that term when determining the amount of previous postsecondary attendance for that student. This exclusion applies regardless of whether the withdrawal took place at the current or a previous institution. The State Grant Student Eligibility Questionnaire (Appendix 2) has been modified to identify students who may have withdrawn for

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this reason. If schools do not use this form, it is recommended that they incorporate language to solicit such information into any institutional forms used to determine State Grant eligibility and make arrangements for the school's registrar to notify the financial aid office about such withdrawals. The financial aid administrator should request documentation from the student's medical professional verifying the student had to withdraw for a major medical illness that substantially limited the student's ability to complete the term. Once the financial aid administrator identifies such a student, the administrator should notify the grant unit at the Office of Higher Education so the appropriate adjustments can be made to the State Grant database. There is no restriction against this provision being used for multiple occurrences.

(4) Instructions for Reviewing Academic Transcripts

Because the FAFSA does not contain data required to determine the amount of postsecondary education the student has attempted, the school must have the student complete the State Grant Student Eligibility Questionnaire (Appendix 2) or a similar form designed by the school. If the institution chooses to include these questions on its own form, it is recommended they be included on a financial aid form since many students exclude previous postsecondary attendance on admissions forms if they do not wish to transfer credit. If the documentation the campus collects indicates the student may have attended three or more years of postsecondary education, including attendance at the current institution, the institution must request and evaluate the student's academic transcripts. (See 'Relying on Pell Grant Lifetime Eligibility Used (LEU)' in this section for guidance on when a student's Pell Grant LEU may be used in lieu of reviewing academic transcripts.) Either official transcripts or student copies are acceptable.

When reviewing transcripts to determine a student's units of postsecondary attendance, a separate grade transcript must be obtained from each postsecondary institution the student has attended. It is not sufficient to assign units based on

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transfer credits appearing on another institution's transcript because the student may have completed course work that did not transfer to another institution. When reviewing transcripts, units will be assigned differently depending on whether the course work took place before or after July 1, 1992, as shown on the preceding units charts.

When assigning units, all postsecondary education must be counted, including, but not limited to:

- course work taken after the student completed high school or terminated high school attendance, even if it took place before the student earned a GED;
- course work taken during military service if it was taken at a postsecondary institution (as opposed to training provided by the military);
- course work taken at colleges in other states or countries;
- independent study courses;
- classes from which the student withdrew (except for active military duty after December 31, 2002, or for a major medical illness), failed, received no credit, repeated, earned an incomplete or received a grade of FW (failed stopped attending);
- remedial course credit equivalencies allowed in determining enrollment status; and
- course work during terms for which State Grant awards were not available.

[Note: The school may opt to exclude course work from which the student withdrew if it took place prior to July 1, 1995. However, if the student retained State Grant aid during that term, the Agency will assign units of aid for that term.]

When assigning units, the following course work must be excluded:

- course work completed at a Minnesota postsecondary institution which is not participating in the Minnesota State Grant program and from which the student transferred no credit (a list of all schools that have participated in the State Grant program is available at [www.ohe.state.mn.us](http://www.ohe.state.mn.us), Campus Financial



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Aid Administrator Resources, Minnesota State Grant Program Administration);

- course work from which the student withdrew after December 31, 2002, for active military service;
- term from which the student withdrew for a major medical illness, while under the care of a medical professional, that substantially limited the student's ability to complete the term;
- course work for which the student received a grade of FN (failed never attended);
- CLEP credits (classes the student "tested out" of without having to attend the class);
- PSEO (Post-Secondary Enrollment Options) course work or other similar programs that allow the student to take college course work while the student is still in high school;
- course work or training assigned CEUs (continuing education units);
- programs under eight weeks in duration (e.g., nursing assistant program);
- course work not offered by postsecondary institutions (e.g., Red Cross first aid training, Salvation Army on-the-job training, military training, etc.) even if it is later granted credit by a postsecondary institution; and
- courses the student audited.

#### TRANSCRIPT REVIEW TOOLS

Schools may use either the Transcript Review Worksheet (Appendix 7) or Transcript Review Spreadsheet to review transcripts and assign units. The spreadsheet tool is available at: [www.ohe.state.mn.us/mPg.cfm?pageID=1538](http://www.ohe.state.mn.us/mPg.cfm?pageID=1538). The spreadsheet is designed to automatically assign units based on the attempted credits entered into the spreadsheet for each term. The second page of the spreadsheet will determine units for clock hour course work taken at another school if the user enters total clock hours and total number of weeks in the period of enrollment.

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### ASSIGNING UNITS TO PRE-JULY 1, 1992 COURSE WORK

Assign units to each term in which the student was enrolled on a half-time or more basis according to the pre-July 1, 1992 units chart or transcript review worksheet (Appendix 7). Place all credits from terms that were less than half-time (less than six credits) in a separate quarter or semester “bank,” depending on the system used by that school. Translate banked credits into units according to the instructions on the worksheet. The transcript review spreadsheet will automatically assign units for credits entered on the spreadsheet.

### ASSIGNING UNITS TO POST-JULY 1, 1992 COURSE WORK

Assign units to each term based on the exact number of credits as shown on the post-July 1, 1992 units chart or the transcript review worksheet (Appendix 7). Units should be assigned to less than half-time terms instead of banking credits. The transcript review spreadsheet will automatically assign units for credits entered on the spreadsheet.

### ASSIGNING UNITS FOR SUMMER 1992 TERMS

If the student was paid a State Grant for summer term 1992, assign units based on the units chart in effect for the academic year from which the funding originated. If the school cannot determine if the student was paid a State Grant for summer term 1992, units should be assigned based on the units chart in effect for the academic year in which the term started. In other words, if the summer term started before July 1, 1992, assign units based on the pre-July 1, 1992 units chart. If the term started on or after July 1, 1992, assign units based on the post-July 1, 1992 units chart.

### ASSIGNING UNITS WHEN STUDENT ATTENDED MULTIPLE SCHOOLS FOR SAME TERM

If a student attends multiple schools for the same term, the credits appearing on all transcripts should be combined prior to assigning units. For example, if a student took eight semester credits at one school and 10 semester credits at another, the credits would be combined for a total of 18 credits and assigned 12 units for a full-

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time semester of 15 or more credits. In cases where the student attends both quarter and semester schools, credits should be converted prior to assigning units. Semester credits should be multiplied by 1.5 to convert to quarter credits. Quarter credits should be multiplied by .667 to arrive at semester credits.

#### CREDIT CONVERSIONS FOR PRE-1998-99 MNSCU COURSE WORK

If a school is reviewing a transcript from a MnSCU school (public two-year college or state university) and quarter credits earned for course work completed prior to the 1998-99 academic year have been converted by MnSCU into semester credits, those semester credits must be converted back to quarter credits (in other words, multiplied by 1.5) before the transcript is reviewed for state aid program eligibility.

#### ASSIGNING UNITS FOR INTERIM TERMS

When reviewing transcripts from another school to determine the amount of postsecondary education a student has attended, interim terms should be treated as follows:

- If the student attended an interim term and one or more semesters during the same academic year, the interim term should not be counted as a separate term. Rather, interim term credits should be distributed to the other semester(s) in a manner that would equalize enrollment status for both semesters. Once both semesters have enough credits to be considered full time, distributing additional interim credits to either semester will have no effect on the units assigned to each semester.
- If the total number of interim credits is not an even number, distribute only whole credits to the other two semesters rather than dividing an uneven number by two.
- If a student attended only one semester plus an interim term during the same academic year, all of the interim term credits should be distributed to the one semester.

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- If the student only attended an interim term during an academic year, the interim term must be treated as a separate term.

However, when assessing previous postsecondary attendance taken at the current school, interim credits should be allocated to adjoining terms as they were allocated to determine enrollment level for awarding purposes.

#### ASSIGNING UNITS WHEN NO CREDITS LISTED FOR GRADE OF W OR F

Certain colleges do not list attempted credits on academic transcripts when a student receives a grade of W or F for the course, or when the course is a remedial course. In such cases, the financial aid administrator must use an assumed value of four credits for these types of courses without having to contact the previous college. If the student wants to appeal that assumption, the student can produce additional documentation to verify the number of actual attempted credits. This assumption should only be applied in the rare instances when no attempted credits appear for certain classes on another college's transcript. Financial aid administrators must look up actual attempted credits for classes taken at their own institution.

#### INABILITY TO DECIPHER TRANSCRIPT

If a transcript lacks information needed to accurately determine the amount of postsecondary education attempted (course work not shown by term, no start or end dates, no credits or clock hours associated with classes, etc.), the financial aid administrator should make a good faith effort to assign units of postsecondary attendance and document how the result was determined for auditing purposes.

#### INABILITY TO OBTAIN TRANSCRIPTS

Prior to July 1, 2010, cosmetology schools in Minnesota were only required to keep records for five years. If academic transcripts from any type of school are not available (closed school, no records maintained, natural disaster, civil war, etc.), the school may accept a written, signed statement from the student in which the

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student reconstructs his/her postsecondary period of enrollment and enrollment level. Such a statement cannot be used in lieu of transcripts in cases where the transcript cannot be released due to non-payment of institutional charges. However, schools are required by FERPA (34 CFR 99.10) to allow the student to inspect his/her educational records, or if that is impossible, to make copies of educational records for the student. Such records, even if not official transcripts, are acceptable for purposes of reviewing transcripts.

If a student cannot obtain transcripts due to unpaid charges at another college, and the current college cannot determine the student's eligibility for MN State Grant or Postsecondary Child Care Grant without reviewing those transcripts, the student can voluntarily waive his/her eligibility for these programs by signing the 'Voluntary Waiver of Minnesota State Grant and Postsecondary Child Care Grant' form (Appendix 25). Use of this form by the current school is optional.

#### PROGRESSIVE CLOCK HOUR TRANSCRIPTS

If a transcript from a clock hour school does not separate course work into enrollment periods, the school should first determine the number of weeks in the student's period of enrollment. Assume continuous enrollment without breaks unless the student states otherwise. In rare cases, total clock hours may not appear on a cosmetology transcript. If the student has obtained a license in any of these fields, assume these hours: Cosmetology = 1,550 hours; Barbering = 1,500 hours; Esthiology = 600 hours; Manicuring = 350 hours.

Determine the student's enrollment status by dividing the total number of clock hours completed by the number of weeks in the enrollment period. Once average hours per week are known, assumed enrollment status for the entire enrollment period will be based on the following chart:

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Enrollment Status at Clock Hour School		
Average Clock Hours Per Week	Course Work Taken Pre-July 1, 1992	Course Work Taken Post-July 1, 1992
30+	Full-time	Level 15
28-29	Full-time	Level 14
26-27	Full-time	Level 13
24-25	Full-time	Level 12
22-23	3/4-time	Level 11
20-21	3/4-time	Level 10
18-19	3/4-time	Level 9
16-17	Half-time	Level 8
14-15	Half-time	Level 7
12-13	Half-time	Level 6
10-11	N/A	Level 5
8-9	N/A	Level 4
6-7	N/A	Level 3

Determine the approximate number of quarters that could have taken place within the enrollment period by dividing the total number of weeks in the enrollment period by 12.

Determine the total units of postsecondary education by applying enrollment status to the number of quarters in the enrollment period and referring to the units charts in this section or Appendix 7. The second page within the OHE Transcript Review Spreadsheet is designed to calculate units if a user enters total clock hours and total weeks enrolled.

<p><b>Example of Units for Clock Hour Attendance</b></p> <p>Period of Enrollment was 9/1/89 to 8/26/90 = 51 weeks  Total Hours Completed = 1550  Average Hours per Week = <math>1550/51 = 30</math>  Assumed Enrollment Status = Full-time (Level 15)  Number of Quarters in Enrollment Period = <math>51/12 = 4.25</math>  <b>Number of PSE Units = 4.25 FT quarters x 8 units = 34 units</b></p>
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(5) Relying on Pell Grant Lifetime Eligibility Used (LEU)

A school may rely on a student’s Pell Grant Lifetime Eligibility Used (LEU) calculated on the federal central processing system in lieu of requesting and reviewing a student’s academic transcripts if a student’s Pell Grant LEU is 500 percent, in which case, the school can assume the student has reached the State Grant limit on postsecondary attendance of at least four full-time academic years.

If a school chooses to use Pell Grant LEU in this case, it should make sure it is not in conflict with any policy it has adopted to exclude courses with W grades earned before July 1, 1995, which is allowed for the State Grant program if the student did not receive a State Grant payment for those credits.

**d. High School Graduate, GED Recipient or 17 Years of Age**

To qualify for Minnesota State Grant, a student must be at least 17 years old at the time of disbursement or have a high school diploma or GED. While Minnesota uses the standard GED test, certain other states use alternative tests, such as the High School Equivalency Test (HiSET) or Test Assessing Secondary Completion (TASC). Minnesota’s K-12 education agency, the Minnesota Department of Education, honors alternative tests authorized and used by other states and will issue a student who successfully passed such a test a Minnesota GED certificate upon request. For purposes of this eligibility requirement, such a GED is acceptable. However, it cannot be treated as the equivalent of a GED earned in Minnesota for purposes of establishing state residency. (See ‘Resident Student’ in Common Definition chapter.)

The Minnesota Department of Education currently does not honor such alternative tests if they were taken in a state in which they are not authorized. Thus, students who took alternative tests in a state in which they are not authorized will not be considered to have the equivalent of a GED for purposes of state financial aid programs.

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The following is a list of states authorizing and using alternative tests to the GED:

**HiSET Test:** California, Hawaii, Iowa, Louisiana, Maine, Massachusetts, Missouri, Montana, Nevada, New Hampshire, New Jersey, New Mexico, North Carolina, Oklahoma, Pennsylvania, Tennessee, Wyoming.

**TASC Test:** California, Illinois, Indiana, New Jersey, New York, Nevada, North Carolina, Oklahoma, South Carolina, West Virginia, Wyoming.

**e. State Grant Overpayment**

A student is not eligible to receive a State Grant if the student owes the school or the Agency for a State Grant overpayment. A student is considered to have received an overpayment if the student's total payments exceeded the allowable State Grant award or if the school or the Agency learned the student did not meet one of the program eligibility requirements after the student received a State Grant payment.

The student will become eligible retroactive to the beginning of the current aid year if the student repays the overpayment or maintains a pattern of monthly payments to repay the obligation provided the student currently meets all program eligibility requirements. The student also has the option of repaying an overpayment from a previous aid year with part or all of the award for the current aid year if the student makes such arrangements with the school or the Agency's Financial Services section.

**f. Student Loan Default**

If a student is considered to be in default on any federal student loan or state SELF Loan, the student is not eligible to receive a State Grant as of the date the school (in the case of federal student loans) or the Agency (in the case of SELF loans) was notified of the default. For example, if the student received a fall term State Grant payment and, following disbursement, defaulted on a student loan, the student would not lose eligibility for fall term, but would lose eligibility for subsequent terms. The student will be considered eligible for a State Grant retroactive to the beginning of the current aid year if the student produces documentation from the guarantor, lender or servicer that the loan has been paid in full or otherwise satisfied (i.e., meets criteria for



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reinstatement of federal or state financial aid eligibility) and the student currently meets all other program eligibility requirements.

The school must rely upon the student’s SAR or ISIR, or the federal NSLDS system to determine if the student has defaulted on a federal student loan. In the case of the state SELF Loan, schools are notified of a student’s default status on the State Grant On-Line Hold Report (see ‘State Grant On-Line Hold Report’ section in this chapter).

**g. Child Support Arrears**

Effective January 1, 1992, a student is not eligible to receive a State Grant if the student is more than 30 days in arrears for child support payments owed a public child support enforcement agency unless a student is complying with a written payment agreement or order for arrearages. The State Department of Human Services will run a child support arrears interface on a weekly basis against the State Grant database. A student’s State Grant record will be marked with a hold if the student appears in the interface file. The student will lose eligibility for future State Grant payments as of the date the Office of Higher Education is notified of the delinquency.

Schools will be notified of students placed on or released from child support holds on the State Grant On-Line Hold Report (Appendix 3) via automated e-mails. Schools that do not participate in federal aid programs will need to check student eligibility using the State Grant web access screen (Appendix 4). Schools should prevent future State Grant payments to these students and, in some cases, may be liable for previous payments made to these students (refer to ‘Responsibility for Monitoring Eligibility Requirements’ section of this chapter).

To regain eligibility for a State Grant, the student must contact the county child support enforcement office and make the necessary arrangements for the worker to release the hold on the Department of Human Service’s child support database. Once a student is no longer in arrears for child support payments or is complying with a written repayment agreement or order for arrearages, the student is eligible to receive

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a State Grant retroactive to the beginning of the current aid year provided the student currently meets all other program eligibility requirements. The hold will be removed from the student's State Grant record once the student shows up as released on the Department of Human Service's interface file.

**h. Enrollment Status at Eligible Institution**

(1) General

To receive consideration for a State Grant, a student must be enrolled at an eligible Minnesota postsecondary institution for at least three credits per term (or six clock hours per week at clock hour institutions) in a program or course of study that applies to a degree, diploma or certificate.

Schools that disburse aid under the progressive clock hour system must base their enrollment level definitions on the average number of hours attended by the student each week. (See also 'Determining Enrollment Status Throughout the Academic Year at Progressive Clock Hour Schools' in the Disbursement section of this manual for further guidance.) Schools that disburse aid under the term-based system must base their enrollment level definitions on the number of credits per term. This includes non-term based schools that combine sequential course modules into a term, whereby the student's enrollment level is based on credits for all courses combined into one term.

The number of credits per term or average clock hours per week used for the various enrollment levels for the State Grant program are as follows:

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<b>State Grant Enrollment Levels</b>		
<b>Credits Per Term</b>	<b>Average Clock Hours Per Week</b>	<b>Enrollment Level</b>
15+	30+	Level 15 (full-time)
14	28-29	Level 14
13	26-27	Level 13
12	24-25	Level 12
11	22-23	Level 11
10	20-21	Level 10
9	18-19	Level 9
8	16-17	Level 8
7	14-15	Level 7
6	12-13	Level 6
5	10-11	Level 5
4	8-9	Level 4
3	6-7	Level 3

If the number of credits per term is not a whole number (e.g., 7.5 credits), the remaining fraction or percentage must be dropped before determining enrollment status. A student enrolled for 7.5 credits would be assigned an enrollment level based on seven credits (Level 7). The same applies to clock hour schools. If a student's average clock hours per week are 13.33, the enrollment level is based on 13 hours (Level 6).

If a student drops or adds credits during a term in which the State Grant award has already been disbursed, the State Grant may have to be adjusted. For additional information, please refer to 'Adjustments to Award Based on Changes in Enrollment Level' under the 'Award Process and Formula' section of this manual.

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(2) Enrollment Level at Non Term-Based Credit-Hour Schools

Non term-based credit-hour schools link sequential course modules together to form a term and determine enrollment level. For example, a school might define its semester as 12 credits based on combining four 3-credit sequential classes.

3 Credits	3 Credits	3 Credits	3 Credits
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There is no requirement that all classes within such terms must be sequential. In the following example, a school defines its semester as 15 credits based on five 3-credit classes, with two classes taken simultaneously at the onset of the term.

3 Credits			
3 Credits	3 Credits	3 Credits	3 Credits

If a student fails a class or classes and continues in the same program, the student will not be able to advance to the next term unless all the credits required for the first term are successfully completed. Thus, the term would be extended to include the credits for the additional class or classes. If the school charges for the additional class(es), the student's award for the extended term would also be adjusted for the new enrollment level. Otherwise, the original term award would not be adjusted.

For example, if the student fails the third course module, the term would be extended to include an additional three credits before the student could advance to the next term. If the school charges for the additional class, the student's award would be adjusted from Level 12 to Level 15. If the school doesn't charge for the additional class, the State Grant award would remain at Level 12.

3 Credits Class 1 Grade = B	3 Credits Class 2 Grade = C	3 Credits Class 3 Grade = F	3 Credits Repeat Class 3	3 Credits Class 4
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Likewise, if a student withdraws from school during a term, but reenters the same program, the student cannot advance to the next term until all the course modules

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for the term during which the student withdrew are completed. If the student reenters within the same aid year, any refunds for recalculations and withdrawals during that term can be reversed, provided the student still meets all the program eligibility requirements. However, if the student reenters during the subsequent aid year, refunds during the previous aid year cannot be reversed. Further, the student's enrollment level for that term in the subsequent aid year will be based solely on the credits for the remaining classes of the original term.

For example, the student's semester consists of four 3-credit classes for a total of 12 credits. The student is paid a Level 12 State Grant at the onset of the term. The student withdraws during the third class, the award is recalculated from Level 12 to Level 9 and a withdrawal refund calculation is performed for the Level 9 State Grant. If the student reenters the same program within the same aid year, both the recalculation and withdrawal refund amounts can be reversed since the student is continuing in the same term. Because the student will need to complete 12 credits to advance to the next term, the current term can be extended and enrollment level can be increased to account for both the withdrawn class and the remaining six credits in the term. The student's enrollment level would increase from Level 12 to Level 15. If the school charges for the additional course module, the State Grant award can be adjusted from Level 12 to Level 15. Otherwise, the student's State Grant award would remain at Level 12.

If the student withdraws during a term but reenters in the subsequent aid year, any refunds for recalculations or withdrawals for the previous aid year cannot be reversed. The student's enrollment level in the subsequent aid year would be determined by the credits remaining in the original term. In the case cited in the preceding paragraph, the student completed six credits and withdrew from three credits in the previous aid year and would have six credits to complete in the subsequent aid year prior to advancing to the next semester. Therefore, the student could receive a Level 6 State Grant payment for the term in the subsequent aid year, *provided the student was charged for both classes in the*

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*subsequent aid year.* Otherwise, credits for which the student was not charged would not be included in the student's enrollment level.

**Aid Year One** (Enrollment level recalculated from Level 12 to Level 9 and withdrawal refund calculated for Level 9)

3 Credits Class 1	3 Credits Class 2	3 Credits Class 3 (withdrawal)	3 Credits Class 4 (never started)
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**Aid Year Two** (Enrollment level based on 6 credits remaining in original term, assuming student charged for both classes)

3 Credits Class 3 repeat	3 Credits Class 4
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In no instance can a school disburse a State Grant retroactively for a term during which the student withdrew from school (see also 'Late/Retroactive Disbursement' section in this manual) or for classes from which the student withdrew.

(3) Clock-Hour/Credit-Hour Conversion

The school must use a clock-hour to credit-hour conversion formula to determine the student's enrollment unless the student's program:

- is at least two academic years in length and provides an associate, bachelor's or professional degree; or
- each course from the program is acceptable for full-credit towards a degree program offered by the institution and the institution can demonstrate students enroll in and graduate from that degree program.

See 'Credit Hour' definition in the Common Definitions chapter of this manual for further information. Public and private non-profit schools of nursing are exempt from this requirement.

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(4) When Remaining Annual Credits Are Less Than Actual Enrollment Level  
 Students may receive a State Grant for up to 60 quarter credits or 45 semester credits within an aid year (July 1–June 30). This also includes payment periods at clock hour schools where enrollment level is translated to credits [see ‘State Grant Enrollment Levels’ chart on page 27 of this chapter]. In cases where the student’s remaining credits of eligibility for the final term of the aid year are less than the student’s actual enrollment level, the remaining credits are the enrollment level used to determine the amount of the award. However, the number of hours in a clock hour payment period must be based on the student’s *actual* enrollment level.

(5) Excluded Course Work  
 Credits can only be included in the student’s enrollment level from instruction provided or overseen by the current school.

Transfer credits earned during a previous term at another institution, courses that the student audited at the current school, credits awarded from placement or CLEP tests, or credits that will not be applied towards the student’s credential (with the exception of required remedial courses taken after admission to the student’s program) may not be counted towards enrollment level. However, the school may opt to have a policy that includes credits for repeated classes in the student’s enrollment level.

When payment is delayed for a term, courses with grades of W, FN or FW may not be included when determining the student’s enrollment level.

High school students enrolled in postsecondary classes prior to receiving a high school diploma are not eligible for a State Grant.

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(6) Repeated Course Work

In general, courses that will not be applied towards the student's credential may not be counted towards enrollment level. However, the school may opt to have a policy that includes credits for repeated classes when determining enrollment level. There is no requirement that the school's policy for state financial aid programs must adhere to the policy on repeated course work used for federal financial aid programs.

(7) State Grant Versus Pell Grant Enrollment Level

In certain instances, the student's enrollment level used for the State Grant program may differ from the student's Federal Pell Grant enrollment level. In such cases, the Pell Grant subtracted in the State Grant award calculation is based on the student's State Grant enrollment level.

A chart comparing State Grant and Pell Grant enrollment levels is provided in the 'Pell Grant' section under 'Shared Responsibility Formula' in this chapter.

(8) Remedial Course Work

Credits or credit equivalencies assigned for remedial course work may be counted towards the student's enrollment level if the student has been accepted into a degree, diploma or certificate program and takes remedial course work within that program. A school cannot count non-credit remedial hours in a student's enrollment status if the course is part of a program that leads to a high school diploma or GED. There is no limit on the total amount of remedial credits that can be used to determine the student's enrollment level.

(9) Awarding State Grant Beyond Associate Degree or Maximum Time Frame at Two-Year College

A student is eligible for a State Grant at a two-year college after earning an associate's degree if the student's course work is required for admission to a four-year degree program at another college or the student is already admitted to the four-year degree program and the course work will be applied to that



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program. This provision applies even if the student has exceeded the maximum time frame for satisfactory academic progress at the two-year college, since course work transferred to the four-year college will count against the maximum time frame for satisfactory academic progress at the four-year college.

In instances where the student has already been accepted into a four-year degree program, the State Grant may be awarded by the two-year college or the four-year college if it is an institution eligible to participate in the State Grant program. If the eligible four-year college acts as the “home” institution, the amount of State Grant awarded must be based on the cost of tuition and fees at the institution the student is actually attending (see Example 8 in Appendix 9 for example award calculation). When the student is not yet admitted into the four-year degree program or the four-year college is not eligible to participate in the State Grant program, only the eligible two-year college may award the student a State Grant.

Whichever college awards the State Grant for this type of course work must have documentation from the student that verifies the course work taken at the two-year college is required for entry into or will be applied to a four-year degree program at the four-year college. Such documentation should include a copy of the catalog or course schedule from the four-year college specifying pre-requisite or required course work needed for the four-year degree program and a statement of intent from the student that the course work is being taken for this purpose. State Grant awards for this type of course work are limited to no more than 30 semester or 45 quarter credits.

(10) Attending Multiple Schools for Same Term

A student attending two or more eligible schools for the same term can either:

- receive a separate State Grant at each school for up to a total of 15 credits based on the tuition and fees charged at each school; or

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- receive a State Grant at one school based on the cost for the combined credits from all schools attended.

If the student receives a separate State Grant at each school attended, the award at each school would be based on the tuition and fees for the credits attended at that school. However, the student cannot be awarded for more than a total of 15 credits in any term. The school that reports a payment to the Agency which causes the 15 credit limit to be exceeded will have its payment rejected and will need to recalculate the award to a lower enrollment level. (See Example 7 in Appendix 9.)

For example, if School A reports a fall semester payment to the Agency for eight credits and School B reports a fall semester payment for nine credits, for a total of 17 credits, School B's payment will be rejected until School B recalculates the award based on the cost for seven credits and reports the new award to the Agency.

The other option for a student attending multiple eligible schools for the same term is to have one school act as the "home school" and calculate the State Grant term award based on the cost for up to 15 credits attended at all schools. The dollar amount of total tuition and fees cannot exceed the tuition and fee maximum at the "home school" for the student's enrollment level.

The "home school" must develop a procedure that allows the school to verify the student's attendance at all schools attended for the term. If the "home school" determines that the student withdrew or changed enrollment level or tuition and fee charges at the other schools, the "home school" must adjust the State Grant award accordingly.

For further information about the tuition and fees used to calculate the State Grant award for a student enrolled at multiple schools for the same term, see

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‘Tuition, Fees and LME Used for Students Attending Multiple Schools for Same Term’ under the ‘Shared Responsibility Term Award Calculation’ section of this chapter. (See also Example 8 in Appendix 9.)

(11) Use of Interim Term Credits

Schools using a 4-1-4 calendar may use student credits attended during the interim term in determining the student’s enrollment status for State Grants. The credits attended during interim may be counted as part of the fall semester or the spring semester or may be divided between the two terms. Schools may adopt any reasonable method for allocating interim credits and determining the appropriate enrollment status for fall and spring semesters on a student-by-student basis. With respect to students who are also Pell Grant recipients, there is no requirement that interim term credits be allocated to fall and spring semesters in the same manner allocated for the Pell Grant program, as long as the resulting State Grant enrollment level will not cause the incorrect Pell Grant award to be subtracted within the State Grant award calculation.

**Example:**

A student registers for 11 credits in the fall semester, four credits in the interim term and 11 credits for the spring semester. The school’s policy for the Pell Grant program is to attach the interim term to the spring semester, resulting in a 15-credit enrollment level for the Pell Grant program. For the State Grant program, the school must also allocate the four interim term credits to the spring semester, since allocating any interim credits to the fall term would result in a full-time Pell Grant award being subtracted in the State Grant calculation when the student is receiving a three-quarter time Pell Grant award for the fall semester. However, if the student were not a Pell Grant recipient, the interim term credits could be allocated to fall and/or spring semesters in any manner selected by the school.

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**Example:**

A student registers for 11 credits in the fall semester and four credits in the interim term but does not enroll for spring semester. The school's policy for the Pell Grant program is to attach the interim term to the spring semester, resulting in a four credit less than half-time spring term enrollment level for the Pell Grant program. For the State Grant program, the school must also allocate the four interim term credits to the spring semester, since allocating any interim credits to the fall term would result in an a full-time Pell Grant award being subtracted in the State Grant calculation when the student is receiving a three-quarter time Pell Grant award for the fall semester. However, if the student were not a Pell Grant recipient, the interim term credits could be allocated to fall and/or spring semesters in any manner selected by the school.

**Example:**

A student registers for 13 credits in the fall semester, three credits for the interim term and 14 credits for the spring semester. The school's policy for the Pell Grant program is to attach the interim term to the spring semester, resulting in a 17-credit enrollment level for the Pell Grant program. For the State Grant program, the school may allocate all interim credits to either fall or spring semesters, or allocate two of the interim credits toward the fall term enrollment status and the remaining one credit as part of the spring semester enrollment status, resulting in a Level 15 State Grant award for each semester. Any of these options would be allowable since the correct full-time Pell Grant would still be subtracted within the State Grant award calculation for each term regardless of how interim credits were allocated for the State Grant program.

The school may have a policy to retroactively adjust fall term awards based on the assignment of interim term credits even if the adjustment is performed after the school's award adjustment end date.

If a student does not attend the interim term after a State Grant disbursement was made for an enrollment status that included interim term credits, the school must recalculate the State Grant award for that term and return the overpayment to the State Grant program.

(12) For Non-Standard Terms

A student's term enrollment status does not have to be adjusted if the term is shorter than the standard length of 10 weeks per quarter or 15 weeks per semester. To determine the award, refer to the 'Awards for Summer or Non-Standard Terms' section of this chapter.

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**i. Pursuing Degree, Diploma or Certificate**

In order to be eligible for a State Grant, a student must be enrolled at an eligible Minnesota institution in a program leading to a degree, diploma or certificate that is at least eight weeks long and consists of a minimum of 12 credits or 300 clock hours.

There is no requirement that a student must be pursuing a degree, diploma or certificate at the institution awarding the State Grant as long as the student is accepted into a degree, diploma or certificate program at any Minnesota institution eligible to participate in the State Grant program. No consortium agreement is required in these cases. (See exception under ‘Awarding State Grant Beyond Associate Degree or Maximum Time Frame at Two-Year College.’)

If the student is taking course work at an ineligible school (foreign school, school located outside Minnesota), the student can only receive a State Grant if the student is pursuing a degree, diploma or certificate at an eligible Minnesota school and:

- the student registers and pays for the course work through an eligible Minnesota school; or
- the student registers and pays for the course work through an ineligible school that has a consortium or contractual agreement with the eligible Minnesota school administering the State Grant program.

**j. Satisfactory Academic Progress**

To be eligible for a State Grant, the student must be making satisfactory academic progress as described in the ‘Common Definitions’ section of this manual. (See also ‘Awarding State Grant Beyond Associate Degree or Maximum Time Frame at Two-Year College’ in this chapter.)

**k. Tuition Reciprocity Restriction**

A student who technically meets the definition of a Minnesota resident may not receive a State Grant if the student is receiving tuition reciprocity benefits from

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another state to attend a Minnesota public postsecondary institution. The student can opt to cancel tuition reciprocity benefits in order to receive a State Grant.

### 3. State Grant On-Line Hold Report

The State Grant On-Line Hold Report (Appendix 3) is generated by the Agency and provides information to schools about student eligibility problems. The State Grant on-line hold database is updated each night when the Agency downloads Institutional Student Information Records (ISIR) to the State Grant database. Schools will be notified via e-mail if any student data was added or updated on the State Grant on-line hold database for their campus. The e-mail will contain a link to the screen schools can use to view the data and print a hold report on campus. Undocumented students applying for state financial aid under the MN Dream Act do not currently appear on the report since they are not able to submit the FAFSA.

The State Grant on-line hold database will only contain data about child support arrears holds, SELF loan default holds, and students whose units of State Grant paid through the current aid year exceed three full-time academic years (> 72 units). The units appearing on the on-line hold database only represent units of State Grant *paid* to the student and do not eliminate the school's responsibility for reviewing student academic transcripts to determine the amount of postsecondary education the student has *attended* to date.

The Agency will store the college codes from the student's three most recent ISIR records for the aid year on the State Grant database as well as the college's position (college choice one through ten) on the ISIR. If a school's code appears in any location on the three most recent ISIRs for the student or if the school has already reported a State Grant DDS record for the student to the Agency for the current aid year, the school will be notified of any holds for that student on the State Grant database.

If the school has not yet submitted a DDS record for the student for the aid year, the 'DDS/ISIR rank' column on the report will reflect on which ISIR record the college code was listed and the position, with the first digit of the code representing which of the three

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most recent ISIRs contains the college code and the second digit representing the college choice position:

- 14 = most recent ISIR, 4th position
- 23 = 2nd most recent ISIR, 3rd position
- 31 = 3rd most recent ISIR, 1st position

If the school has submitted a DDS record for the student for the aid year, a code of ‘DDS’ will appear in the ‘DDS/ISIR rank’ column and ISIR rank data will not be displayed.

The ‘DDS/ISIR rank’ column was designed to help schools prioritize students. Schools may wish to spend more time reviewing hold data for students with a ‘DDS’ code in this column since those students are presumably attending the current institution. With respect to ISIR rank codes, the higher the value the less likelihood there is the student will actually attend the institution. However, state agencies will no longer receive the college codes in the same order in which they were listed by the student on the FAFSA.

The school’s designated State Grant contact will be notified via an automated e-mail when any of the student hold data changes for that school. The e-mail will contain a link to the State Grant on-line hold report. E-mail notification will occur in the following instances:

- ISIR or DDS record loaded to State Grant database for a student who has a hold problem and has not yet had hold information written to the State Grant on-line hold database for that school; or
- hold information changes after hold information has already been written to the State Grant on-line hold database for that school (e.g., hold is released) regardless of whether or not a new ISIR or DDS record has been received.

**It will be the school’s responsibility to notify the Agency’s grant unit about any changes to the e-mail address for the designated State Grant contact at the school.**

The school can access the State Grant On-Line Hold Report by logging into the State Grant web access screen. Once logged into the screen, the school can choose to access

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individual student data (State Grant Student Web Access Screen) or the hold report (State Grant On-Line Hold Report). The same username and password is used for both features. If a school forgets its password, the school should contact the Agency's grant unit for assistance.

Once the school is logged onto the State Grant On-Line Hold Report, the school will choose the date range for the hold report. The default date range will be the first date the on-line hold database was created for the current aid year through the current date, producing a comprehensive cumulative report for the year. If the school would like to produce a report for a narrower date range, the school can adjust the dates accordingly. After the date range is selected, a hold report will be generated displaying all hold data updated during that period. The default sort option produces an alphabetical report by student last name. A school has the option of changing the sort option to SSN, Aid Year, DDS/ISIR rank or Last Transaction date by clicking on those column headings.

Because the State Grant On-Line Hold Report is generated from a cumulative on-line hold database, there will be no need for schools to maintain paper printouts of the report throughout the aid year since the data will be available on-line. Once a student appears in the on-line hold database, the student's record will remain on the report.

Many fields appearing on the report will have a 'help' pop-up box schools can access for a description of that field. It is important to note the distinction between the hold **start** date and the hold **notification** date appearing on the report. The hold start date is the date the student becomes ineligible. The notification date is the date the school was notified that the hold data was written to the on-line hold database. For example, a student could have been placed on a child support hold in January 2003 (hold start date) but the hold would not be written to the on-line hold database or the school notified until the first ISIR or DDS record was received for the current aid year (notification date).

The hold start date and hold end date will continue to appear on the report regardless of the student's hold status and will represent the most recent date the student was placed on



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or released from a hold. The hold notification date will always represent the date the student's most recent hold was written to the on-line hold database.

Units appearing in the 'Units' column represent units of State Grant paid to the student up through the current aid year, including the current school. Though the units appearing on the on-line report may change throughout the aid year, the school will only be notified via an automated e-mail when the units exceed or fall below 72 units, which is the equivalent of three full-time academic years. If a school wants to view more detailed units information for a particular student (units by aid year and campus), the school can click on the student's name and toggle to the State Grant student web access screen and then hit the 'Back' key to go back to the hold report.

It will be common for a student to appear twice on the on-line hold report if the State Grant database has a DDS or ISIR record for the student for both consecutive aid years. In most cases, the hold data appearing for the student will be identical for both years but the amount of units appearing in the 'Units' column may differ by aid year.

If schools would like additional instructions on how to access the State Grant On-Line Hold Report, they can access an audio/video tutorial developed by the Agency at [www.ohe.state.mn.us/mPg.cfm?pageID=346](http://www.ohe.state.mn.us/mPg.cfm?pageID=346) or contact the grant unit for assistance.

#### **4. Use of State Grant Web Access Screen to Determine Hold Status**

The State Grant web access screen allows schools access to student hold data on the State Grant database. The hold data is current as of the time the school is accessing the student's record. Therefore, schools will be able to check hold data on students prior to making a State Grant disbursement. Undocumented students applying for state financial aid under the MN Dream Act do not have records in the State Grant database since they are not able to submit a FAFSA.

Each school participating in the State Grant program will be assigned a username and password to gain access to the State Grant web access screen. To log on to the screen, the

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user would enter the school's six-digit FAFSA school code for the username on the screen. If the school is not participating in federal financial aid programs, the school would use the six-digit code assigned by the Agency's grant unit. The user would then enter the school's password. If the school has misplaced its password, the user should contact the Agency's grant unit for assistance.

The security system for the State Grant web access screen will only allow a school to access a student's record if that school is listed on the student's ISIR for the current aid year. If the school's code is NOT listed on the student's ISIR for the current aid year, the following message will appear:

**“SCHOOL NOT LISTED ON CURRENT YEAR ISIR - CANNOT ACCESS STUDENT RECORD”**

If the Agency does not have the student's ISIR record on file for the current aid year, the school will receive the following error message:

**“NO CURRENT YEAR RECORD ON FILE FOR STUDENT”**

If the school passes the school code clearance and accesses a student's record, information about any existing holds, past history of State Grant units paid (broken out by aid year and college), and the enrollment status and accepted payments for the current aid year will be displayed on the screen. (A sample copy of the State Grant web access screen is provided as Appendix 4).

At the top of the screen, the user will see the date of inquiry and the student's name and social security number. Because private data is displayed on the screen, financial aid administrators should make sure they exit the system if they are away from their work stations.

The top section of the screen will display any holds currently on the student's file. If a student has a SELF default or child support hold, the date the hold was placed on the student's file (that is, the date eligibility was lost) is also displayed. Holds appearing on

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this report are controlled by the Agency and require consultation with the grant unit staff if the school believes the data is incorrect. If no holds appear, it means there are currently no holds on the student’s record.

The middle section of the screen shows units of State Grant aid paid to the student during previous aid years broken out by aid year and school. The user may encounter the following message under the School Name column: “School Name Not Found. Please Contact the Grant Unit.” This means the school code on the student’s history record didn’t translate into a school name. Schools should contact the grant unit for assistance in determining the school name.

Historical records for the State Grant system contain information about units of State Grant aid *paid* to the student during previous aid years as opposed to the units of postsecondary *attendance* the student has attempted. Schools are still expected to request and review academic transcripts from students to determine the amount of postsecondary education the student has attended. However, the State Grant web access screen may be a helpful tool for solving discrepancies. For example, when the Agency’s units of State Grant paid to the student for an aid year are greater than the units of postsecondary education attended derived from the school’s review of academic transcripts, the school should use the Agency’s units.

The bottom section of the screen shows enrollment and accepted payment information at any school that has reported in a DDS record for the student for the current aid year, including the school accessing the record.

Schools may wish to print and save a copy of the student’s State Grant web access screen to document the student’s eligibility at a certain point in time for auditing purposes.

## **5. Liability for Monitoring Eligibility Requirements**

Because the FAFSA does not always contain information needed to verify state residency and the amount of previous postsecondary attendance, the institution must collect

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supplemental data to determine if the student meets these eligibility requirements unless information supplied on the FAFSA is sufficient or the student has previously completed the paper or online State Grant Student Eligibility Questionnaire (or the school’s proxy) and no subsequent information contradicts the student’s continued eligibility (see also ‘Student Eligibility Questionnaire’ section under ‘Original Application’ section of this chapter).

If the supplemental information indicates there is reason to believe the student completed three or more full-time academic years of postsecondary education, the institution must request and evaluate the student’s academic transcript(s) according to the ‘Limit on Postsecondary Attendance’ section of this chapter. (See exception under ‘Relying on Pell Grant Lifetime Eligibility Used (LEU)’ in this chapter.)

If funds are withheld either by the school or the Agency because the student owes a State Grant overpayment, is in default on a student loan or is more than 30 days in arrears for child support payments, once the obligation is repaid or otherwise satisfied, the student will be eligible to receive the State Grant retroactive to the beginning of the current aid year provided the student currently meets all program eligibility requirements.

If the school had documentation on campus, including notification of hold status on the State Grant On-Line Hold Report, that the student did not meet an eligibility requirement and the school disbursed the State Grant award to the student, the school will be responsible for reimbursing the State Grant program from its own funds if it cannot collect the overpayment from the student.

If a school not participating in federal financial aid programs fails to run an eligibility check (child support, past overpayment, four years of aid, SELF default) against the State Grant database via submitting a State Grant DDS batch prior to disbursing State Grant funds to a student, the school will be liable for repaying rejected payments from its own funds if it cannot collect the overpayment from the student.

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## **6. Monitoring Program Eligibility Requirements During the School Year**

All schools are responsible for establishing a procedure to inform the financial aid office of all changes in a student's status that may affect the student's eligibility for a State Grant during an academic term. One means of ensuring this is to have the registrar's office (or its counterpart) routinely inform the financial aid office when any student changes enrollment status, ceases to be making satisfactory academic progress, withdraws from school, produces additional academic transcripts, etc. The Agency strongly recommends that all students be required to contact the financial aid office when dropping to less than full-time status or withdrawing from school.

## **VI. Award Process and Formula**

### **A. Shared Responsibility Formula**

The State Grant is calculated using the Shared Responsibility Formula (see Appendix 8) which assigns responsibility for college costs to the student, family and government. A detailed description of its components follows.

Prior to final award parameters being established by the legislature each year, estimated awards contained in award notices to students must be based on estimated parameters issued by the Agency by February 15th preceding the aid year.

The State Grant award is not subject to financial aid packaging requirements. Thus, it is never reduced in cases where the student's Expected Family Contribution (EFC) and other financial aid and resources exceed the student's cost of attendance used for federal financial aid programs.

#### **1. State Grant Budget**

The budget used in the Shared Responsibility term award calculation consists of:

- a uniform nine-month living and miscellaneous expense allowance (LME) set by the Legislature each academic year prorated for term length and then for enrollment level; and

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- the lesser of:
  - the school’s annual full-time (30 semester credits or 45 quarter credits) average tuition and mandatory fees prorated for term length and then for enrollment level, or
  - the annual nine-month tuition and fee maximum set by the Legislature prorated for term length and then for enrollment level.

**a. Living and Miscellaneous Expense Allowance (LME)**

A uniform nine-month annual LME is set by the Legislature for each academic year which represents costs for books, transportation and other living expenses. (See Appendix 8 for current LME.) When calculating the Shared Responsibility term award calculation, the LME is first adjusted for term length by multiplying by .50 for a semester (or a clock hour school with an academic year divided into two payment periods) and by .3333 for a quarter (or a clock hour school with an academic year divided into three payment periods) and rounding the result. If the student is enrolled for fewer than 15 credits, the term LME is then reduced by multiplying the term LME by the number of credits for which the student is enrolled divided by 15. For example, a student enrolled for 12 credits (or 24 clock hours per week) would have the term LME prorated by 12/15ths, or 80 percent, and the result rounded. The term LME is NOT increased if the student enrolls for more than 15 credits. (For further information, see Appendix 8 Shared Responsibility term award calculation.)

(1) LME for Incarcerated Students

Incarcerated students are eligible to receive a State Grant if they meet the program eligibility requirements. However, according to program statutes, the LME must be set to zero for incarcerated students.

**b. Tuition and Fees**

The tuition and fees used in the Shared Responsibility term award calculation are the lesser of the school’s average annual full-time (30 semester or 45 quarter credits) tuition and fees prorated for term length and then for enrollment level or the annual

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tuition and fee maximum set by the Legislature for each academic year prorated for term length and enrollment level.

(1) Tuition and Fee Maximum

The Legislature sets a separate nine-month annual full-time tuition and fee maximum for students enrolled in a four-year degree program and another for students enrolled in a two-year degree or shorter credential program. (See Appendix 8 for current tuition and fee maximums.) The annual full-time tuition and fee maximum for the program the student is enrolled in for the term must be adjusted for term length by multiplying by .50 for a semester or by .3333 for a quarter and rounding the result. If the student is enrolled for fewer than 15 credits, the term tuition and fee maximum is reduced by multiplying the term maximum by the number of credits for which the student is enrolled divided by 15. For example, a student enrolled for 12 credits would have the term tuition and fee maximum prorated by 12/15ths, or 80 percent, and then rounded. The term tuition and fee maximum is NOT increased if the student enrolls for more than 15 credits. (For further information, see Appendix 8 Shared Responsibility term award calculation.)

If a student is simultaneously enrolled in both a two- and four-year degree program, the tuition and fee maximum used to calculate the State Grant will be based on the nature of the student's program. If the content area for both the two- and four-year program is identical or very similar, where the majority of credits from the two-year program will be applied to the four-year program, the school should use the four-year tuition and fee maximum to calculate the State Grant award for the term. For example, some students may wish to earn an A.A. degree at the midpoint of a B.A. degree program.

If the content area of the two- and four-year degree programs is quite different, where the majority of credits from the two-year program will not be applied to the four-year degree program, the school must either:

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- use the two-year tuition and fee maximum until the student completes the two-year program; or
- manually calculate the State Grant so that both the two- and four-year tuition and fee maximums are applied to the credits from each program. If certain credits will count towards both programs, they should be considered two-year program credits. [Note: When reporting the award to the Agency on the DDS system, the school should report a '4' in the field that indicates which tuition and fee maximum was used to calculate the award.] An example of this option follows.
  - **EXAMPLE:** Jane Doe is enrolled in both a two-year Medical Assistant A.A.S. degree program and a four-year degree completion program for a B.S. in Organizational Management. Jane has eight credits that will apply to the two-year program and seven credits that will apply to the four-year degree program for a total of 15 credits. The applicable tuition and fee maximum for each program would be prorated to the student's enrollment level as follows: Annual full-time two-year tuition maximum  $\$5,736/2 = \$2,868$  for full-time semester X  $8/15$ ths or  $.533 = \$1,529$ . Annual full-time four-year tuition maximum  $\$14,186/2 = \$7,093$  for full-time semester X  $7/15$ ths or  $.467 = \$3,312$ . The prorated tuition and fee maximums would then be compared to the tuition and fees charged by the school and the lesser of the two would be added to the full-time LME to construct the State Grant award calculation budget. The tuition and fees charged by the school are the annual full-time tuition and fees reported by the school on the Agency's on-line State Grant Budget Questionnaire, prorated to the student's enrollment level. If the annual full-time tuition and fees were  $\$20,000$ , then the amount for eight credits would be  $\$20,000/2 = \$10,000$  for full-time semester X  $8/15$ ths or  $.533 = \$5,330$ . The amount for seven credits would be  $\$10,000 \times 7/15$ ths or  $.467 = \$4,670$ . Because the tuition and fees charged exceed the tuition and fee maximum for each program, the school would add the eight credit two-year tuition and fee maximum of  $\$1,529$  to the four-year maximum for



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seven credits, \$3,312, for a combined tuition and fee maximum of \$4,841. This would then be added to the LME of \$4,660 for a full-time semester resulting in a State Grant term award calculation budget of \$9,501.

If a student changes programs between terms, the appropriate tuition and fee maximum must be used to recalculate the award for the subsequent terms of the aid year based on the student's current program. If a student changes programs within a term, the State Grant award for that term must be recalculated using the tuition and fee maximum for the student's current program and any resulting overpayments recovered or additional funds due to the student disbursed.

Schools cannot direct students who would normally enroll in a two-year degree program to enroll in a four-year degree program simply to take advantage of the higher four-year tuition and fee maximum if the students have no intention of completing a four-year degree. Agency auditors may review institutional records to determine if there is a pattern of students changing from a four-year degree program to a two-year program after completing their first two academic years.

(2) Average Tuition and Fees

To determine the amount of tuition and fees used to calculate the student's State Grant term award, the school must compare its average annual tuition and fees prorated by term length and the student's enrollment level to the appropriate tuition and fee maximum for the student's degree program prorated by term length and enrollment level and then select the lesser of the two.

The average tuition and fees for the student's enrollment level are derived from the school's annual full-time average tuition and mandatory fees which are then prorated for term length and student enrollment level. The annual full-time average tuition is the weighted average tuition the school charges a student for two full-time (15 credits) semesters, three full-time quarters, or for the number of hours in a clock hour school's definition of academic year. For public colleges, the

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standard resident tuition rate is used for the annual average tuition. For private schools where tuition rates vary by program, a weighted average is used to determine the annual full-time average tuition as shown in the following example.

Program Name	Cost for Two Full-Time Semesters		Percent of Student Population in Program	=	Weighted Tuition
Admin Assistant	\$15,000	x	75%	=	\$11,250
Legal Secretary	\$16,000	x	25%	=	\$ 4,000
<b>Weighted Average Annual Tuition</b>					<b>\$15,250</b>

Once the annual full-time average amount is known, the school must add on the amount of annual full-time mandatory fees charged to all full-time students. Annual full-time mandatory fees would consist of mandatory fees charged to all full-time students for two full-time (15 credits) semesters, three full-time quarters, or for the number of hours in a clock hour school's definition of academic year.

Mandatory fees charged to all full-time students cannot include mandatory fees for the purchase or rental of books, as book charges are considered a component in the Living and Miscellaneous Allowance (LME) used in the award calculation. The same applies to mandatory fees for the purchase of equipment and supplies required for all students (such as cosmetology supply kits and computers) in cases where the student retains ownership, as these items also fall under the LME. However, if the school charges a rental fee for equipment and supplies to all students and the school retains ownership, such fees are allowable general fees used in the State Grant calculation.

Using the full-time tuition and fees applies even if students are not enrolled for 15 credits per term since the tuition and fees will later be adjusted within the award calculation for less than full-time enrollment.

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The annual full-time average tuition and annual full-time mandatory fees are then prorated for term length by multiplying by .50 (semester) or .3333 (quarter) and the result is rounded. If the student is less than full-time for the term, the tuition and fees are prorated for enrollment level by dividing the student's number of credits by 15. For example, a student taking 12 credits would have the full-time term tuition and fees prorated by 12/15ths, or 80 percent, and the result rounded. The tuition and fees are then compared to the appropriate tuition and fee maximum for the student's program and the lesser of the two are used in the term award calculation. (See award calculation examples in Appendix 9.)

(3) Tuition Waivers

Because a uniform amount of average tuition and mandatory fees is used to calculate State Grants for all students enrolled at the same institution, any tuition waivers applied to individual student tuition and fee charges are not subtracted from the tuition and fees used to calculate the State Grant award for the student, nor are any other types of scholarships or resources applied to tuition and fee charges.

(4) Determining Tuition and Fees for Clock Hour Payment Period

To determine the amount of tuition and fees for a clock hour payment period, the school would first divide the total tuition and fees for the program by the number of clock hours in the program to determine the hourly tuition and fee cost. The hourly cost would then be multiplied by the number of hours in the payment period to determine the tuition and fees for the payment period. The payment period tuition and fees would then be compared to the tuition and fee maximum for the term/payment period, prorated for the student's enrollment level, and the lesser of the two would be used to calculate the State Grant award for the payment period. (See award calculation Examples 9 and 10 in Appendix 9 for further details.)

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In cases where the remaining hours in the student’s program are less than the number of hours in the payment period, the school should still calculate the award based on costs for the entire payment period and then prorate the award. (See ‘Adjusting Payments for Clock Hour Programs When Remaining Program Hours are Less Than the Number of Hours in Payment Period’ under the ‘Disbursement Process’ section of this chapter for further information.)

**c. Tuition, Fees and LME Used for Students Attending Multiple Schools for Same Term**

For information on enrollment requirements for students attending multiple schools for the same term, please refer to the ‘Attending Multiple Schools for Same Term’ and ‘Enrollment Status at Eligible Institution’ sections under ‘Student Eligibility’ in this chapter.

If a student opts to receive a separate State Grant at each school attended during a term, each school must calculate the student’s State Grant term award based on the average tuition and mandatory fee costs for the credits taken at that school. The tuition and fee costs would be subject to the tuition and fee maximum for the degree program the student is enrolled in, which would be prorated for the student’s enrollment level if the student enrolled for fewer than 15 credits. The term living and miscellaneous expense allowance (LME), prorated for the number of credits attended at the school, would be added to the tuition and fees to arrive at the State Grant term award calculation budget. (See award calculation Examples 7 and 8 in Appendix 9 for further details.)

A student cannot be paid for more than a total of 15 credits of tuition and fees and LME when attending multiple schools for the same term. If, for example, School B knows that School A already awarded the student a State Grant for 10 credits, School B should limit the tuition, fees and LME used in its award calculation to five credits. If School B is not aware of the student attending the other school and awards the student for more than five credits, School B’s payment will be rejected when reported to the Agency and School B will need to recalculate the student’s State Grant so it is based

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on tuition, fees and LME for no more than five credits. If the school cannot collect the overpayment from the student, the school is NOT liable for repaying the State Grant overpayment from its own funds. Rather, the school would turn over the overpayment case to the Agency at the end of the award year for collection. To avoid overpayments, schools can use the Agency’s State Grant web access screen (Appendix 4) to determine if the student has received a State Grant disbursement at another school for the same term.

Another option for a student attending multiple schools for the same term is to have one school act as the “home” school and award the student a State Grant based on the combined costs for the total credits consumed at all schools, not to exceed 15 credits per term. The dollar amount of total tuition and fees used is subject to the tuition and fee maximum for the degree program in which the student is enrolled at the “home school,” which is based on 15 credits and is not increased for students taking more than 15 credits. The LME used in the award calculation at the “home school” is based on combined credits but cannot exceed the LME for 15 credits.

In cases where the student is attending multiple schools within the same system (University of Minnesota, Minnesota State Colleges and Universities, private four-year college, private two-year college), the tuition and fees used in the State Grant calculation shall be the tuition and fees charged by the “home” school for the student’s combined credits from all schools, up to a maximum of 15 credits. For example, if the student were taking 10 credits at a state university (home school) and five credits at a community college, the State Grant would be based on the cost of 15 credits at the state university, since both state universities and community colleges are within the MnSCU system.

Conversely, if the student is attending multiple schools in different systems, the “home” school must calculate the State Grant using the tuition and fees charged by each institution (see award calculation Example 8 in Appendix 9) up to a maximum of 15 credits. Financial aid administrators should use the Multiple School Term Award

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Calculation Spreadsheet developed by the Agency for this purpose. The spreadsheet is posted on the Agency's web site ([www.ohe.state.mn.us](http://www.ohe.state.mn.us)) under Campus Financial Aid Administrator Resources, Program Forms, Spreadsheets & Instructions.

## **2. Student Share**

The student is expected to contribute a share of the budget used in the Shared Responsibility term award calculation from the student's resources, such as employment, savings or private scholarships. If the term budget (tuition, fees plus LME) has been adjusted due to less than full-time enrollment, the student is expected to contribute a share of the adjusted term budget.

The student share of the State Grant budget is shown in Appendix 8. However, the statute gives the Agency the authority to adjust this percentage on a term-by-term basis if awards must be rationed to address a projected funding shortfall. Any such adjustment will be shown in Appendix 8.

## **3. Parent Contribution**

For dependent applicants, the nine-month annual parent contribution, as determined by the Federal Methodology need analysis formula, is used in the State Grant award calculation. The annual contribution is first adjusted for term length by multiplying by .50 (semester) or .3333 (quarter) and rounding the result. The result is then multiplied by .94 and rounded. The resulting parent contribution is not adjusted if the student is enrolled for more or fewer than 15 credits (see Appendices 8 and 9).

In the case of two need analysis results (primary vs. secondary), the lowest parent contribution should be used.

The State Grant statute gives the Agency the authority to add a percentage surcharge to the parent contribution on a term-by-term basis in order to address any projected funding shortfalls. Any such surcharge will be shown in Appendix 8. For example, if a 10.7

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percent surcharge were added to the parent contribution for spring semester, the surcharge would be applied in the following manner:

<b>Example of Surcharge on Parent Contribution</b>	
Annual Nine-Month Federal Methodology Parent Contribution	\$1,000
Parent Contribution Prorated to Term Length for Semester	\$ 500
Term Parent Contribution Prorated to 94 Percent	\$ 470
10.7 Percent Surcharge added to Prorated Term Parent Contribution	\$ 520

#### **4. Student Contribution**

The nine-month annual Federal Methodology need analysis student contribution, or EFC, is subtracted as the student contribution in the State Grant award calculation for independent students. No student contribution is subtracted for dependent students. The contribution is first adjusted for term length by multiplying by .50 (semester) or by .3333 (quarter) and rounding the results. Only 50 percent of the term student contribution is subtracted in the State Grant award calculation for independent students without dependents other than a spouse. Only 86 percent of the term student contribution is subtracted in the State Grant award calculation for independent students with dependents other than a spouse. The resulting contribution is not adjusted if the student enrolls for more or fewer than 15 credits (see Appendices 8 and 9).

When choosing between two need analysis formula results (primary vs. secondary), the lowest student contribution, or EFC, should be used.

The State Grant statute gives the Agency the authority to add a percentage surcharge to the independent student contribution on a term-by-term basis in order to address any projected funding shortfalls. Any such surcharge will be shown in Appendix 8. For example, if a 10.7 percent surcharge were added to the independent student contribution for spring semester, the surcharge would be applied in the following manner:

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<b>Example of Surcharge on Student Contribution/EFC</b>	
Annual Nine-Month Federal Methodology Student Contribution/EFC	\$1,000
Student Contribution Prorated to Term Length for Semester	\$ 500
Term Student Contribution Prorated to 50 Percent*	\$ 250
10.7 Percent Surcharge Added to Prorated Term Student Contribution	\$ 277
*The Student Contribution is prorated to 50 percent for independent students without dependents and 86 percent for independent students with dependents other than a spouse.	

## 5. Pell Grant

The amount of the Federal Pell Grant for which the student would be eligible based on the student's Expected Family Contribution (EFC) and State Grant enrollment status is always subtracted in the State Grant formula, even if the school or program does not participate in the Federal Pell Grant program or the student does not actually receive the Pell Grant (e.g., misses application deadline, does not meet eligibility requirement). The student's actual Federal Pell Grant is determined by the Federal Methodology Expected Family Contribution (EFC) and the student's enrollment level for the Federal Pell Grant program, and is calculated in accordance with the appropriate U.S. Department of Education's Federal Pell Grant disbursement schedule. However, when calculating a State Grant, the Pell Grant amount subtracted in the State Grant award calculation will always be based on the student's enrollment status for the State Grant program and how that corresponds to the various enrollment levels for the Federal Pell Grant program as shown in the following table:



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State Grant Enrollment Level	Pell Grant Subtracted in State Grant Calculation
15+ credits/30 clock hours per week	Full-time
14 credits/28-29 clock hours per week	Full-time
13 credits/26-27 clock hours per week	Full-time
12 credits/24-25 clock hours per week	Full-time
11 credits/22-23 clock hours per week	3/4-time
10 credits/20-21 clock hours per week	3/4-time
9 credits/18-19 clock hours per week	3/4-time
8 credits/16-17 clock hours per week	1/2-time
7 credits/14-15 clock hours per week	1/2-time
6 credits/12-13 clock hours per week	1/2-time
5 credits/10-11 clock hours per week	Less than 1/2-time
4 credits/8-9 clock hours per week	Less than 1/2-time
3 credits/6-7 clock hours per week	Less than 1/2-time

For example, if a student’s enrollment level for State Grant were 15 credits but the enrollment level for Federal Pell Grant were only 11 credits, the full-time Pell Grant would still be subtracted in the State Grant award calculation even if the student were actually receiving a 3/4-time Pell Grant. (See ‘State Grant Versus Pell Grant Enrollment Level’ in this chapter.)

With respect to awards for crossover terms (start before and end after July 1), the State Grant and Pell Grant must always be based on need analysis results for the same aid year.

To see examples of how the Pell Grant is subtracted in the State Grant award calculation, please see Appendices 8 and 9.

## **B. Definition of Academic Year/Period of Award**

### **1. Definition of Academic Year**

The definition of “academic year” for purposes of award calculations is provided in the ‘Common Definitions’ chapter of this manual. That definition of academic year must be used in all adjustment calculations involving State Grant, such as proration of awards. Although federal financial aid policy allows the institution to use a minimum academic year of 30 weeks (26 weeks for clock hour institutions) in its formulas, if the institution’s

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academic year is longer than 30 weeks, the actual number of weeks in the academic year must be used in State Grant adjustment calculations.

## **2. Period of Award / Annual Credit Limits**

Students may receive a State Grant for up to 60 quarter credits or 45 semester credits within an aid year (July 1-June 30). This also includes payment periods at clock hour schools where enrollment level is translated to credits [see ‘State Grant Enrollment Levels’ chart on page 26 of this chapter].

- If the student’s enrollment level exceeds 15 credits per term, the term is only counted as 15 credits towards the annual credit limit.
- This includes both leading and trailing summer terms if those terms are awarded from the aid year.
- In cases where the remaining credits of eligibility for the final term of the aid year are less than the student’s actual enrollment level, the remaining credits are the enrollment level used to determine the amount of the award. However, the number of hours in a clock hour payment period must be based on the student’s *actual* enrollment level (see ‘Determining Enrollment Status Throughout the Academic Year at Progressive Clock Hour Schools’).

### **a. Transfer Students**

A student who attends different schools during the aid year may also be awarded for up to 60 quarter credits or 45 semester credits per aid year, even if the State Grant award amounts differ at each school. For example, a student could receive two full-time quarter disbursements at School A based on School A’s award calculation and two full-time quarter disbursements at School B based on School B’s award calculation.

A student who transfers between schools on different systems (quarter vs semester) is also subject to these annual credit limits. Credits from the previous school must be translated to credits on the system used by the current school as shown in the following example:

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#### **Determining Eligibility For Transfer Student**

**Example:**

School A awards student for two full-time quarters = 30 quarter credits  
 School B awards student for one full-time semester = 15 semester credits

To determine the award for a second semester at School B, convert quarter credits (30) to semester credits ( $30 \times .67 = 20$ ). Total semester credits awarded = 35. Because a student may not receive funding for more than 45 semester credits during the fiscal year, School B could award the student for up to 10 additional semester credits at School B for the second semester.

Schools may use the Agency's State Grant web access screen to determine whether a student has been paid a State Grant at another school for the same aid year (see Appendix 4). This information also appears on the *Roster of Accepted Payments* or *Roster of Rejected Awards/Payments* (see Appendices 20 and 21).

### **C. Notification of Awards**

Schools are responsible for notifying students about their State Grant eligibility and award amount. The award notice should contain a statement which informs recipients about the impact of enrollment status on the State Grant award. The State Grant award notification may be incorporated into the school's standard financial aid award notice.

Prior to final award parameters being established by the legislature each year, estimated awards contained in award letters to students must be based on estimated parameters issued by the Agency by February 15th preceding the coming aid year.

Schools are also responsible for providing information to students about all forms of financial aid administered by the institution and the availability of additional State Grant aid for a fourth full-time quarter or third full-time semester during the fiscal year.

### **D. State Grant Award Advisory Roster**

Each time a school submits a batch of DDS records, the Agency checks the accuracy of awards and payments and generates a set of output reports for the school. The *Roster of Rejected Awards/Payments* (Appendix 16) and the *Award Detail Error Roster* (Appendix 17)

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contain information about awards that fall outside established tolerances. The school is responsible for resolving errors shown on these reports.

## **E. Awards for Summer or Non-Standard Terms**

Students may receive a State Grant award for up to four 15-credit quarters or three 15-credit semesters or the equivalent within a fiscal year. The fourth quarter or third semester will often times take place in the summer and overlap fiscal years. The same applies to progressive clock hour schools at which students can receive up to four full-time payment periods (if school divides academic year into three payment periods similar to quarters) or three full-time payment periods (for schools that divide the academic year into two payment periods like semesters). Such terms are referred to as “crossover” terms or payment periods.

If a student is enrolled and eligible for a State Grant during the summer term or payment period, the student must be awarded. The school cannot require a separate application beyond the FAFSA (or state financial aid application used for undocumented students) and documents used to award for the standard terms or payment periods of the academic year.

### **1. Origination of Funding**

If a term or payment period does not overlap two aid years, it must be paid from the aid year in which it occurs.

When a crossover term or payment period overlaps two aid years (begins before and ends after July 1), funding may come from either aid year. The institution may decide from which aid year to draw funds on a student-by-student basis. However, because the student’s State Grant is based on the student’s EFC and Pell Grant award, the same aid year must be selected for both the State Grant and Pell Grant. Once the aid year is selected, the need analysis, laws, rules and policies in place for that aid year must be applied.

For non term-based schools that link sequential course modules together to form a term, if such a term overlaps a fiscal year, it is considered a crossover term and is subject to

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policies for crossover terms. In the event the student withdraws during a term and subsequently reenters within the same program, enrollment level and the option to reverse refunds should be based on policies described earlier in this manual under ‘Enrollment Level at Non Term-Based Credit-Hour Schools.’

## **2. Defining a Term**

Definition of a term must be done uniformly for all recipients.

In order for two or more mini-sessions to be treated as one term, the school must define a student’s enrollment status in terms of the number of credits for which the student is enrolled during all sessions. When multiple mini-sessions are combined to make one term, the term start date is considered the first day of the first session in the term even if the student does not attend the first session. This also applies to non term-based credit-hour schools that combine sequential course modules into one term.

Example: The first summer session starts May 28 and ends June 29 (five weeks) and the second summer session starts July 1 and ends August 3 (five weeks). If these two 5-week sessions are combined into a 10-week term, enrollment status must be based on the total number of credits during the 10-week period. The term start date is May 28.

If the original award disbursed at the onset of the term is based on credits for other sessions or course modules and the student drops those credits without attending the classes, the State Grant must be recalculated. (See ‘Recalculation of Student Award Based on Changes in Enrollment Level.’)

In order for multiple mini-sessions to be treated as separate “mini-terms” at standard term-based schools, the school must define enrollment status separately for each session. This is not an option at non term-based credit-hour schools.

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### **3. Determining Credits Needed for Enrollment Status**

Enrollment status for standard and non-standard terms or payment periods is derived in the same manner; that is, based on the actual number of credits or clock hours for which the student is enrolled. No adjustments are required for non-standard terms.

### **4. Determining Amount of Award**

The calculation of the student's State Grant term award for a standard or non-standard term is identical. There is no further proration required for non-standard terms. (See Appendix 8 for Shared Responsibility term award calculation.) However, award proration is required when the number of clock hours or weeks remaining in the student's *program* is less than the clock hours or weeks in the school's payment period or term. (See items 6 and 7 under 'Institutional Responsibilities Prior to Disbursement' in this chapter.)

## **F. Recalculation or Revision of State Grant Awards**

State Grant awards are revised or recalculated at the campus level. Schools are responsible for informing students about adjustments made to the award.

### **1. Increased Award - Institutional Responsibilities**

If a school learns that a student's State Grant should be increased due to a change in federal need analysis results, the Pell Grant award or the budget used to calculate the State Grant, the school is responsible for recalculating the student's State Grant, notifying the student of the revised award amount and disbursing additional funds to the student. If the term has already started or been completed, policies for late or retroactive disbursement apply. (See 'Late/Retroactive Disbursement' section in this chapter.)

Schools are not required to adjust the award based on a subsequent ISIR received after the student has stopped attending if the award for the term has already been disbursed and there was no conflicting information at the time of disbursement. Nor are schools required to adjust a prior year award based on incorrect data reported on the prior year FAFSA if all information was correct at the time of disbursement and the federal processing system is no longer operational for the prior aid year.

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## **2. Decreased Award – Institutional Responsibilities and Liability**

If a school learns a student’s award should be reduced or eliminated due to a change in federal need analysis results, Pell Grant or State Grant budget, or a student not meeting the program eligibility requirements, the school is responsible for reducing the student’s award, notifying the student of the reduced award and making sure the overpayment is returned to its State Grant fund on campus. The balance of the fund is then returned to the Agency at the end of each academic year.

If the school is unable to collect the overpayment from the student, the school may turn over the student’s account receivable to the Agency as part of the balance due the Agency at the end of the year if the school was not liable for repaying the overpayment from its own institutional funds. Otherwise, the school must repay the overpayment from its institutional funds.

The State Grant award is not subject to financial aid packaging requirements. Thus, it is never reduced in cases where the student’s Expected Family Contribution (EFC) and other financial aid and resources exceed the student’s cost of attendance used for federal financial aid programs.

Schools are not required to adjust the award based on a subsequent ISIR received after the student has stopped attending if the award for the term has already been disbursed and there was no conflicting information at the time of disbursement. Nor are schools required to adjust a prior year award based on incorrect data reported on the prior year FAFSA if all information was correct at the time of disbursement and the federal processing system is no longer operational for the prior aid year.

In general, a school is liable for repaying the overpayment from its own funds if:

- documentation on campus showed the student did not meet a program eligibility requirement at the time of disbursement, including the State Grant On-Line Hold Report;

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- after the student was paid, an item on the application was corrected that should have been resolved prior to disbursement through resolving conflicting information, C codes or the verification process; or
- a school not participating in federal financial aid programs paid the student before submitting a State Grant DDS batch to the Agency to see if the student had received four years of aid, a previous State Grant overpayment, was in arrears on child support payments or was in default on a SELF loan and, upon checking with the Agency, learned that the student failed to meet one of these eligibility requirements at the time of disbursement. The school would be liable for repaying all funds disbursed to the student.

In collecting overpayments from students, schools must:

- inform the student in writing of the overpayment;
- follow the applicable collection procedures to secure the return of the funds (the specific procedures utilized by the school to accomplish this would be determined by the school); and
- notify the Agency if the student refuses to acknowledge the overpayment or refuses to repay the funds. The Agency will utilize state income tax revenue recapture or may seek the assistance of the Attorney General of the State of Minnesota to recover the overpayment.

If the school is turning over a student's file to the Agency for billing at the end of the aid year, it must include all pertinent documentation such as the SAR or ISIR (or the output from the state financial aid application used for undocumented students), copies of billing letters, an explanation of how the overpayment occurred, copies of cashed checks or student account transactions and all other supporting documentation.

### **3. Adjustments to Award Based on Change in Enrollment Level**

State Grant award disbursements must always be based on the student's enrollment level as of the date of disbursement.



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If a student drops or withdraws from a class after disbursement of the State Grant and the student never attended the class, the State Grant must be recalculated to the lower enrollment level and any overpayment refunded to the State Grant program. This also applies to cases where the school grants a retroactive withdrawal for a class or classes backdated to the first day of the term, even if the student attended the class(es), since it is treated as though the student never attended.

Conversely, if a student appeals to have a class added after the school's award adjustment end date (described later in this section) or the late addition of the class is based on a school error or the assignment of interim term credits to fall term, the school may have a policy to recalculate the State Grant award to include those credits even if they were added after the school's award adjustment end date. Or, the school can adhere to its standard policy regarding the award adjustment end date and not adjust the student's award.

In cases where the student has begun attendance in all classes, State Grant award recalculations and/or partial withdrawal refunds are not required unless the school adopts a written policy requiring award adjustments through a certain end date within the term. However, if a student withdraws from all classes, a total withdrawal refund will always be required (see 'Total Withdrawal' in the 'Calculating Refunds for Students Who Change Enrollment Level or Withdraw After State Grant Disbursement' section in this chapter).

The school may choose an award adjustment end date that coincides with the end of the drop/add period (the most commonly chosen) or any other date during the term, including the last day of the term if the school opts to perform award adjustments through the entire term. Whichever end date is selected for award adjustments, it must also be used for all applicable state financial aid programs. There is no requirement that the award adjustment end date used for state financial aid programs match the end date selected for adjusting Pell Grants. The school has the option of selecting different award adjustment end dates for different programs of study offered by the school.

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If a student has a change in enrollment level *after* beginning attendance in all classes but *before* the school's end date for award adjustments, the school must perform award recalculations or partial withdrawal refunds for both increases and decreases in enrollment level. In other words, a school cannot opt to make adjustments only if they result in an increased award. The following State Grant examples apply to cases of enrollment changes occurring *after* the student has begun enrollment in all classes but *before* the end date selected by the school:

- Student adds credits resulting in an *increased* State Grant award. The school would recalculate the State Grant award and disburse additional funds to the student.
- Student adds credits resulting in a *decreased* State Grant award. If the student's State Grant reduction was the result of an actual increase to the student's Pell Grant award, the school would recalculate/reduce the student's State Grant award. Otherwise, no refund would be required for the State Grant program.
- Student drops/withdraws credits resulting in a reduced State Grant award. The school must perform a partial withdrawal refund calculation.
- Student drops/withdraws credits resulting in an increased State Grant award. If the student's State Grant increase was the result of an actual reduction of the student's Pell Grant award, the school may disburse additional State Grant funds to the student. Otherwise, no adjustments are made to the State Grant.

If a school must calculate a refund for a partial withdrawal, the school must use the Office of Higher Education Refund Calculation Worksheet (Appendix 13c of State Grant manual) or spreadsheet (posted on [www.ohe.state.mn.us](http://www.ohe.state.mn.us)) and return the lesser of the following to the State Grant program:

- the difference between the State Grant at the original and revised enrollment level; or
- the State Grant's proportional share of the institution's refund of institutional charges (from line I (E) of the Office of Higher Education Refund Calculation Worksheet or spreadsheet).

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**Example A: No Change in EFC**

Student originally paid \$500 for Level 15 enrollment  
 Student withdraws from three credits to Level 12 enrollment  
 Award at Level 12 is \$300  
 Difference between Level 15 and Level 12 award is \$200  
 Proportional share of refund of institutional charges is \$100  
 \$100 is refunded to State Grant program  
 School continues to report Level 15 enrollment to the Agency

In the rare instance when a student withdraws from a class after beginning attendance and before the school's award adjustment end date, and the student's overall State Grant award is decreased based on a change in parent contribution or EFC, the school must first collect the overpayment (difference between the original and new State Grant award at the original enrollment level) from the student and then perform a partial withdrawal refund calculation.

**Example B: Change in EFC**

Student originally paid \$500 for Level 15 enrollment  
 Student withdraws from three credits to Level 12 enrollment  
 Original award for Level 12 is \$300  
 Change in EFC results in revised award of \$400 for Level 15  
 Revised award for Level 12 is \$200  
 School must first recapture \$100 (difference between original and revised award for Level 15)  
 Difference between revised Level 15 (\$400) and Level 12 (\$200) is \$200  
 Proportional share of refund of institutional charges is \$100  
 \$100 is refunded to the State Grant program  
 School reports Level 15 enrollment to the Agency with payment of \$300

If the student withdraws from a class after beginning attendance and before the school's award adjustment end date, and the State Grant at the revised enrollment level is *higher* than the award disbursed for the original enrollment level (this occurs in some cases for Pell Grant recipients when the withdrawn credits result in a lower Pell Grant enrollment level), the school can only increase the student's State Grant if the school actually reduces the Pell Grant award or if the increase in the State Grant award at the lower enrollment level can be attributed to a change in parent contribution or EFC.

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**Example C: No Change in EFC**

Student originally paid \$300 for Level 12 enrollment  
 Student withdraws from one credit to Level 11 enrollment  
 Award at Level 11 is \$400  
 School does not adjust Pell Grant from full-time to 3/4-time award  
 State Grant remains at \$300  
 School continues to report Level 12 enrollment to the Agency with payment of \$300

**Example D: Change in EFC**

Student originally paid \$300 for Level 12 enrollment  
 Student withdraws from one credit to Level 11 enrollment  
 Award at Level 11 is \$400 due to drop in Pell enrollment level  
 School does not adjust Pell Grant from full-time to 3/4-time award  
 Change in EFC results in \$500 Level 12 and \$600 Level 11  
 Student limited to \$200 increase in State Grant award  
 (\$500 revised Level 12 minus \$300 original Level 12)  
 School continues to report Level 12 enrollment to the Agency with \$500 payment

[Note: Had school actually adjusted Pell to 3/4-time, the student would receive the difference between the original \$300 Level 12 disbursement and the revised \$600 Level 11 award.]

If a student adds credits after the initial disbursement of the State Grant and before the school's award adjustment end date, and the award at the revised enrollment level is *higher* than the award disbursed for the original enrollment level, the school should disburse additional funds to the student. This applies regardless of whether the increase in the State Grant award is based on an increase in the enrollment level and/or a change in the parent contribution or EFC.

If a student adds credits after the initial disbursement of the State Grant and before the school's award adjustment end date, and the award at the revised enrollment level is *less* than the award disbursed for the original enrollment level (this occurs in some cases for Pell Grant recipients), the school is only required to reduce the student's State Grant if the school actually increased the student's Pell Grant award or if the decrease in the State Grant award can be attributed to a change in the student's parent contribution or EFC.

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**Example E: No Change in EFC**

Student originally paid \$400 for Level 11 enrollment  
 Student adds one credit for Level 12 enrollment  
 State Grant award at Level 12 is \$300  
 School does not adjust Pell Grant from 3/4-time to full-time award  
 State Grant remains at \$400  
 School continues to report Level 11 enrollment to the Agency with payment of \$400

**Example F: Change in EFC**

Student originally paid \$400 for Level 11 enrollment  
 Student adds one credit for Level 12 enrollment  
 State Grant award at Level 12 is \$300  
 School does not adjust Pell Grant from 3/4-time to full-time award  
 Change in EFC results in \$200 Level 11 and \$100 Level 12  
 School must recapture \$200 decrease in State Grant award  
 (\$400 original Level 11 minus \$200 revised Level 11)  
 School continues to report Level 11 enrollment to the Agency with payment of \$200

[Note: Had school actually adjusted Pell Grant to full-time, the school would need to recapture the \$300 difference between the original \$400 Level 11 disbursement and the revised \$100 Level 12 award.]

State Grant award adjustment policy becomes more complex in cases where the student both withdraws from and adds credits after beginning attendance in all classes but before the school's award adjustment end date. The school must always use the student's actual enrollment level (original enrollment level at the time of disbursement minus credits withdrawn or dropped plus credits added) to determine the adjusted award. However, whether the adjusted award results in the disbursement of additional funds or recapturing funds previously disbursed will be based on the student's disbursement history. Additionally, the enrollment level and payment reported to the Agency on the State Grant DDS record may not necessarily match the student's actual revised enrollment level. A flow chart outlining the steps for State Grant award adjustments taking place after the initial disbursement of the State Grant award as well as several examples is provided in Appendix 20.

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Appendix 21 outlines the current State Grant disbursement and award adjustment policies in comparison to the policies used for the Federal Pell Grant program.

In cases where the initial calculation and disbursement of the State Grant award take place *after* the school's award adjustment end date, the award must be based on the student's enrollment level *as of the date of disbursement* and no further award adjustments would take place after that point.

**a. Adjustment of Awards for Students Attending Non Term-Based Credit-Hour Schools**

This section applies to non term-based credit-hour schools that combine a number of sequential course modules together to define a term. For example, a school may define a semester as 12 credits, comprised of a series of four sequential 3-credit courses that each last a month.

12-Credit Semester			
3 Credits Class 1	3 Credits Class 2	3 Credits Class 3	3 Credits Class 4

If a student withdraws from school during the first course module of the term without attending the course, the entire State Grant disbursement for the term must be refunded.

If the student did attend the first course module before withdrawing, then the school must first recalculate the State Grant for an enrollment level that excludes credits for the remaining course modules and refund the difference between the original and revised State Grant. The school would then complete the appropriate Office of Higher Education Refund Calculation Worksheet (Appendix 13) for a full withdrawal to determine the amount of the refund due the State Grant program from the first module attended.

In the following example, if the school disbursed a Level 12 State Grant at the onset of a semester to cover four 3-credit sequential course modules and the student withdrew

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from school *during* the first module after attending the course, the school would first recalculate the State Grant term award from Level 12 to Level 3 and refund the difference to the State Grant program. The school would then complete the appropriate OHE Refund Calculation Worksheet (Appendix 13) for a full withdrawal for the first 3-credit course module the student attended, including only the Level 3 State Grant award amount on the worksheet, as opposed to the original award for 12 credits.

↓

3 Credits Class 1 (attended but withdrew)	3 Credits Class 2 (didn't start)	3 Credits Class 3 (didn't start)	3 Credits Class 4 (didn't start)
--	--	--	--

In the next example, the student completes the first course module and then withdraws before starting the second course module. The original State Grant term award (Level 12) would be recalculated for the lower enrollment level (Level 3) and the difference refunded to the State Grant program. No refund calculation worksheet would be required, since the student did not withdraw during a course module.

↓

3 Credits Class 1 (completed)	3 Credits Class 2 (didn't start)	3 Credits Class 3 (didn't start)	3 Credits Class 4 (didn't start)
-------------------------------------	--	--	--

These same policies apply when the student withdraws later in the term. In the following example, the student withdraws from school *during* the third course module after beginning attendance in that course. The school must first recalculate the State Grant term award to an enrollment level that excludes credits for any remaining modules the student did not attend, and refund the difference between the original (Level 12) and revised (Level 9) State Grant awards to the State Grant program. The school would then complete the appropriate Office of Higher Education Refund Calculation Worksheet (Appendix 13) for a full withdrawal for the three course modules the student did attend, and list only the Level 9 State Grant award when completing the worksheet.

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3 Credits Class 1 (completed)	3 Credits Class 2 (completed)	3 Credits Class 3 (attended then withdrew)	3 Credits Class 4 (didn't start)
-------------------------------------	-------------------------------------	---	--

If a student withdraws during the last course module of a term after beginning attendance in that course, an award recalculation would not be required, since there are no remaining course modules the student did not attend. Rather, the school would complete the appropriate OHE Refund Calculation Worksheet (Appendix 13) for a full withdrawal, using the amount of the original Level 12 State Grant on the worksheet.

3 Credits Class 1 (completed)	3 Credits Class 2 (completed)	3 Credits Class 3 (completed)	3 Credits Class 4 (attended then withdrew)
-------------------------------------	-------------------------------------	-------------------------------------	---

Enrollment levels, award recalculations and withdrawal refunds are determined similarly for students taking courses simultaneously within a semester.

In the next example, the student's original disbursement would be based on 12 credits. If this student withdrew from school *after* completing the first set of simultaneous courses, the award would be recalculated from Level 12 to Level 6 and the difference refunded to the State Grant program. A withdrawal refund calculation would not be required, since the student did not withdraw during a course module.

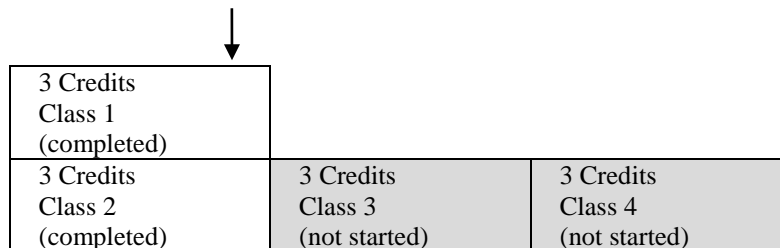
3 Credits Class 1 (completed)		
3 Credits Class 2 (completed)	3 Credits Class 3 (not started)	3 Credits Class 4 (not started)

If this same student withdrew from school *during* the first set of simultaneous courses, the award would first be recalculated from Level 12 to Level 6 and the difference refunded to the State Grant program. A full withdrawal refund calculation would then



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be performed using the appropriate OHE Refund Calculation Spreadsheet (Appendix 13) using only the amount of the student's Level 6 State Grant award.



If a student withdraws at any point during the term, but subsequently reenrolls in the same program, the student cannot advance to the next term until the remaining courses in the previous term have been completed. To determine the student's enrollment level for the term in question, and whether recalculation and/or withdrawal refunds for that term can be reversed, see the 'Enrollment Level at Non Term-Based Credit-Hour Schools' and 'Post-Withdrawal Disbursement for Returning Students at Non Term-Based Credit-Hour Schools' sections of this manual.

If a student withdraws during a module or between modules but continues on in a *different* program, the State Grant for the original term would be recalculated to cover only the modules the student did complete and a new State Grant would be awarded to cover the next term, which would start with the next course module in which the student enrolled for the new program. For example, if a Level 12 State Grant were disbursed for the initial semester and the student fully completed two 3-credit modules of the first semester and then decided to change programs, the State Grant for the first semester would be recalculated to a Level 6 and the difference between the Level 12 and Level 6 State Grant term awards would be refunded to the State Grant program. The next course module would then be considered the first 3-credit course module of a new semester consisting of four 3-credit modules for the student's new program. A Level 12 State Grant would be disbursed for the new semester.

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#### **4. Recalculation of State Grant Award for Student Who Receives All Non-Passing Grades**

If the student receives non-passing grades for all classes taken during a term, the federal financial aid guidelines requiring schools to document attendance in these cases also apply to the State Grant program. If the school determines the student never attended a class or classes, the State Grant award must be recalculated to exclude those credits prior to any refund taking place for withdrawn classes the student did attend. (See ‘Award Adjustments and Refunds for All Non-Passing Grades’ in the ‘Refund Process’ section of this chapter.) Non term-based credit-hour schools typically extend the term length to include another course when a student fails a class in which the student began attendance, which may result in an award recalculation. (See ‘Enrollment Level at Non Term-Based Credit-Hour Schools for further guidance.)

#### **5. ISIR Transaction Received After Student Is No Longer Enrolled**

If a school receives a subsequent ISIR transaction for a student who is no longer enrolled at the school and is not intending to reenroll, there is no requirement to adjust the student’s award if:

- the State Grant for the period of enrollment has already been disbursed; and
- at the time of disbursement, there was no conflicting information.

#### **6. Correcting Application Data for Prior Aid Year**

If the school discovers the student reported incorrect information on the FAFSA for a prior aid year, the school must correct the prior year FAFSA and make any necessary adjustments unless the federal processing system is no longer operational for that aid year.

#### **7. Treatment of Study Abroad Courses**

There are no special requirements for the treatment of study abroad courses with respect to determining the student’s enrollment level for the purposes of awarding, adjusting awards and calculating refunds. If the student registers directly with the foreign institution, there must be consortium or contractual agreement between the foreign institution and the eligible Minnesota institution. As long as the student is pursuing a credential at an eligible

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Minnesota institution, courses taken through study abroad are treated in the same manner as if they took place at the eligible Minnesota institution.

For example, a student registers for 15 credits at a foreign institution that has a consortium agreement with the eligible Minnesota institution. It is initially determined that all classes will count towards the student's degree program at the Minnesota institution. The State Grant would be awarded for 15 credits. The student earns a D in one class and an F in another class, so these classes will not transfer back to the eligible MN institution. The State Grant would not be adjusted since no adjustments would have been required had the student taken those classes at the

## **VII. Disbursement Process**

### **A. Disbursing Funds to Schools**

To improve cash management and timely State Grant reporting, the following requirements are used when processing funds advances for the State Grant program.

A school's initial advance for funds will not be processed until the school has:

- reported a DDS batch for the new aid year that has been tested and is suitable for production;
- requested funds using the SG web access screen; and
- submitted its final batch and returned its end of year fund balance for the prior aid year in cases where the initial advance is requested after August 31.

The amount of funds advanced for the school's initial term of the new aid year is the total amount of awards for that term in the school's first batch for the new aid year. The Agency can reduce the advance if term awards are not yet adjusted for less than full-time enrollment levels. Schools can request additional funds once the initial installment has been disbursed to students.

Subsequent funds requests for the first term must be requested on the SG web access screen and accompanied by an up-to-date batch showing that payments to date have consumed most

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of the initial installment and that total term awards in the batch support the additional funds request.

Funds advances for subsequent terms must also be requested on the SG web access screen and accompanied by an up-to-date batch showing that payments to date have consumed most of the previous advances. Advance amounts for subsequent terms are based on the amount of awards for that term in the school's most recently submitted DDS batch.

## **B. Disbursing Funds to Students**

In general, State Grant funds may only be used to pay for the student's costs for the current academic year. However, a school may use current-year funds to satisfy prior-year charges for tuition, fees, room or board and, with written authorization from the student, other educationally related charges.

The State Grant award must be based on the student's enrollment level as of the date of disbursement. If a student withdraws from a class prior to disbursement, the student cannot receive a State Grant payment for those credits. (See also 'Adjustments to Award Based on Change in Enrollment Level' and Appendices 20 and 21 for further information.)

### **1. When Schools May Disburse Funds**

An institution may not make a State Grant payment to a student for a payment period or term until the student has registered for classes. Schools are discouraged from delaying disbursements beyond the school's award adjustment end date to avoid award adjustments based on changes in enrollment level.

The institution is liable for all State Grant payments that are disbursed to a registered student prior to the start of the enrollment period if that student fails to begin the enrollment period. The institution will have to reimburse State Grant payments disbursed to the student prior to the start of the enrollment period if the institution cannot document that the student did begin attending classes.

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If an institution posts a State Grant payment from its own funds to a student's account for a crossover term prior to the beginning of the new state fiscal year from which it is awarded, the payment must be cancelled or adjusted based on changes in enrollment, eligibility requirements or the award calculation formula that take place prior to receipt of State Grant funds by the institution.

Documentation must exist regarding the date of disbursement of the State Grant payment. The disbursement date is the date that the Agency requires the institution to determine the student's enrollment level prior to determining the amount of State Grant funds to be disbursed to the student. The Agency and/or the institution's independent public auditors will use the disbursement date to verify the enrollment level of State Grant program participants. Schools are required to report accurate term disbursement dates on the DDS record for each student (Appendix 12).

The disbursement date of all State Grant payments made prior to the start of the enrollment period will be the first day of required class attendance.

The disbursement date of all State Grant payments disbursed to a student after the start of the enrollment period will be:

- for State Grant payments posted to a student account, the date the funds are posted to the student's account;
- for State Grant payments that are mailed to the student or transferred by EFT, the date of the check or EFT transaction unless the institution elects to use the previous day as the disbursement date for all students paid using this method; or
- for State Grant payments that are disbursed directly to the student via check, the date the student picks up the check.

**a. Payment Periods**

The Agency designates that schools may have only two or three term payment periods during the academic year. The institution specifies on the budget questionnaire it

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completes each year whether it will disburse aid on a semester (two periods) or quarterly (three periods) basis.

For progressive clock hour schools, the length of a full-time payment period equals the total number of hours in the full-time academic year (e.g., 900 clock hours) divided by the number of payment periods (two or three). Payment periods should be of approximately equal length and the total period covered by the payment periods should equal the entire academic year. For example, if a clock hour school had a 1,200-hour academic year and disbursed aid on a semester basis, each full-time payment period would consist of 600 hours. For students attending less than full-time, the hours in the payment period must be adjusted accordingly. (See ‘Payment Periods for Less Than Full-Time Enrollment at Progressive Clock Hour Schools.’)

When a progressive clock hour school changes the number of hours in its academic year from one year to the next, the payment period hours for a crossover payment period would be based on the number of hours in a payment period for the aid year from which funds are awarded. For example, if the previous academic year was defined as 900 clock hours with two 450-hour full-time payment periods, and the student’s crossover payment period was funded from that aid year, the crossover payment period would contain 450 hours (assuming the student is full-time). Once the crossover payment period ends in the new aid year, the school must start using the new year’s academic year and payment period hours for any payment periods starting in that year.

## **2. Late/Retroactive Disbursement**

The State Grant disbursed to a student must be based on the student’s enrollment status as of the date of disbursement. If a student withdrew from a class prior to disbursement, those credits cannot be included in the student’s enrollment level. If a student withdrew from school or dropped below three credits or its equivalent prior to disbursement, the school cannot disburse any State Grant funds to the student for that term. If a student earned a grade of FN (failed but never attended) or FW (failed but stopped attending prior

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to finals) or the equivalent for a course, that course cannot be included in the student's enrollment level. All other grades, including F, NC and I shall be counted when determining the student's enrollment level.

At non term-based credit-hour schools, the State Grant award cannot be disbursed retroactively for a term during which the student withdrew from school, even if one or more sequential course modules were completed. Further, if a term is extended due to the student withdrawing from one or more courses but continuing on at the school, the student's enrollment level for retroactive State Grant disbursements cannot include credits for withdrawn courses.

In cases where a student earns a non-passing grade for every class taken during a term and the Title IV federal financial aid guidelines require the school to verify the student actually attended classes, the results of the verification shall also apply to the State Grant program. That is, if the school determines the student did not attend a class or classes or unofficially withdrew during the term, the school must also calculate a refund for the State Grant program. (See 'Award Adjustments for Refunds for All Non-Passing Grades' in the 'Refund Process' section of this chapter.)

If a school disburses a State Grant to a student who is later determined to have a withdrawal date set prior to the disbursement, the school must complete the appropriate OHE Refund Calculation Worksheet (Appendix 13) or spreadsheet to determine if a refund is due the State Grant program. This can occur in cases where a school is not required to take attendance and becomes aware of the withdrawal after the date of disbursement. The school is not required to complete the OHE Refund Calculation Worksheet/Spreadsheet if there is no refund of institutional charges. However, the school must make a notation that the financial aid administrator reviewed the withdrawal and determined there would be no refund of institutional charges.

A student is eligible to receive retroactive payment for a past term, even if the student is not currently enrolled in a subsequent term, provided the student currently meets all of the

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program eligibility requirements as of the date of disbursement. If payment is for a term that has already been completed, the disbursement must be based on the student's enrollment status as of the end of the term.

For example, if a student met all the program eligibility requirements throughout fall term but was placed on a child support hold during spring term prior to the school disbursing funds for fall and spring terms, the school cannot disburse funds to the student for either term because the student does not meet all the program eligibility requirements as of the date of disbursement. The same logic applies to a student who is not making satisfactory academic progress (and has exhausted appeals and probationary periods) at the time of disbursement even if the student was making satisfactory progress during a previous term.

### **3. Method of Disbursement to Students**

Each school may disburse funds to students using one or a combination of the following methods. The institution may make State Grant payments:

- to the student's account (preferred method),
- to the student by Electronic Funds Transfer (EFT),
- by institutional check directly to the student, or
- by an institutional check that is mailed to the student.

Whichever methods of disbursement are used, the school must document the date of disbursement and the amount of State Grant payment disbursed to the student. The Agency holds schools liable for improperly disbursed checks.

When disbursing a State Grant check to the student, the institutional representative should request proper identification, preferably a picture ID. Once the check has been signed and cashed, the Agency will not refund or replace it.

The institution may exercise the option of mailing the checks to the student. The institution must maintain a record that documents for each student included in each transaction the:



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- student's name,
- source and amount of state and other financial aid payments included in the payment to the student,
- number of the institutional check, and
- the date that the check was mailed to the student if different from the date of the check.

The institution is liable for all funds that are lost. The institution will have to reimburse either the student, the Agency or both for any lost State Grant funds.

If the institution credits State Grant funds to the student's account, the institution must document:

- student's name,
- amount and type of charges paid by each transaction in the student's account, and
- source and amount of state and other financial aid payments disbursed to the student's account.

If the institution chooses to disburse State Grant payments to the student by initiating an EFT to the bank account designated by the student, the institution must obtain authorization from the student to disburse by that method.

Each State Grant aid award must be based on the student's enrollment level as of the date the funds are electronically transferred to the student. The following standards apply to EFTs:

- The date of the EFT transaction must be documented. This will be considered the date of disbursement unless the institution elects to take the following option.
- At the institution's option, the date of disbursement may be one business day prior to the date of the EFT transaction.

For each EFT transaction, the institution must maintain a dated record that documents for each student included in the transaction the:

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- student's name,
- source and amount of state and other financial aid payments included in the EFT,
- the amount of the EFT,
- student's bank account number, and
- name of the bank into which the funds were deposited.

The institution is liable for all funds that are lost. The institution will have to reimburse either the student, the Agency or both for any lost state financial aid funds.

#### **4. Disbursement to Incarcerated Students**

Disbursement of the State Grant for an incarcerated student should be arranged with the education director at the correctional facility. The award may be credited to a student's account at the school or disbursed to the student through the education director.

#### **5. Disbursement to Students Studying Abroad**

If tuition is paid at the Minnesota institution for study abroad, the student's State Grant payment should be credited to the student's account. Any excess funds can be mailed to the student or deposited in the student's bank account via EFT unless the school is authorized by the student to hold a balance in the student's account. If the student must pay tuition at the foreign school, the school may mail the check to the student or deposit the funds in the student's bank account via EFT, if so authorized. However, the student must be registered for credit at an eligible Minnesota school or the eligible Minnesota school must have a consortium or contractual agreement with the foreign school.

#### **6. Payment of Unpaid Institutional Charges**

At the time of disbursement, a school may require a student to pay all institutional charges currently due the school. Minnesota financial aid recipients cannot have stricter payment requirements than students who do not receive financial aid.

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## **7. Student Account Balances**

Unless otherwise authorized by the student, whenever an institution applies state financial aid disbursements to a student's account and determines that the amount of those disbursements exceeds or exceeded the amount of allowable charges the institution assessed the student, the institution must pay that balance directly to the student as soon as possible but within 14 days of the later of:

- a. the date that balance occurs,
- b. the first day of classes of a payment period/period of enrollment as applicable, or
- c. the date the student rescinds his or her authorization to hold funds.

This also applies to cases where the institution posts State Grant disbursements to the student's account prior to receipt of State Grant funds from the Agency.

If an account balance remains after paying current year charges, the school may apply funds to satisfy any remaining prior year charges for tuition, fees, room or board and, with written authorization from the student, other educationally related charges.

If a school receives authorization to hold excess funds, the school must identify the student or parent and the amount of funds the school holds for the student or parent in a subsidiary ledger account designated for that purpose. The school also must maintain, at all times, cash in its bank account at least equal to the amount the school holds for students.

Because state financial aid funds are awarded to students to pay current year charges, notwithstanding any authorization obtained by a school from a student or parent, the school must pay any remaining state credit balance by:

- the end of the loan period for state loans, and
- the end of the last payment period in the award year for which they were awarded for any other remaining balance of state financial aid disbursements.

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If an institution attempts to disburse funds by check or EFT transaction to the student, and the check is returned to the institution or the EFT transaction is rejected, the institution may make additional attempts to disburse the funds to the student, provided those attempts take place within 45 days after the funds were returned or rejected. If no additional attempts to disburse funds are made, the funds must be returned to the program within that 45-day period. If an institution attempts to disburse funds by check to the student and the check is not cashed, the institution must return funds to the program within 240 days of the check being issued.

If a school cannot locate a student to whom a state financial aid credit balance must be paid, the school must return the credit balance to the appropriate state financial aid program. The Agency does not specify how a school should determine which financial aid funds created the credit balance. However, when possible, the Agency encourages schools to return state financial aid fund balances to the SELF Loan program first to reduce the likelihood of default.

The school is permitted to retain any interest earned on the student's credit balance funds.

## **8. Student Authorization**

An institution must obtain from a student written authorization allowing the institution to:

- disburse State Grant payments via EFT;
- hold excess funds in the student's account; or
- apply State Grant payments to prior year charges for other than tuition, fees, room and board.

In obtaining authorization for any of these activities, an institution may not require the student to provide that authorization and must allow the student to rescind that authorization at any time.

The authorization granted to an institution is valid for the award year or the period of enrollment in which the institution obtains that authorization. The initial authorization will

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continue to be valid provided that the institution notifies the student of the provisions regarding the student's current authorization prior to conducting any of the activities that require authorization for any subsequent award year. The institution's notice to the student must, in a plain and conspicuous manner, explain those provisions including an explanation regarding any interest that the institution earns on the student's funds and whether the institution will provide that interest to the student. The notice must also provide the student with the opportunity to cancel or modify those provisions.

### **C. Institutional Responsibilities Prior to Disbursement**

#### **1. Notification of Students**

Schools are responsible for letting students know when their State Grant payments will be ready for disbursement. Notification may include a letter or e-mail to the student or an announcement of disbursement dates.

#### **2. Certification and Monitoring of Student Eligibility**

Prior to disbursement, a school is responsible for certifying that a student meets the program eligibility requirements outlined in the 'Program Eligibility Requirements' section of this chapter.

#### **3. Federal Verification, Conflicting Information and C Codes**

Before disbursing the State Grant award, the school is responsible for resolving any conflicting information and C codes on the student's ISIR or SAR, including unusual enrollment history flags. The school must also verify the data on the student's application if it is selected for verification using the verification criteria established by the Department of Education for federal student aid programs. These requirements also apply to schools that do not participate in federal aid programs. Schools should refer to the federal Application and Verification Guide for the aid year in question for detailed instructions. The verification guide and information about resolving conflicting information, C codes and unusual enrollment history flags are available at [www.ifap.ed.gov](http://www.ifap.ed.gov).

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In instances where verification selection, conflicting information, C codes and unusual enrollment history flags take place after the State Grant was disbursed, all future disbursements must be held until the school resolves the issues. If corrections result in a reduced award, the school must bill the student for the overpayment and return the overpayment to its State Grant account. If a student fails to produce the required documentation, the student should be billed for the entire amount previously disbursed.

A school is not required to adjust the award based on a subsequent ISIR transaction received after the student stopped enrollment at the school provided the award has already been disbursed and there was no conflicting information at the time of disbursement. If the school discovers the student reported incorrect information on the FAFSA for a prior aid year, the school must correct the prior year FAFSA and make any necessary adjustments unless the federal processing system is no longer operational for that aid year.

#### **4. Adjusting Payments Due to Revised Award**

Schools are responsible for adjusting a student's State Grant payment if a change in federal need analysis results, Pell Grant, or the budget used to calculate the State Grant resulted in a revision to the student's State Grant award. If a school receives a revised ISIR after the deadline by which it must make Pell Grant adjustments and the ISIR would result in a decreased Pell Grant and an increased State Grant, the school cannot increase the student's State Grant if it did not decrease the student's Pell Grant.

#### **5. Adjusting Payments Based on Enrollment Status**

Schools must generate State Grant payments based on the enrollment status as of the disbursement date. Because the amount of the State Grant award varies based on the student's enrollment status, the school must make certain it is generating a payment for the appropriate enrollment level. (See also 'Adjustments to Award Based on Change in Enrollment Level' and Appendices 20 and 21 for further information.)

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**a. Payment Periods for Less Than Full-Time Enrollment at Progressive Clock Hour Schools**

Schools using progressive clock hour disbursement must reduce the number of clock hours in a student’s payment period if the student attends on a less than full-time (Level 15) basis. Thus, if a full-time (Level 15) payment period is 600 hours for a school with a 1,200-hour academic year split into two payment periods, payment periods for less than full-time (Level 15) enrollment would be reduced proportionately, as shown in the chart in Appendix 15.

For less than full-time students, State Grant payment periods may be different than Pell Grant payment periods due to different enrollment levels for the State Grant and Pell Grant programs. However, schools participating in federal financial aid programs should check satisfactory academic progress based on federal payment periods. (See also ‘Satisfactory Academic Progress’ in the Common Definitions chapter of this manual.) For samples of State Grant payment periods, please refer to Appendix 15.

To arrive at the number of clock hours in a State Grant payment period for less than full-time (Level 15) enrollment, multiply the number of hours in a full-time payment period by the percentage shown on the following chart. Sample payment period charts are available in Appendix 15.

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<b>Determining Number of Clock Hours in Payment Period for Less Than Full-Time Enrollment</b>		
<b>State Grant Level</b>	<b>Average Clock Hours Per Week</b>	<b>Multiply Hours in Full-Time Payment Period by:</b>
Level 15	30+	1.0
Level 14	28-29	.933
Level 13	26-27	.867
Level 12	24-25	.800
Level 11	22-23	.733
Level 10	20-21	.667
Level 9	18-19	.600
Level 8	16-17	.533
Level 7	14-15	.467
Level 6	12-13	.400
Level 5	10-11	.333
Level 4	8-9	.267
Level 3	6-7	.200

- (1) When Remaining Annual Credits Are Less Than Actual Enrollment Level  
 Students may receive a State Grant for up to 60 quarter credits or 45 semester credits within an aid year (July 1–June 30). This also includes payment periods at clock hour schools where enrollment level is translated to credits [see ‘State Grant Enrollment Levels’ chart on page 26 of this chapter]. In cases where the student’s remaining credits of eligibility for the final payment period of the aid year are less than the student’s actual enrollment level, the remaining credits are the enrollment level used to determine the amount of the award. However, the number of hours in the clock hour payment period must be based on the student’s *actual* enrollment level (see ‘Determining Enrollment Status Throughout the Academic Year at Progressive Clock Hour Schools’).



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**b. Determining Enrollment Status Throughout the Academic Year at Progressive Clock Hour Schools**

(1) Determining Average Clock Hours Per Week

To determine the student's average clock hours per week during a period of time, the school would divide the number of clock hours the student attended during the period by the number of scheduled weeks during the period. The number of scheduled weeks is derived by multiplying the number of scheduled days by .20. Scheduled days do not include approved leaves of absences, excused absences, vacations, school closings, holidays or breaks.

For example, if a student had four days of unexcused absences and completed 336 clock hours during 58 of 62 scheduled days during the period of time, the student would have averaged 27.10 clock hours per week. Sixty-two *scheduled* days multiplied by .20 = 12.4 weeks. The total clock hours during this period (336) is then divided by 12.4 weeks, resulting in average clock hours of 27.10 per week.

(2) Enrollment Status for Initial Payment Period

When the State Grant award is disbursed within the first two weeks of the student's initial payment period at the school, the amount of the award and the number of hours in the student's payment period should be based on the enrollment level for which the student has contracted or registered.

In cases where the State Grant is disbursed *after* the first two weeks of the student's initial payment period, the enrollment status used to determine the award and hours in the payment period should be based on the average hours per week the student has completed to date.

Payment periods and enrollment levels must also be determined and documented for students who do not financially qualify for an award, in which case the "disbursement date" is the date the school determines the student's enrollment level and payment period.

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The hours in each payment period must be based on the academic year and payment period definitions for the aid year from which funds are awarded. (See also ‘Awards for Summer or Non-Standard Terms’ in this chapter.)

Since students are not eligible to receive a State Grant during high school, any hours completed before the student finished high school should not be considered when determining the student’s enrollment level.

Once the State Grant award has been disbursed for the initial payment period, the disbursement does not have to be subsequently adjusted if the student’s average hours per week fall short or exceed the enrollment level used to calculate the original award. However, if the student withdraws from school, then a refund calculation is required if there is a refund of institutional charges. (See ‘Total Withdrawal – Progressive Clock Hour Schools’ under ‘Refund Process’ section of the State Grant manual.)

Once the student completes the number of hours in the initial payment period, the school should calculate and disburse the State Grant award for the next payment period. In cases where the student withdraws during a payment period and re-enrolls at a later date, see also ‘Post-Withdrawal Disbursement for Returning Students at Progressive Clock Hour Schools.’

(3) Enrollment Status for Subsequent Payment Periods

When the State Grant award is disbursed within the first two weeks of a subsequent payment period, the enrollment level used to calculate the award and determine the number of hours in the current payment period must be based on the number of hours per week the student actually averaged during the preceding payment period. For example, if the student received a full-time Level 15 State Grant for the initial payment period based on contracting for 30+ hours per week but only averaged 24 hours per week during the initial payment period, the

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enrollment level used to determine the award and payment period hours for the next payment period would be 24 hours per week, or Level 12.

When the State Grant award is disbursed *after* the first two weeks of a subsequent payment period, the enrollment level used to calculate the award and determine the number of hours in the payment period must be based on the number of hours per week the student actually averaged during the preceding payment period up through the date of disbursement for the current payment period. Thus, if a student completed four weeks of the current payment period prior to State Grant disbursement, the enrollment level used to calculate the award and payment period hours would be based on average hours per week from the beginning of the preceding payment period through the end of the fourth week of the current payment period.

These same rules apply even when a student does not financially qualify for an award.

If the student's average hours per week during the previous payment period through the date of disbursement for the current payment period fall below the minimum enrollment level (six clock hours per week), the school must delay calculation and disbursement of the award for the current payment period until the student's average hours per week for the previous payment period through the disbursement date of the current payment period meet or exceed the minimum enrollment level of six hours per week, or Level 3.

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**Example of Payment Periods for 1,550 Hour Cosmetology Program  
Academic Year Defined as 1,200 Clock Hours With Two Payment Periods**

	<b>Payment Period 1</b>	<b>Payment Period 2</b>	<b>Payment Period 3</b>
<b>Disbursement Date</b>	First day of Payment Period 1	First day of Payment Period 2	Delayed until first day of fourth week of Payment Period 3
<b>Contracted Hours per Week</b>	Full-time 35 hours	N/A	N/A
<b>Enrollment Level for Payment Period</b>	Level 15 (based on contracted hours)	Level 12 (based on average hours per week for Payment Period 1)	Level 14 (based on average hours per week during Payment Period 2 through third week of Payment Period 3)
<b>Payment Period Hours</b>	600 hours	480 hours (600 x 12/15ths)	560 hours* (600 x 14/15ths)
<b>Number of Scheduled Days in Period</b>	125	85	75
<b>Number of Weeks in Period</b>	125 x .20 = 25 weeks	85 x .20 = 17 weeks	75 x .20 = 15 weeks
<b>Average Hours per Week Used for Next Period</b>	600/25 = 24 = Level 12	480/17 = 28 = Level 14	NA
<b>Total Program Hours Completed/ Remaining at End of Payment Period</b>	600 completed 950 remaining	1,080 completed 470 remaining	1,550 completed 0 remaining
*State Grant payments for last payment period must be prorated by 470/560 since there are only 470 remaining hours in the student's program.			

(4) When Disbursement is Substantially Delayed

In cases where the student has attended the institution for a number of months prior to disbursement of the State Grant award, the school may have to determine the student's enrollment level for multiple payment periods based on the average hours per week to date. For example, if the student started a program in September and the initial disbursement was delayed until March, the school would determine the student's average hours per week from September through March and use that enrollment level to determine the award and payment period hours for multiple payment periods. This same rule applies to students who do not financially qualify for an award.

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**Example of Delayed Disbursement at Clock Hour Institution**

<b>Length of Student's Cosmetology Program</b>	1,550 clock hours
<b>School's Definition of Full-Time Academic Year and Payment Period</b>	1,200 clock hours split into two full-time payment periods of 600 clock hours
<b>Period of Student's Enrollment Prior to Disbursement</b>	From September 2006 through February 2007 student completed 750 clock hours in 25.8 weeks
<b>Enrollment Status Used to Calculate Awards and Payment Period</b>	750 clock hours divided by 25.8 weeks = 29.07 hours per week = Level 14
<b>Student's first payment period</b>	560 hours (600 hours X 14/15ths)
<b>Student's second payment period</b>	560 hours (600 hours X 14/15ths)
<b>Student's third payment period</b>	After student completes 1,120 hours, school will average hours per week during the second payment period and base third payment period and award on that enrollment level

**6. Adjusting Payments for Clock Hour Programs When Remaining Program Hours Are Less Than The Number of Hours in Payment Period**

If the number of clock hours remaining in the student's program is less than the number of hours in the payment period, the school must first calculate the State Grant award for the entire payment period and then prorate the award using the following formula:

State Grant Award for Entire Payment Period	X	$\frac{\text{Number of Clock Hours Remaining in Student's Program}}{\text{Number of Hours in Payment Period}}$
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For example, a student is enrolled full-time (averaging 30+ clock hours per week) in a 350 hour program at a school with an academic year of 1,200 hours split into two payment periods. The payment period award would initially be calculated based on costs for a full-time 600 hour period. However, because there are only 350 hours remaining in the student's program, the award would then be prorated by multiplying the award by 350/600 clock hours, or by .583.

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## **7. Adjusting Payments for Term-Based Clock/Credit Hour Programs When Program Length Does Not Correspond to Term Length**

**Term-based clock hour schools disburse aid to students based on the amount of time that has passed, not the number of clock hours completed.**

If the length of a student's program does not directly correspond to term length, the State Grant term award must be adjusted to reflect the length of the program.

In cases where program length directly corresponds to term length, the student may receive the standard term payments. For example, if a program consisted of two quarters, the student would be eligible for two standard term payments.

In cases where the entire or remaining program length does not directly correspond to term length, the State Grant term award for the student's enrollment level must be prorated according to the following formula:

<p><b>Pro-Rating Term Award for Term Based Clock/Credit Hour Program Less Than One Academic Year in Length</b></p> <p>a. <u>The number of weeks remaining in the student's program</u> The number of weeks in the term</p> <p>b. Multiply the student's State Grant term award by the result of (a).</p>
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For example, a student is enrolled in a program lasting 18 weeks. The school's semesters are each 15 weeks in length so the student's award for the second semester would be prorated to 3/15, or .20.

## **8. Adjusting Payments for Leaves of Absence**

A school cannot disburse State Grant funds to a student who is on a leave of absence. (See definition in 'Common Definitions' chapter.)

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The hours in a leave of absence are ignored for purposes of averaging hours per week and disbursing aid at clock hour schools. For example, if a student is scheduled to receive a term payment every 517 hours, the leave of absence hours would be excluded as follows:

- Student receives check covering 517 hours
- After completing only 200 hours, student takes a leave of absence
- Payment for second payment period cannot be disbursed until student returns to school and completes the remaining 317 hours of the first payment period.
- When determining the average hours per week the student attended during this payment period, the days in the leave of absence are excluded.

## VIII. DDS Reporting Requirements

### A. General Description of DDS System

All participating schools are now required to administer the State Grant program on campus using the Decentralized Delivery System (DDS).

With DDS, the school is responsible for screening the student's application using the FAFSA record it receives from the FAFSA processor and the Minnesota State Grant program Student Eligibility Questionnaire (Appendix 2). Once the school completes the student's application (screens, verifies, resolves conflicting information and C codes), the school then calculates the student's State Grant award using the Shared Responsibility term award calculation (Appendix 8). The Agency disburses State Grant funds to schools each term to cover anticipated payments. The school then notifies the student about his/her State Grant eligibility via the financial aid award letter and makes disbursements from its State Grant account to the student at the onset of each term. The school reports award and payment activity to the Agency on at least a monthly basis throughout the academic year. Any refunds for students who did not enroll, withdrew or changed enrollment status are deposited back in the school's State Grant fund, the balance of which must be returned to the Agency at the close of the aid year. The deadline for returning funds to the Agency is August 31.

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## **B. Requesting State Grant Funds**

Schools must request State Grant funds using the SG web access screen along with submitting an up-to-date DDS batch. The Agency can adjust a school's advance based on previous year spending patterns or the sum of term awards in the school's most recent DDS batch. The Agency can also delay a school's funds disbursement if the school is not meeting the reporting schedule deadlines described below.

## **C. Required Reporting Schedule**

Each school is responsible for submitting a batch containing DDS records for both State Grant recipients and no-need students to the Agency on at least a monthly basis. This is to ensure that the State Grant database contains current information about awards and payments for the fiscal year in question. (See definition of no-need under 'Selection of Student Records for DDS Batches.')

## **D. Reporting Deadlines**

Schools must submit their initial DDS batch to the Agency prior to making any disbursements in order for the Agency to check for hold data and verify accuracy of awards and payments.

While submitting DDS batches to the Agency on at least a monthly basis, schools must incorporate the following reporting deadlines:

- Schools must submit a DDS batch suitable for production prior to receiving their initial funds for the new aid year. For schools who process aid for the leading summer term, the initial batch must be submitted in June. For schools with aid years starting with fall term, the initial batch must be submitted by August 1.
- Schools with payments for the leading summer term must submit a batch reflecting payment activity by July 15.
- Fall term payment activity for terms starting in August or September must be reported no later than October 1. For fall terms starting in early October, fall term payment activity must be reported no later than October 15.
- Winter quarter payment activity must be reported no later than January 15.



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- Spring term payment activity for terms starting in January or February must be reported no later than March 1. For spring terms starting in March or early April, spring term payment activity must be reported no later than April 15.
- Trailing summer term awards and enrollment levels must be reported as soon as students have enrolled for the trailing summer term. Payment activity must be reported by July 1.
- Schools must submit an error-free final batch to the Agency by August 31 along with a refund of all unused funds from that aid year.

Reporting deadlines are also shown in the ‘Calendar of Financial Aid Events and Reporting Deadlines’ in the introductory section of the Financial Aid Manual.

#### **E. Selection of Student Records for DDS Batches**

DDS batches should be cumulative and increase in volume throughout the year as more students apply and complete their financial aid applications.

Schools must report data for students who meet all the program eligibility requirements such as residency (see ‘Comprehensive List of Eligibility Requirements’ in this chapter), have completed financial aid applications, will enroll at the school for one or more terms of the aid year, and have been evaluated for a State Grant using the Shared Responsibility term award calculation (Appendix 8) and found to either be recipients or no-need students. No-need students are those who meet all the program eligibility requirements but do not show financial need for a State Grant award. It is critical for the Agency to have both recipient and no-need records on its database in order to conduct accurate program expenditure projections and simulations for proposed changes to the award formula. DDS batch selection criteria are illustrated in Appendix 11.

#### **F. The DDS Record Layout**

A description of the DDS Record Layout can be found in Appendix 12.

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The DDS record contains fields for most of the data elements collected on the student's FAFSA record as well as need analysis results, enrollment level, term award/payment amounts and accurate term disbursement dates.

The DDS record is identical for both recipients and no-need students, although the school should report zeros for the award and payment fields on the record for no-need students.

### **G. Reporting Student Enrollment Status on the DDS Record**

When a school first reports a student's record to the Agency, the school should report an assumed full-time enrollment status (15 credits) for the student for all terms of the school's standard academic year (fall through spring terms) unless the school is aware of the student's actual enrollment level for those terms. Term enrollment status for the leading and trailing summer terms should not be populated until the student registers for those terms unless the school has a reliable means of knowing the student will enroll for either of those terms.

Throughout the course of the school year the school should be updating term enrollment status on the DDS record for students who do not enroll or end up enrolling less than full-time. Term enrollment status must be updated on both recipient and no-need records.

If a student withdrew or changed enrollment status after the State Grant was disbursed and the full amount of the difference in the awards for the initial and revised enrollment levels was not required to be returned to the State Grant program, the school should continue to report the enrollment level at which the student was initially paid. (See also Appendix 20 for examples.)

### **H. Methods for Submitting DDS Batches**

Schools should submit batches to the Agency using the SG web access screen. Schools may also use an automated SFTP process to transmit DDS batches to the Agency. Schools interested in submitting data via SFTP must contact the grant unit to obtain a username, password and directory. In either case, the Agency will need to know the name of the school sending the batch, the cut-off date for the batch and the balance of funds remaining in the

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school's State Grant account on campus. Most schools have designed their reporting software to include this information in designated fields on the trailer record for the DDS batch.

## **I. Reviewing DDS Batch Output Reports**

When the Agency processes a batch of DDS records, it checks to make sure the student does not have an eligibility problem by checking for child support holds, SELF default holds, overpayment holds and four years of aid holds on its database. It also uses the data on the school's DDS record to calculate the federal need analysis results and the State Grant award. The Agency's calculation results are then compared to the data submitted by the school and any discrepancies are noted. If discrepancies are outside the established tolerances, the award and payment data for the student is rejected.

Data about eligibility problems, award discrepancies and rejected payments is provided on a series of on-line output reports generated for the school after the DDS batch is processed by the Agency. Reports can either be viewed on-line or downloaded to the school's system.

The output reports generated when a DDS batch is processed are the *Roster of Rejected Awards/Payments* (Appendix 16), the *Award Error Detail Roster* (Appendix 17), the *Roster of Accepted Payments* (Appendix 18) and the *Reconciliation Report* (Appendix 19).

The school is responsible for reviewing DDS batch output reports and resolving errors prior to the school reporting its next DDS batch. The school should refer to the appropriate appendices for detailed instructions on reviewing these reports and resolving errors.

## **IX. Refund Process**

### **A. General Information and Deadlines**

All refunds should be for an even dollar amount with cents rounded to the nearest dollar.

Any refunds of student State Grant payments must be returned to the school's State Grant account on campus for the given aid year regardless of the dollar amount of the refund. Schools are responsible for calculating the amount of student refunds within a reasonable

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amount of time and returning funds to the State Grant account in a timely manner. Any remaining balance in the account must be returned to the Agency by the end of year deadline for the DDS system or within 10 working days of a written request from the Agency. Failure to meet this deadline will result in the Agency delaying funds advances for the next academic year. After the school has returned the end of year account balance to the Agency, any student refunds discovered after that point should be sent directly to the Agency along with the Refund Return Form (Appendix 22) noting a detailed reason for the refund.

### **B. Refunds for Students Who Do Not Attend**

If a student fails to attend any classes for a term or payment period, any State Grant funds disbursed to the student or credited to the student’s account must be fully refunded to the school’s State Grant account on campus.

### **C. Calculating Refunds for Students Who Change Enrollment Level or Withdraw After State Grant Disbursement**

If, according to the refund policy the school is required to use, there is a refund of institutional charges for a student who withdrew from school or had a change in enrollment, all or a portion of that student’s refund may be due to the State Grant program. (See ‘Common Definitions’ chapter for a definition of “Withdrawal Date.”)

Each institution is responsible for refunds of unused institutional charges when a student changes enrollment status or withdraws from school.

The appropriate Office of Higher Education Refund Calculation Worksheet or spreadsheet (Appendix 13) or similar form must be used to document the calculation of refunds to the State Grant program. The appropriate worksheet is for the school’s use and is not intended to be sent to the Agency. This worksheet is also available in spreadsheet format on the Agency’s web page at: <http://www.ohe.state.mn.us/mPg.cfm?pageID=1538>.

The school is not required to complete the OHE Refund Calculation Worksheet/Spreadsheet if there is no refund of institutional charges. However, the school must make a notation that the

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financial aid administrator reviewed the withdrawal and determined there would be no refund of institutional charges.

## **1. Change in Enrollment Level**

### **a. Term-Based Credit-Hour Schools**

If, according to the policies described under ‘Adjustments to Awards Based on Change in Enrollment Level,’ the school is required to complete the Agency’s Refund Calculation Worksheet (Appendix 13c) or spreadsheet for students who withdrew from a class but were still enrolled for three or more credits for the term, the amount of the refund due the State Grant program will be the lesser of: the difference between the State Grant term award for the original and current enrollment level or a proportional amount of the school’s refund of institutional charges based on the refund policy the school is required to use. If there is no refund of institutional charges based on the institution’s refund policy, the school is not required to return funds to the State Grant program or complete the OHE Refund Calculation Worksheet/Spreadsheet. However, the school must make a notation that the financial aid administrator reviewed the withdrawal and determined there would be no refund of institutional charges.

The following example illustrates the difference between a case where the Agency’s Refund Calculation Worksheet or spreadsheet would be used (Case A) and a case of award recalculation (Case B) which, while requiring a refund, does not necessitate use of the Agency’s Refund Calculation Worksheet. (The Refund Calculation Worksheet is used when a student attends and then withdraws from a class or classes before the school’s award adjustment end date. Recalculation of the award occurs when a student drops a class or classes without having attended the class.)

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<b>Example of Adjustments to Award Due to Reduced Enrollment</b>		
<b>State Grant Term Awards</b>	<b>Refund Case A</b>	<b>Recalculation Case B</b>
Level 15 \$800 Level 14 \$746 Level 13 \$694 Level 12 \$640 Level 11 \$586 Level 10 \$534 Level 9 \$480 Level 8 \$426 Level 7 \$374 Level 6 \$320 Level 5 \$300 Level 4 \$287 Level 3 \$250	<p>The student initially received a Level 15 State Grant of \$800 for fall quarter after starting classes. The student then withdrew from a two-credit class the student had attended before the school’s award adjustment end date and the enrollment status changed to Level 13. The difference between Level 15 and Level 13 term awards is \$106. Therefore, up to \$106 of the refund is due the State Grant program. The school’s refund calculation (Appendix 13c) results in a refund to the State Grant program of \$90.</p> <p>Therefore, only \$90 would be returned to the State Grant program. The school would not have to bill the student for the remainder.</p> <p>The school would continue to report 15 credits for the student’s term enrollment level on the State Grant DDS record.</p>	<p>The student initially received a Level 15 State Grant of \$800 for fall quarter but did not begin a two-credit course and dropped those two credits, resulting in an enrollment status change to Level 13. The State Grant must be recalculated and the difference between Level 15 and Level 13 term awards (\$106) must be returned to the State Grant program.</p> <p>The school would report 13 credits for the student’s term enrollment level on the State Grant DDS record.</p>

**b. Non Term-Based Credit-Hour Schools**

Non term-based credit-hour schools that combine sequential course modules into a term are not subject to refund calculations for partial withdrawals. Since courses are offered sequentially, student withdrawals are subject to refunds for total withdrawals and/or refunds for award recalculations. (See ‘Enrollment Level at Non Term-Based Credit-Hour Schools,’ ‘Adjustment of Awards for Students Attending Non Term-Based Credit-Hour Schools’ and ‘Total Withdrawal – Non Term-Based Credit-Hour Schools’ sections in this manual for further guidance.)

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## 2. Total Withdrawal

### a. Term-Based Credit-Hour Schools

This policy refers to students who withdraw from school (or below three credits) after attending classes. If a student withdraws without attending classes, the State Grant term award must be recalculated to zero and the State Grant term award disbursement must be returned to the State Grant program. This also applies if the student attends classes but is granted a withdrawal date retroactively to the first day of the term. (See ‘Backdated Withdrawal Date’ in this section.)

Schools should refer to the definition of “withdrawal date” contained in the ‘Common Definitions’ chapter of this manual to determine the date of withdrawal. If the refund policy the school is required to use results in a refund of institutional charges and, after the institution’s share of any required refund to Title IV programs has been refunded (Unearned Title IV Aid Due from the School, Step 5.O. of Title IV Refund Worksheet), a proportional share of any remaining refund (Line E of Office of Higher Education Refund Calculation Worksheet or spreadsheet), not to exceed the amount of the State Grant payment the student initially received for the term (if the school charges by the term) or aid year (if the school charges upfront for the entire program), must be returned to the State Grant program. Schools should use the appropriate Office of Higher Education Refund Calculation Worksheet (Appendix 13) for a full withdrawal to calculate the amount of funds to return to state financial aid programs. The worksheet is also available in spreadsheet format on the Agency’s web site at: <http://www.ohe.state.mn.us/mPg.cfm?pageID=1538>.

The school is not required to complete the OHE Refund Calculation Worksheet/Spreadsheet if there is no refund of institutional charges. However, the school must make a notation that the financial aid administrator reviewed the withdrawal and determined there would be no refund of institutional charges.

If a school disburses a State Grant to a student who is later determined to have a withdrawal date set prior to the disbursement and there is a refund of institutional

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charges, the school must complete the appropriate OHE Refund Calculation Worksheet (Appendix 13) or spreadsheet to determine if a refund is due the State Grant program. This can occur in cases where a school is not required to take attendance and becomes aware of the withdrawal after the date of disbursement.

On **Line A** of the Refund Calculation Worksheet/spreadsheet, the school would enter the total amount of all (federal, state, institutional, private) financial aid and cash received to date for the term or payment period (if the school charges by the term or payment period) or program (if the school charges upfront for the entire program), not to exceed the amount of the original institutional charges. In other words, if a student received \$4,000 in financial aid and the original institutional charges were only \$3,500, the excess \$500 disbursed to the student for non-institutional expenses would not be reported on Line A.

For schools charging upfront for the entire program, all financial aid and cash received to date for the program (which might include aid disbursements to the student for living expenses) is reported on Line A but is then capped at the amount of the original institutional charge for the program. (See example on second tab of OHE Refund Calculation Spreadsheet for schools charging by program.)

On **Line B** of the refund worksheet, the school would report the amount of institutional charges it is allowed to retain for the term or payment period (if the school charges by term or payment period) or program (if the school charges upfront for the entire program) per its institutional or state-mandated refund policy. Most schools rely on their institutional or accrediting agency's refund policy, but certain proprietary schools are required to use a state-mandated policy, such as cosmetology schools (Minnesota Board of Cosmetologist Examiners) and for-profit institutions not offering degrees.

In the case where a school is first performing an award recalculation prior to a refund for a total withdrawal, the amounts on lines A and B should only include amounts for



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the revised enrollment level. For example, if the school disbursed a Level 15 State Grant to a student who first dropped or withdrew from a three-credit class without attending the class, and later fully withdrew from school, the school would first refund the difference between the Level 15 and Level 12 State Grants and then perform the total withdrawal refund calculation using the Level 12 State Grant amount.

**Line C** of the refund worksheet is the gross refund calculated by subtracting Line B from Line A. If the amount on Line C is not greater than zero, there is no refund required for state financial aid programs. If Line C is greater than zero, the school would report the amount of the school's share of any required refund to federal financial aid programs on **Line D** (from Step 5.O. of the federal refund worksheet), with **Line E** representing Line C minus Line D.

If the amount on Line E is not greater than zero, no refund to state financial aid programs is required. If the amount on Line E is greater than zero, it must be distributed on a proportional basis to non-Title IV aid programs requiring refunds, not to exceed the actual amount the student received from each program. All Minnesota aid programs (excluding State Work Study) from which the student received funds must receive their proportional share of the remaining refund before the student may receive any portion of the amount listed on Line E.

To determine the proportional share of the refund due each non-federal financial aid program, the school would first list all non-federal financial aid programs in Part Two of the Refund Calculation Worksheet (Title IV aid, State Work Study earnings, and payments made by the student should not be included) that require a portion of any refund of institutional charges. For non-Title IV loans disbursed by institutions that charge by the term or payment period, use the total loan divided by the number of attendance periods in the loan period. Institutional aid may also be included if the program requires a refund upon withdrawal. Once the amount of the total non-Title IV aid package is known, divide the student's State Grant by the amount of the term's total non-Title IV aid package to determine what percentage of the total non-Title IV

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aid package is comprised of State Grant funds. In cases where the original State Grant payment is first recalculated to exclude credits for a course the student didn't attend, if the student subsequently withdraws from school, the revised (i.e., recalculated) State Grant should be listed in Part Two of the Refund Calculation Worksheet. The same would apply to the other state financial aid programs listed in Part Two of the worksheet.

<b>Example of Proportional Distribution of Refund to Non-Federal Aid Programs Institution Charges by Term</b>	
<u>Non-Title IV Aid Package for Fall Term</u>	
State Grant	\$1,000 (23.8%)
SELF Loan	\$2,000 (47.6%)
YMCA Scholarship	\$ 800 (19.1%)
Inst Scholarship	\$ 400 ( 9.5%)
<b>TOTAL</b>	<b>\$4,200</b>
 <u>Case A</u>	
Refund of institutional charges = \$1,000	
Remaining refund after subtracting institutional share of Title IV refund = \$700	
Amount of remaining refund due State Grant = \$700 x .238 = \$166.60 = \$167	
Amount of remaining refund due SELF Loan = \$700 x .476 = \$333.20 = \$333	
 <u>Case B</u>	
Refund of institutional charges = \$6,000	
Remaining refund after subtracting institutional share of Title IV refund = \$5,700	
\$5,700 x .238 = \$1,357 which exceeds State Grant term award of \$1,000	
\$1,000 would be refunded to State Grant	
\$5,700 x .476 = \$2,713 which exceeds SELF Loan term award of \$2,000	
\$2,000 would be refunded to SELF Loan	

**b. Non Term-Based Credit-Hour Schools**

When a student withdraws from a non term-based credit-hour school, the point of withdrawal will determine whether the school must perform an award recalculation or total withdrawal refund, or both. In general, if a student withdraws *between* a completed course and the next course, an award recalculation is performed. If a student withdraws *during* the *last* course of the term after beginning attendance in that course, the school would perform a refund for a total withdrawal using the appropriate OHE Refund Calculation Worksheet (Appendix 13) or spreadsheet if there is a refund of institutional charges. If a student withdraws *during* a course, and there are

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remaining courses in the term that will not be attended, the school must first recalculate the State Grant award to exclude credits for the remaining courses, and then perform a total withdrawal refund using the appropriate OHE Refund Calculation Worksheet (Appendix 13) or spreadsheet listing the State Grant award amount for the classes the student did attend during the term if there is a refund of institutional charges. For further guidance, see sections ‘Enrollment Level at Non Term-Based Credit-Hour Schools’ and ‘Adjustment of Awards for Students Attending Non Term-Based Credit-Hour Schools’ in this manual.

(1) Post-Withdrawal Disbursement for Returning Students at Non Term-Based Credit-Hour Schools

If a student at a non term-based credit-hour school withdraws from school and subsequently reenrolls in the same program during the same aid year, any refunds for award recalculations and withdrawals can be reversed and the original term award reinstated, provided the student still meets all program eligibility requirements. The length of the term would typically be extended and the student’s enrollment level increased to compensate for the additional class. If the student reenrolls in the next aid year, different guidelines apply. For further guidance on both of these scenarios, refer to the sections on ‘Enrollment Level at Non Term-Based Credit-Hour Schools,’ ‘Adjustment of Awards for Students Attending Non Term-Based Credit-Hour Schools,’ and ‘Awards for Summer or Non-Standard Terms’ in this manual.

**c. Progressive Clock Hour Schools**

This policy refers to students who withdraw from school (or below six clock hours per week) after attending classes. If a student withdraws without attending classes, the State Grant award must be recalculated to zero and funds must be returned to the State Grant program.

If a student withdraws and the refund policy used by the school results in a refund of institutional charges, after the institution’s share of any required refund to Title IV programs has been refunded (Unearned Title IV Aid Due from the School, Step 5.O.

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of Title IV Refund Worksheet), a proportional share of the remaining refund must be returned to the State Grant program. The proportional share is based on a percentage determined by dividing the amount of State Grant funds received by the total non-Title IV aid received.

Once the percentage is calculated, the refund remaining (Line E of the Office of Higher Education Refund Calculation Worksheet) after federal aid programs have been repaid is multiplied by the percentage and the result, not to exceed the amount of the State Grant payment the student initially received for the State Grant program payment period (if school charges by the payment period) or aid year (if school charges upfront for the entire program), is returned to the State Grant program.

For progressive clock hour schools with institutional refund policies based on the amount of institutional charges that can be retained for a payment period, lines A and B on Part One of the OHE Refund Calculation Worksheet (Appendix 13a) should be based on the funds received and charges retained for the payment period. Otherwise, schools charging upfront for the entire program should use the OHE Refund Calculation Worksheet, Appendix 13b, with lines A and B representing the funds received and charges retained for the entire program. (See second tab of OHE Refund Calculation Spreadsheet for schools charging upfront for program.)

Determining the percentage of the payment period financial aid package covered by the State Grant can be difficult because the payment period used for State Grant may be different from the payment period used for other non-Title IV financial aid programs. For purposes of calculating what percentage of the total payment period non-Title IV aid package is comprised of State Grant funds, an hourly rate must be calculated. Divide the State Grant payment for the payment period by the number of hours in the State Grant payment period to determine the amount of State Grant per clock hour. Divide any other non-Title IV aid by the number of hours in the award period, which may consist of more hours than a payment period, as shown in the chart that follows.

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<b>Example of Refund Distribution at Clock Hour Institution Where Refund Period Based on Payment Period</b>		
Academic year = 900 hours (450 Clock Hours in Level 15 Semester Payment Period)		
State Grant Level 14 Payment	\$ <u>500</u>	
State Grant Level 14 Payment Period		420 clock hours = \$1.19 (26.3%)
SELF Loan	\$ <u>2,000</u>	
SELF Loan Award Period		900 clock hours = \$2.22 (49.1%)
Institutional Scholarship	\$ <u>1,000</u>	
Scholarship Award Period		900 clock hours = \$1.11 (24.6%)
		\$4.52 (100%) Total Non-Title IV Aid Per Clock Hour
Total Refund of Institutional Charges	\$1,500	
Institutional Share of Title IV Refund	- <u>767</u>	
Remaining Refund	\$ 733	
<p>\$733 x 26.3% = \$193 State Grant Portion of Remaining Refund            \$733 x 49.1% = \$360 SELF Loan Portion of Remaining Refund            \$733 x 24.6% = \$180 Institutional Scholarship Portion of Remaining Refund</p>		

(1) Post-Withdrawal Disbursement for Returning Students at Progressive Clock Hour Schools

If a student attending a progressive clock hour school withdraws from school but re-enrolls at the school within 180 days of the withdrawal date, the student is eligible to receive a State Grant for the payment period during which the student withdrew. The school may not impose additional fees for the student to re-enroll or require the student to re-enroll in the same program. If the school performed a refund calculation for the withdrawal, the school may reverse the refunds to financial aid programs as if the student never withdrew. In these cases, the State Grant award is not revised from the award amount at the time of the initial disbursement. If the State Grant for the payment period was not disbursed prior to the withdrawal, it can be disbursed after the student re-enrolls based on the student's enrollment level from the beginning of the previous payment period to the current date of disbursement. For students who re-enroll in this manner, the State Grant award for the next payment period cannot be disbursed until the student completes the hours in the payment period during which the student withdrew.

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If a student attending a progressive clock hour school withdraws from school but re-enrolls at the same school more than 180 days *after* the withdrawal date, the timing of the next State Grant disbursement to the student will be based on the terms of the contract under which the student re-enrolls. If the student re-enrolls under the previous contract without incurring additional charges, the school may not disburse additional State Grant funds to the student until the hours in the payment period during which the student withdrew have been completed. If the student re-enrolls under a new contract subject to additional charges, the student is eligible to receive a State Grant disbursement at the onset of the new period of enrollment as would any other new or transfer student. When students re-enroll more than 180 days after the date of withdrawal, any refunds to state financial aid programs for the student's withdrawal cannot be reversed.

### **3. Total Withdrawal When School's Mandatory Refund Policy Applies to Program Length**

If the institutional refund policy the school is required to use applies to charges assessed and retained for the student's entire program as opposed to a term or payment period, Line A in Part One of the Refund Calculation Worksheet (Appendix 13b) or spreadsheet should reflect all financial aid and cash received to date for the aid year, not to exceed the amount of total institutional charges. This includes any cash disbursements to students for living expenses during the course of the program. (See example on next page.) Line B of the worksheet should reflect the amount of institutional charges the institution is allowed to retain for the student's program. Part Two of the worksheet should reflect non-Title IV financial aid disbursed to date for the entire program.

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## State Grant Program

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### MN Office of Higher Education Refund Calculation Spreadsheet for Use by Schools Charging Upfront for Program EXAMPLE

Last Revised March 3, 2015

TO RESET SPREADSHEET, PRESS CTRL+SHIFT+Z

This form should be used to calculate refunds for all state financial aid programs when a student completely withdraws from school or, for the MN State Grant and SELF Loan programs, if the student drops below minimum enrollment level for those programs. This form should only be used by schools charging students upfront for the entire program and whose refund policies are based on the percentage of the program completed. (Note: Refunds are never required for the State Work Study program.)

Student Name: Mary Student

SSN: 111-22-3333

Did student totally withdraw? Yes

Date of withdrawal/enrollment change: 9/15/2015

**PART I - DETERMINING AMOUNT OF NET REFUND**

**A.** Amount of financial aid and cash received to date for the entire program, including any funds disbursed to the student for living expenses and any post-withdrawal disbursements of Title IV financial aid and funds disbursed to the student for living expenses. Exclude federal or state work study funds. If funds received to date for the program exceed the original institutional charges\* for the program, cap Line A at the amount of the original institutional charges for the program. Include cents.

**A** \$15,010.00

Represents the amount of financial aid and cash received for the entire program (including any funds disbursed directly to the student for living expenses), but capped at the amount of original program charges.

**B.** Amount of original institutional charges for the program the school can retain per its institutional or state-mandated refund policy.

**B** \$13,600.00

This represents the amount of original program charges the school can retain per its institutional or state-mandated refund policy.

**C. GROSS REFUND**

**C** \$1,410.00

This is the gross refund. If the result were negative or zero, there would be no refund due to state financial aid programs.

GO TO D!

**D.** Amount of institutional share of any required refund for Title IV financial aid programs from Step 5, Box O of Return of Title IV Funds Refund Worksheet. If there is no refund required for Title IV programs, enter 0.

**D** \$500.00

Amount refunded to Title IV does not represent actual R2T4 policy and is used only to illustrate an example.

**E. NET REFUND**

**E** \$910.00

This represents the net refund that will be proportionally distributed to non-Title IV programs requiring refunds upon withdrawal. If this amount is negative or zero, there will be no refund due to state financial aid programs.

GO to Part II Below!

\*The state adopts the definition of institutional charges used for federal Title IV aid programs under 484B of the Higher Education Act of 1965 as amended, and 34 CFR 668.22.

**PART II - DETERMINING PROPORTIONAL SHARE OF NET REFUND FOR DISTRIBUTION TO NON-TITLE IV AID PROGRAMS**

List all non-Title IV financial aid received to date during the student's program and for the current aid year including any funds disbursed to the student for living expenses. Include only programs requiring refunds when a student withdraws from school which can include institutional and private scholarships or other forms of non-Title IV aid. Do NOT include work study awards.

Program Name	Amount Disbursed During Program	Amount Disbursed Current Aid Year	% of Non-Title IV Package	Share of Box E Refund	Final Amount of Refund Due Program
1 State Grant	\$1,767	\$900	19.1%	\$173.52	\$173.52
2 Child Care Grant	\$0	\$0	0.0%	\$0.00	\$0.00
3 Safety Officer's Survivor Grant	\$0	\$0	0.0%	\$0.00	\$0.00
4 SELF Loan	\$5,500	\$2,750	59.4%	\$540.09	\$540.09
5 MN Indian Scholarship	\$0	\$0	0.0%	\$0.00	\$0.00
6 MN GI Bill	\$0	\$0	0.0%	\$0.00	\$0.00
7 School Scholarship	\$2,000	\$1,000	21.6%	\$196.40	\$196.40
8			0.0%	\$0.00	\$0.00
9			0.0%	\$0.00	\$0.00
10			0.0%	\$0.00	\$0.00
<b>TOTAL</b>	<b>\$9,267</b>	<b>\$4,650</b>	<b>100.0%</b>	<b>\$910.00</b>	<b>\$910.00</b>

Amounts in green column represent the lesser of the proportional share of Box E Refund or the Amount Disbursed Current Aid Year.

\*\* The SELF loan program should only be included if the student totally withdrew from school or a dropped below half-time status.  
 \*\*\* These programs should only be included if the student totally withdrew from school.

	Payment Period 1 Hours 1 – 450 Summer 2015 2014-2015 Aid Year	Payment Period 2 Hours 451 – 900 Fall 2015 2015-2016 Aid Year
Original Institutional Charges for Program	\$18,000 Tuition \$ 1,000 Kit \$19,000	
Federal Pell Grant	\$ 2,865	\$ 2,888
MN State Grant	\$ 857	\$ 900
SELF Loan	\$ 2,750	\$ 2,750
Cash Paid by Student	\$ 0	\$ 0
School Scholarship	\$ 1,000	\$ 1,000
Total Financial Aid and Cash Received	\$ 7,472	\$ 7,538
Charges Allocated to Payment Period	\$ 5,226 tuition* \$ 1,000 kit \$ 6,226 <small>*\$18,000/1550 hours x 450 hours</small>	\$ 5,226 tuition* <small>*\$18,000/1550 hours x 450 hours</small>
Amount Disbursed to Student for Living Costs	\$ 1,246 (\$7,472 - \$6,226)	\$ 2,312 (\$7,538 - \$5,226)

Student withdrew at hour 600, completing 38.7 percent of total 1550 program hours. Per state cosmetology refund policy, school can retain 70 percent of program tuition charges (\$18,000 X .70 = \$12,600), plus \$1,000 for kit.

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#### **4. Backdated Withdrawal Date**

A student who withdraws from a class or classes and is granted a retroactive withdrawal date back to the start date of the term will be treated as if the student never attended the class or classes. The award must be recalculated to exclude credits granted a retroactive withdrawal and the overpayment returned to the State Grant program.

#### **5. Award Adjustment and Refunds for All Non-Passing Grades**

If a student receives a non-passing grade in all classes taken during the term, the applicable federal financial aid guidelines requiring schools to document attendance in these cases also apply to the Minnesota State Grant program. If the school determines that the student never attended a class or classes, the State Grant award for the term must be recalculated to exclude the credits for the classes the student never attended and any overpayment refunded to the State Grant program prior to any refund taking place for other classes the student did attend but did not complete.

For example, a student enrolls and receives a State Grant disbursement for 15 credits at the onset of the term. The student then receives a grade of F in all courses for the term. The school determines the student never attended one 3-credit class, did attend and complete three 3-credit classes and did attend but stopped attending another 3-credit class. In this case, a refund would not be required for the Pell Grant program since the student attended at least one class that extended the length of the term and, therefore, earned the F grade. However, for Minnesota State Grant, the award must first be recalculated to exclude the 3-credit class the student never attended with any overpayment refunded to the program. If the unofficial withdrawal for the 3-credit class the student stopped attending took place prior to the school's award adjustment end date, the school must perform a partial withdrawal refund for the Level 12 State Grant using the Refund Calculation Worksheet (Appendix 13c) or spreadsheet unless there is no refund of institutional charges.

The state does not impose any stricter requirements upon schools to document attendance in these cases beyond those already in place for federal financial aid programs. In other words, if the school first documents the student did attend at least one class offered over



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the entire term or payment period and is, therefore, eligible for the Federal Pell Grant, the state does not require the school to document attendance in all classes for the term.

## **6. Withdrawal for Military Service or Service-Related Medical Condition**

When a student must withdraw from school for military service, the standard refund policy for withdrawals is used. However, state law provides special options for students whose postsecondary education at a Minnesota school is affected due to military service or a service-related disability. The applicable law can be accessed at [www.leg.state.mn.us](http://www.leg.state.mn.us) by retrieving Statute 192.502.

## **7. Refunds for Overpayments**

If a revision to the student's State Grant award for the current aid year results in an overpayment, the overpayment must be returned to the school's State Grant account for the current aid year. In cases where the cause of an overpayment may affect State Grant eligibility for previous aid years, the school is required to review the student's records for the three most recent previous aid years and return any overpayments to the Office using the Refund Return Form (Appendix 22). However, in cases where an auditor or school suspects fraudulent activity, student records must be reviewed for all previous aid years for which they are available and any resulting overpayments must be returned to the Office.

In cases where the school receives new information that would affect the student's need analysis result for prior aid year, the school is not required to make a correction if the federal processing system is no longer operational for the prior aid year.

# **X. Accounting and Audit Requirements**

## **A. General**

Each institution must designate an employee(s) as the institutional representative to perform or supervise all financial and accounting activities related to the Minnesota State Grant program. Auditors from the Office of Higher Education will periodically visit each participating school to perform an audit. Schools have the option of hiring a private auditing firm to conduct the

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audit of state aid programs in conjunction with an audit of federal financial aid programs. (See also ‘Audits’ under ‘Common Definitions’ chapter for criteria for hiring an independent auditing firm.)

Each participating school must establish a procedure by which an audit can be conducted by going to no more than three administrative offices within the school. In most cases, these will be the financial aid office, the business office and the registrar’s office, but that choice is made by the school.

The school must make available all pertinent books, documents, papers and records for audit and examination for three years after the last day of a fiscal year or until all audit exceptions for the period are resolved.

Upon request by the school, the Agency will supply an updated State Grant program audit guide.

## **B. Documentation of Student Eligibility**

All schools must have written documentation that the student meets all of the program eligibility requirements described in the ‘Student Eligibility’ section in this chapter.

With respect to written documentation of enrollment status, the actual documentation, such as a fee statement or transcript, need not be kept at the financial aid office but must be readily available at the registrar’s office or other responsible department within the school.

## **C. Documentation of State Grant Receipts, Disbursements and Refunds**

### **1. General Ledger**

All schools must maintain an audit trail in the form of a general ledger (see Appendix 14 for example) by state fiscal year that tracks the following transactions:

- the date and amount of State Grant funds sent by the Agency to the institution;

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- the date and amount of State Grant funds disbursed by the institution to students. The institution should keep supporting documentation for disbursement entries that identifies the amount of State Grant funds disbursed to the student by check or deposited in the student’s institutional or bank account by student name and ID number. The institution must reconcile financial aid records to business office records regarding the amount of State Grant paid to each student;
- the date and amount of State Grant refunds or repayments from students deposited back into the institution’s State Grant account on campus. The institution should keep supporting documentation for refund entries that identifies the amount of State Grant funds deposited back into the institution’s State Grant account for each student by student name and ID number. The school must also keep a copy of the refund calculation worksheet, or the school’s facsimile, used to calculate the State Grant refund; and
- the date and amount of State Grant funds returned to the Agency by the institution at the end of each fiscal year.

## **D. Reconciliation**

### **1. Reconciling State Grant Disbursement Records**

At the end of each state fiscal year, the financial aid office must reconcile its record of State Grant disbursements with:

- the Agency’s records of State Grant disbursements, and
- the college business office’s records of State Grant disbursements.

The financial aid office must verify that financial aid records reflect the same disbursement amount for each student as the business office and the Agency. This process includes, but is not always limited to, the following steps:

- STEP 1. The institution selects their official record of State Grant disbursements. This must be the record used to submit batches to the Agency and can be maintained by the financial aid office or the business office.

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STEP 2. The institution determines that its official record and the Agency records agree by verifying:

- all disbursements of State Grant funds have been submitted to the Agency,
- that there are no outstanding rejected payments, and
- the total amounts disbursed by the institution and the total amount of payments accepted by the Agency agree.

[Note: If the institution is not able to transmit payment data to the Agency due to software errors, the Agency will not grant the school credit for those payments.]

STEP 3. The institution determines that the records of the business office and the financial aid office are in agreement. If appropriate, any differences should be corrected by adjusting the non-official State Grant disbursement record. If the school needs to adjust its official record, the institution must repeat Step 2.

The student must be eligible to receive any increased award payments made to him or her as part of the reconciliation process.

This part of the reconciliation must establish that:

- the business office and the financial aid office recorded the same total disbursements, and
- for each student, the business office and the financial aid office recorded the same disbursements.

## **2. Reconciliation Summary Report**

Reconciliation between the school and the Agency occurs each time the school submits a batch of student records reflecting payments to date. The Reconciliation Summary Report generated during batch processing reflects the amount of funds advanced to the school, the amount of payments in the current batch accepted by the Agency, and the remaining

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balance due the Agency at the end of the academic year. (See Appendix 19 for further information about this report.)

### **3. Return of Excess Funds**

The school must return all excess funds to the Agency no later than August 31. Schools must also honor any requests for return of excess cash balances sent by the Agency throughout the aid year and return the requested amount within 10 days of receiving the request.

### **E. Utilization of State Grant Fund Interest Earnings**

Schools are allowed to utilize any interest earnings on State Grant funds advanced to the institution to offset administrative costs incurred by the financial aid office from administering the State Grant program on a decentralized basis.

### **F. Prohibition Against Charging Student Fees**

The school shall not, under any circumstances, collect from State Grant applicants or recipients any special fees for charges to directly cover the cost of administering the State Grant program.

### **G. Student Account Requirement**

A school must maintain a student account for each student. The school must provide the student with an itemized statement of the account at least annually and upon termination of enrollment. (See also ‘Student Authorization’ under ‘Disbursement Process’ section of this chapter.)

### **H. Summary of State Audit Requirements: Institutional Documentation for the Minnesota State Grant Program**

At a minimum, each school must be able to produce the following for auditors:

1. individual student financial aid files for State Grant recipients;
2. documentation that students meet program eligibility requirements as outlined under ‘Student Eligibility’ in this chapter;

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3. documentation of the need analysis results used to calculate the student's State Grant award;
4. documentation of the student's enrollment level at the time of State Grant disbursement;
5. documentation of the disbursement dates of payments to individual award recipients;
6. written documentation of refund calculations for individual award recipients (e.g., copy of Refund Calculation Worksheet or Spreadsheet (Appendix 13)) or, in cases where there is no refund of institutional charges, this may be a notation in the student's file;
7. written documentation of individual student refund amounts and the date these State Grant funds were returned to the school's State Grant account;
8. written definition of "satisfactory academic progress" and a policy which conforms to both federal and state requirements;
9. written definitions of "full-time student," "three-quarter time student," "half-time student," and "less than half-time student" for purposes of Federal Title IV programs;
10. documentation of the unusual circumstances requiring a professional judgment change of dependency status or adjustment of EFC or cost of attendance; and
11. for private schools not participating in the Federal Pell Grant program, a signed student disclosure statement (Appendix 23) for all enrolled students.

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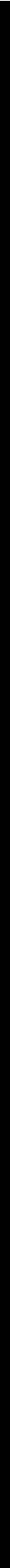
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**Minnesota  
Statutes  
Governing  
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### **136A.121 STATE GRANT PROGRAM.**

Subdivision 1. [Repealed, 1989 c 293 s 85]

Subd. 2. **Eligibility for grants.** An applicant is eligible to be considered for a grant, regardless of the applicant's sex, creed, race, color, national origin, or ancestry, under sections 136A.095 to 136A.131 if the office finds that the applicant:

- (1) is a resident of the state of Minnesota;
- (2) is a graduate of a secondary school or its equivalent, or is 17 years of age or over, and has met all requirements for admission as a student to an eligible college or technical college of choice as defined in sections 136A.095 to 136A.131;
- (3) has met the financial need criteria established in Minnesota Rules;
- (4) is not in default, as defined by the office, of any federal or state student educational loan; and
- (5) is not more than 30 days in arrears in court-ordered child support that is collected or enforced by the public authority responsible for child support enforcement or, if the applicant is more than 30 days in arrears in court-ordered child support that is collected or enforced by the public authority responsible for child support enforcement, but is complying with a written payment agreement under section 518A.69 or order for arrearages.

Subd. 3. **Allocation.** Grants must be awarded on a funds available basis to those applicants who meet the office's requirements.

Subd. 4. [Repealed, 1989 c 293 s 85]

Subd. 5. **Grant stipends.** The grant stipend shall be based on a sharing of responsibility for covering the recognized cost of attendance by the applicant, the applicant's family, and the government. The amount of a financial stipend must not exceed a grant applicant's recognized cost of attendance, as defined in subdivision 6, after deducting the following:

- (1) the assigned student responsibility of at least 50 percent of the cost of attending the institution of the applicant's choosing;
- (2) the assigned family responsibility as defined in section 136A.101; and
- (3) the amount of a federal Pell grant award for which the grant applicant is eligible.

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The minimum financial stipend is \$100 per academic year.

**Subd. 6. Cost of attendance.**

- (a) The recognized cost of attendance consists of: (1) an allowance specified in law for living and miscellaneous expenses, and (2) an allowance for tuition and fees equal to the lesser of the average tuition and fees charged by the institution, or a tuition and fee maximum if one is established in law. If no living and miscellaneous expense allowance is established in law, the allowance is equal to the federal poverty guidelines for a one person household in Minnesota for nine months. If no tuition and fee maximum is established in law, the allowance for tuition and fees is equal to the lesser of: (1) the average tuition and fees charged by the institution, and (2) for two-year programs, an amount equal to the highest tuition and fees charged at a public two-year institution, or for four-year programs, an amount equal to the highest tuition and fees charged at a public university.
- (b) For a student registering for less than full time, the office shall prorate the cost of attendance to the actual number of credits for which the student is enrolled.
- (c) The recognized cost of attendance for a student who is confined to a Minnesota correctional institution shall consist of the tuition and fee component in paragraph (a), with no allowance for living and miscellaneous expenses.
- (d) For the purpose of this subdivision, “fees” include only those fees that are mandatory and charged to full-time resident students attending the institution. Fees do not include charges for tools, equipment, computers, or other similar materials where the student retains ownership. Fees include charges for these materials if the institution retains ownership. Fees do not include optional or punitive fees.

**Subd. 7. Insufficient appropriation.** If the amount appropriated is determined by the office to be insufficient to make full awards to applicants under subdivision 5, awards must be reduced by:

- (1) adding a surcharge to the applicant's assigned family responsibility, as defined in section 136A.101, subdivision 5a; and
- (2) a percentage increase in the applicant's assigned student responsibility, as defined in subdivision 5.

The reduction under clauses (1) and (2) must be equal dollar amounts.



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Subd. 7a. **Surplus appropriation.** If the amount appropriated is determined by the office to be more than sufficient to fund projected grant demand in the second year of the biennium, the office may increase the living and miscellaneous expense allowance in the second year of the biennium by up to an amount that retains sufficient appropriations to fund the projected grant demand. The adjustment may be made one or more times. In making the determination that there are more than sufficient funds, the office shall balance the need for sufficient resources to meet the projected demand for grants with the goal of fully allocating the appropriation for state grants. An increase in the living and miscellaneous expense allowance under this subdivision does not carry forward into a subsequent biennium.

Subd. 8. [Repealed, 1Sp1985 c 11 s 81]

Subd. 9. **Awards.** An undergraduate student who meets the office's requirements is eligible to apply for and receive a grant in any year of undergraduate study unless the student has obtained a baccalaureate degree or previously has been enrolled full time or the equivalent for eight semesters or the equivalent, excluding courses taken from a Minnesota school or postsecondary institution which is not participating in the state grant program and from which a student transferred no credit. A student who withdraws from enrollment for active military service, or for a major illness, while under the care of a medical professional, that substantially limits the student's ability to complete the term is entitled to an additional semester or the equivalent of grant eligibility. A student enrolled in a two-year program at a four-year institution is only eligible for the tuition and fee maximums established by law for two-year institutions.

*[See Note.]*

Subd. 9a. **Full-year grants.** Students may receive state grants for four consecutive quarters or three consecutive semesters during the course of a single fiscal year. In calculating a state grant for the fourth quarter or third semester, the office must use the same calculation as it would for any other term, except that the calculation must subtract any federal Pell grant for which a student would be eligible even if the student has exhausted the Pell grant for that fiscal year.

Subd. 9b. [Repealed, 2013 c 99 art 2 s 30]

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Subd. 10. [Repealed, 1Sp1993 c 2 art 2 s 26]

Subd. 11. **Renewal conditions.** Each grant is renewable, contingent on continued residency in Minnesota, satisfactory academic progress, recommendation of the eligible institution currently attended, and evidence of continued need.

Subd. 12. **Annual application.** To continue to receive a grant, the student must apply for renewal each year.

Subd. 12a. **Free Application for Federal Student Aid (FAFSA) compliance.** All eligible institutions must implement policies and procedures that ensure that applicants are aware that they must annually complete the FAFSA to be eligible for financial aid.

Subd. 13. **Deadline.** The deadline for the office to accept applications for state grants for a term is 30 days after the start of that term.

Subd. 14. [Repealed, 1Sp1985 c 11 s 81]

Subd. 15. [Repealed, 1989 c 293 s 85]

Subd. 16. **How applied; order.** Grants awarded under this section must be applied to educational costs in the following order: tuition, fees, books, supplies, and other expenses. Unpaid portions of the awards revert to the grant account.

Subd. 17. **Independent student information.** The office shall inform students in its financial aid publications about the definition of independent student status and appeals to the financial aid administrator relating to the declaration of the status.

Subd. 18. **Data.**

- (a) An eligible institution must provide to the office data on student enrollment and federal and state financial aid.

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(b) An institution or its agent must provide to the office aggregate and distributional financial or other data as determined by the commissioner that is directly related to the responsibilities of the office under this chapter and chapter 141. The commissioner may only request aggregate and distributional data after establishing and consulting with a data advisory task force to determine the need, content, and detail of the information. Data provided by nonpublic institutions under this paragraph is considered nonpublic data under chapter 13.

Subd. 19. **Reporting.** By November 1 and February 15, the Office of Higher Education must provide, to the committees of the legislature with jurisdiction over higher education finance and policy, updated state grant spending projections taking into account the most current and projected enrollment and tuition and fee information, economic conditions, and other relevant factors. Before submitting state grant spending projections, the Office of Higher Education must meet and consult with representatives of public and private postsecondary institutions, the Department of Management and Budget, the Governor's Office, legislative staff, and financial aid administrators.

Subd. 20. **Institution reporting.**

- (a) Each institution receiving financial aid under this section must annually report to the office the following for each award level:
- (1) enrollment and graduation data for all students, including subgroup information on state and federal Pell grant recipients; and
  - (2) the aggregate awarded financial aid information for all students, and cumulative debt of all graduates by race and ethnicity, gender, and income.
- (b) Using the data submitted to the office by institutions pursuant to paragraph (a), as well as other data available to the office, the office shall provide the following on its Internet Web site by placing a prominent line on its Web site home page:
- (1) information including, but not limited to, persistence and completion, debt of graduates, employment and wage information, and other relevant data for each institution subject to paragraph (a), which shall be made available in a searchable database; and
  - (2) other information and links that are useful to students and parents who are in the process of selecting a college or university. This information may include, but is not limited to, local occupational profiles.

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- (c) The office shall provide a standard format and instructions for institutions supplying the information required under paragraph (a).
- (d) The office shall provide an electronic copy of the information provided on its Internet Web site under paragraph (b) to each public and private high school in the state and each workforce center operated by the Department of Employment and Economic Development. The copy must contain information formatted by institution so that comparison can be easily made between institutions. High schools are encouraged to make the information available to students, including through individual counseling sessions with students. Workforce centers shall make the information available to job seekers, those seeking career counseling, and others as determined by the centers.

**History:** 1971 c 862 s 4; 1975 c 271 s 6; 1975 c 390 s 5; 1977 c 384 s 2; 1977 c 449 s 16; 1979 c 238 s 1-4; 1981 c 359 s 15,16; 1983 c 258 s 42; 1984 c 654 art 4 s 21; 1Sp1985 c 11 s 30-42; 1987 c 258 s 12; 1987 c 401 s 17,18; 1989 c 246 s 2; 1989 c 293 s 27; 1991 c 292 art 5 s 2; 1991 c 356 art 8 s 6-8; 1992 c 513 art 1 s 13; 1993 c 340 s 1; 1Sp1993 c 2 art 2 s 9,10; 1994 c 532 art 2 s 5; 1995 c 212 art 3 s 22-26,59; 1997 c 183 art 2 s 4,5; 1998 c 384 s 8; 1999 c 214 art 2 s 5; 1Sp2001 c 1 art 2 s 10,11; 2002 c 220 art 5 s 5; 2002 c 374 art 5 s 1; 2003 c 133 art 2 s 9-13; 2005 c 107 art 2 s 17-22; 2005 c 164 s 29; 1Sp2005 c 7 s 28; 2007 c 144 art 2 s 19,20; 2008 c 298 s 4; 2008 c 363 art 4 s 7; 2009 c 95 art 2 s 12-14; 2009 c 101 art 2 s 109; 2010 c 215 art 2 s 6; 1Sp2011 c 5 art 2 s 2; 2013 c 99 art 2 s 7,29; art 3 s 2; *1Sp2011 c 5 art 2 s 2; 2013 c 99 art 2 s 7,29; art 3 s 2; 2014 c 149 s 14,15,74; 2015 c 69 art 2 s 46; art 3 s 9; art 5 s 1,2*

**NOTE:** The additional semester or the equivalent of grant eligibility under subdivision 9, as amended by Laws 2005, chapter 107, article 2, section 20, applies to any student who withdrew from enrollment in a postsecondary institution after December 31, 2002, because the student was ordered to active military service as defined in section 190.05, subdivision 5b or 5c. Laws 2005, chapter 107, article 2, section 59.

**136A.131 ACCOUNTING AND RECORDS.**

Subdivision 1. **Accounts.** The office shall establish and maintain appropriate accounts and related records of each recipient of a grant.

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Subd. 2. **Rules, payment and accounting.** The office shall provide by rule the method of payment of the grant awarded and prescribe a system of accounting to be kept by the institution selected by a recipient.

Subd. 3. **Certification to commissioner of management and budget.** Upon proper verification for payment of a grant, the office shall certify to the commissioner of management and budget the amount of the current payment to be made to the grant recipient in conformance with the rule of the office governing the method of payment.

Subd. 4. **Recovery of overpayments.**

- (a) A recipient of a grant must reimburse the office for overpayment. The amount of reimbursement is the difference between the amount received and the amount of actual entitlement as calculated by the office after it makes its final findings under section 136A.121 and rules implemented under that section. The amount of reimbursement may include any costs or expenses, including reasonable attorney fees, incurred by the agency in collecting the debt. The reimbursement is recoverable from the recipient or the recipient's estate. The agency may institute a civil action, if necessary for recovery.
- (b) The recipient must not receive additional awards until the overpayment is recovered or the recipient is making payments under an approved plan. Additional awards for which the recipient is eligible may be used to recover an unreimbursed overpayment.

**History:** 1971 c 862 s 5; 1973 c 492 s 14; 1975 c 271 s 6; 1989 c 293 s 30; 1995 c 212 art 3 s 59; 2009 c 101 art 2 s 109

### **136A.1311 CASH FLOW.**

The Minnesota Office of Higher Education may ask the commissioner of management and budget to lend general fund money to the grant account to ease cash flow difficulties. The Minnesota Office of Higher Education must first certify to the commissioner that there will be adequate refunds to the account to repay the loan. The commissioner shall use the refunds to make repayment to the general fund of the full amount loaned. Money necessary to meet cash flow difficulties in the state grant program is appropriated to the commissioner of management and budget for loans to the Minnesota Office of Higher Education.

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**History:** 1991 c 356 art 8 s 14; 1995 c 212 art 3 s 59; 2005 c 107 art 2 s 60; 2009 c 101 art 2 s 109



**Office of  
Higher  
Education  
Rules  
Governing  
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Grant  
Program**





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**4830.0200 SCOPE.**

Parts 4830.0200 to 4830.0700 govern state grants.

**Stat Auth:** MS s 136A.04; 136A.111; 136A.121; 136A.132; 136A.141; 136A.16; 136A.233; 136A.234; 136A.70

**Hist:** 8 SR 196; 8 SR 2335; 9 SR 991; 15 SR 1780

**4830.0300 ELIGIBLE SCHOOLS.**

Subpart 1. **Annual list.** Annually the director shall approve a list of schools at which a state grant may be used. Schools may be added to the list by the director anytime during the school year.

Subp. 2. **Requirements.** To be eligible a school must:

- A. be located in Minnesota;
- B. offer at least one program that:
  - (1) is vocational or academic in nature;
  - (2) leads to a certificate or degree;
  - (3) is at least eight weeks long; and
  - (4) involves at least 12 academic credits or 300 clock hours;
- C. be:
  - (1) accredited by a federally recognized accrediting agency or association;
  - (2) approved to offer degrees or use terms in its name according to part 4840.0500; or
  - (3) licensed by an appropriate state agency;
- D. sign an institutional agreement with the director; and
- E. have the necessary administrative computing capability to administer the program on campus and electronically report student data records to the office.

**Stat Auth:** MS s 136A.01; 136A.04; 136A.111; 136A.121; 136A.132; 136A.141; 136A.16; 136A.233; 136A.234; 136A.70

**Hist:** 8 SR 196; 8 SR 2335; 9 SR 991; 9 SR 2341; 15 SR 1780; 18 SR 1141; 20 SR 2284; 24 SR 518

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**4830.0400 APPLICATION DATES AND STUDENT ELIGIBILITY.**

Subpart 1. **Date.** Annually the office shall adopt by resolution a date after February 14, by which all applications must be filed to receive an award.

Subp. 2. [Repealed, 15 SR 1780]

Subp. 2a. **Out-of-state housing.** A student's Minnesota residence is not lost if the student or parent must live outside of Minnesota for purposes of postsecondary education, military service, or missionary work, provided the student or parent continues to claim Minnesota as the state of legal residence for income tax purposes.

Subp. 3. [Repealed, 15 SR 1780]

Subp. 4. **Eligibility for initial grant.** To be eligible for an initial grant a student must be an eligible student, as defined in part 4830.0100, subpart 5, except item D, and:

- A. demonstrate financial need;
- B. if under 17 years old, hold a high school diploma or the equivalent;
- C. pursuing a program or course of study that applies to a degree, diploma, or certificate;
- D. must not have received a previous Minnesota state grant; and
- E. is not more than 30 days in arrears for any child support payments owed to a public agency responsible for child support enforcement or, if the student is more than 30 days in arrears, is complying with a payment plan for arrearages.

Subp. 5. **Renewal awards.** A grant is renewable for a maximum of six semesters, nine quarters, or the equivalent, but must not continue after the first of the following occurrences:

- A. the recipient has obtained a baccalaureate degree; or
- B. the recipient has been enrolled on a full-time basis for eight semesters, 12 quarters, or the equivalent, taking into account the exclusions specified in Minnesota Statutes, section 136A.121, subdivision 9.

To be eligible to renew a grant a student must apply each year and continue to meet the requirements for an initial grant, except for subpart 4, item D. A student must have made satisfactory academic progress as defined in Minnesota Statutes, section 136A.101, subdivision 10.

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Subp. 5a. **Child support arrearages.** A grant is not renewable if the recipient is more than 30 days in arrears for any child support payment owed to a public agency responsible for child support enforcement and not subject to a payment plan for arrearages or not in compliance with a payment plan for the arrearages.

Subp. 6. [Repealed, 18 SR 1141]

Subp. 7. **Minnesota correctional institution.** “Minnesota correctional institution” means a federal or state penal institution located in Minnesota in which students are eligible for grants under this rule pursuant to Minnesota Statutes, section 136A.121, subdivision 6.

**Stat Auth:** MS s 136A.01; 136A.04; 136A.111; 136A.134; 136A.16; 136A.234; 136A.70; 147.30

**Hist:** 8 SR 196; 8 SR 2335; 9 SR 991; 10 SR 2319; 13 SR 128; 15 SR 1780; 16 SR 1822; 18 SR 1141; L 1995 c 212 art 3 s 59; 20 SR 2284

4830.0500 [Repealed, 18 SR 1141]

**4830.0600 AWARDS.**

Subpart 1. [Repealed, 23 SR 594]

Subp. 1a. [Repealed, 23 SR 594]

Subp. 1b. [Repealed, 13 SR 128]

Subp. 1c. [Repealed, 13 SR 128]

Subp. 1d. [Repealed, 13 SR 128]

Subp. 1e. **Awards for fourth quarter or third semester.** In calculating a state grant for the fourth quarter or third semester within a fiscal year, the award shall be calculated as specified in Minnesota Statutes, section 136A.121, subdivisions 5 and 9a.

Subp. 2. [Repealed, 28 SR 889]

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Subp. 3. [Repealed, 10 SR 2319]

**Stat Auth:** MS s 14.388; 136A.01; 136A.04; 136A.111; 136A.134; 136A.16; 136A.234; 136A.70;  
147.30

**Hist:** 8 SR 196; 8 SR 2335; 9 SR 991; 10 SR 2319; 13 SR 128; 15 SR 1780; 20 SR 2284; 23 SR 594; 28  
SR 889

### **4830.0700 METHOD OF PAYMENT.**

Subpart 1. **Payments to schools.** After a grant award is determined, the award amount shall be sent by the director to the school chosen by the recipient or the school shall withdraw the award amount from its state grant account. The school shall apply the award to the recipient's educational costs in the following order: tuition, fees, books, supplies, and other expenses. The costs must be prorated for each term of the academic year. The school shall notify each recipient that the award is ready for disbursement.

Subp. 2. **Refunds.** A grant is awarded for full-time attendance at a specified school for up to four quarters or three semesters within the state fiscal year. If a recipient fails to enroll or reduces enrollment, the school must refund the unused portion of the award. If the director determines that a school has fraudulently handled grant money, the refund of the unused portion of the award is immediately due, and the office may institute a civil action for recovery if necessary. Refunds to the office are determined as follows:

- A. calculate the percentage the state grant award represents of the student's total financial aid package for the applicable term, excluding funds received from federal Title IV programs, United States Code, title 20, sections 1070-1099;
- B. calculate the total tuition refund amount using the refund calculation required of schools participating in federal Title IV programs;
- C. subtract the federal aid programs' refund amount from item B to determine the remaining tuition refund amount; and
- D. multiply the percentage in item A by the amount calculated in item C to determine the amount to be refunded to the state grant program.

Refunded money to the state grant program is available for awards to eligible students.

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Subp. 3. **School accounting requirements.** Schools shall maintain separate accounts for grant funds. Refunds to the state grant program must be accompanied with a list stating the social security number, name, award type, amount of refund, term, and refund code for each student included in the refund. The refund must be made to the program within 30 days from the end of the academic term, or 30 days from the date the school is notified of a student's withdrawal, whichever is less. Schools must provide evidence, prepared according to generally accepted accounting principles, that all awards have either been distributed or refunded to the program.

Subp. 4. **Recovery of overpayments.** An overpayment occurs when a grant recipient receives more money than the recipient is eligible to receive under the award calculation. A grant recipient shall reimburse the state grant program for overpayment regardless of the cause. The overpayment amount is the difference between the amount received and the calculated award eligibility. The reimbursement amount includes any costs or expenses incurred by the office in collecting the debt, including reasonable attorney fees. The reimbursement is recoverable from the recipient or the recipient's estate. The office may institute a civil action for recovery if necessary.

The recipient must not receive additional awards until the overpayment is recovered or the recipient is making payments under an approved plan. Additional awards for which the recipient is eligible may be used to recover an unreimbursed overpayment.

**Stat Auth:** MS s 136A.01; 136A.04; 136A.111; 136A.134; 136A.16; 136A.234; 136A.70; 147.30

**Hist:** 8 SR 196; 9 SR 991; 10 SR 2319; 13 SR 128; 15 SR 1780; 18 SR 2482; L 1995 c 212 art 3 s 59; 20 SR 2284

4830.1000 [Repealed, 10 SR 2417]

4830.1100 [Repealed, 10 SR 2417]

4830.1200 [Repealed, 10 SR 2417]

4830.1300 [Repealed, 10 SR 2417]

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4830.1400 [Repealed, 10 SR 2417]

4830.1500 [Repealed, 10 SR 2417]

4830.1550 [Repealed, 18 SR 1141]

4830.1551 [Repealed, 18 SR 1141]

4830.1552 [Repealed, 18 SR 1141]

4830.1553 [Repealed, 18 SR 1141]

4830.1554 [Repealed, 18 SR 1141]

4830.1555 [Repealed, 18 SR 1141]

4830.1560 [Repealed, 18 SR 1141]

4830.1561 [Repealed, 18 SR 1141]

4830.1562 [Repealed, 18 SR 1141]

4830.1563 [Repealed, 18 SR 1141]

4830.1564 [Repealed, 18 SR 1141]

4830.1565 [Repealed, 18 SR 1141]



**Appendices:  
Minnesota  
State  
Grant  
Program**





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## **Minnesota State Grant Program Delivery System**

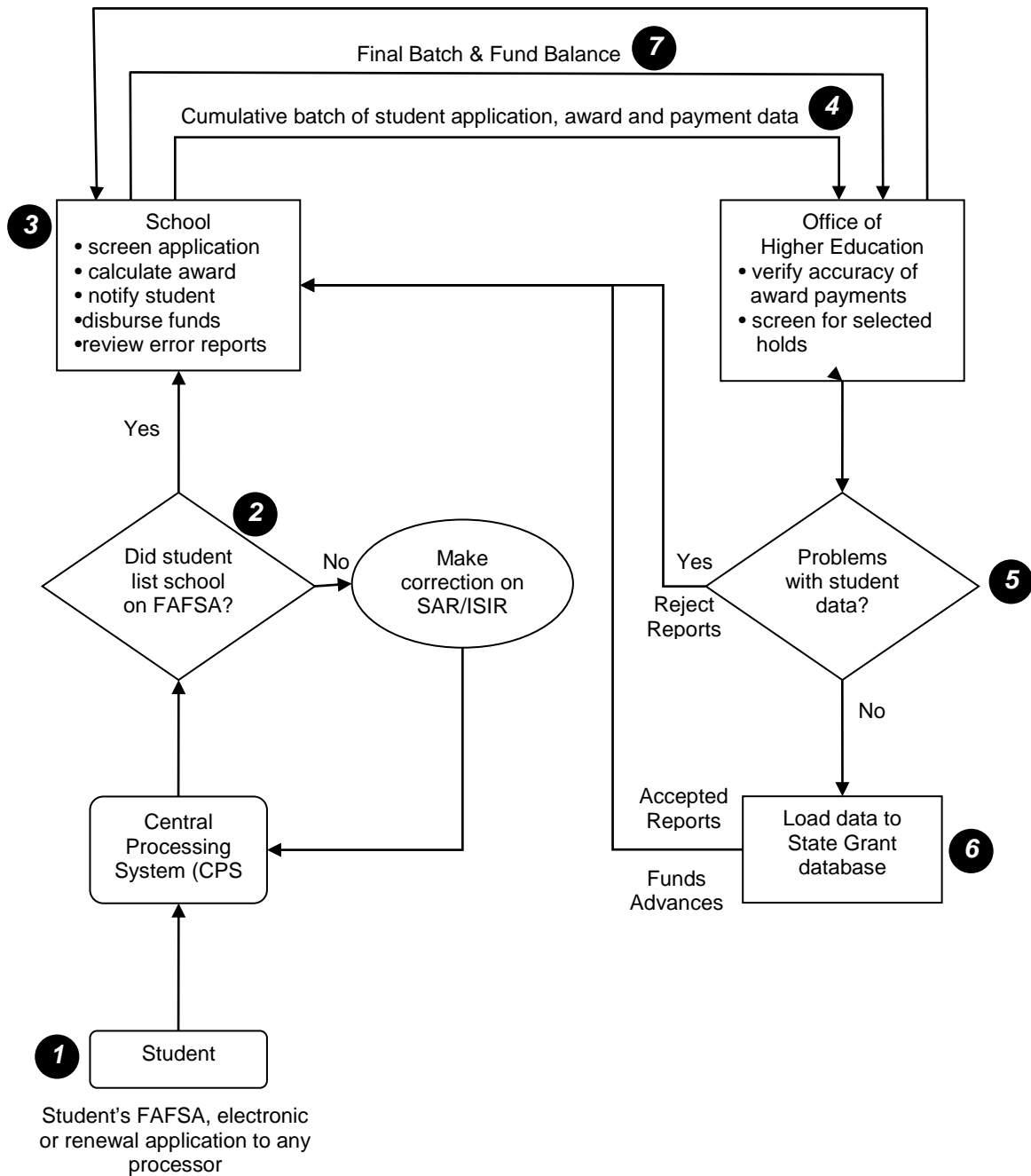
### **Decentralized Delivery System**

- Schools receive student's FAFSA data from federal processor.
- Schools screen applications for program eligibility requirements.
- Schools calculate awards and notify students.
- Schools report DDS records to Office of Higher Education (OHE) each month containing FAFSA, award and payment data.
- The Agency edits for certain eligibility criteria and checks schools' awards and payments for accuracy, generating output reports.
- Upon the school's request, the Agency advances funds to the school to cover awards submitted in the latest DDS batch.
- Schools resolve errors on output reports prior to disbursement.
- Schools disburse funds to students and return excess funds to OHE at close of aid year.
- Communication is between student and school.

All participating schools are now on the Decentralized Delivery System for the Minnesota State Grant program.

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## State Grant Decentralized Delivery System



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**MN STATE GRANT PROGRAM STUDENT ELIGIBILITY QUESTIONNAIRE**  
**AID YEAR: \_\_\_\_\_**

<b>Student Name:</b>	<b>Social Security Number:</b>
Name and address (city and state) of your high school and year you received your diploma. (Write N/A if you didn't graduate.)	Your address when you received your high school diploma. (Write N/A if you didn't graduate.)
Did you earn a G.E.D.?  <input type="checkbox"/> Yes <input type="checkbox"/> No   If "yes," in which state? _____ If "yes," date earned: ____/____/____	Parents' address at time you completed your Free Application for Federal Student Aid (FAFSA):

Please list all the states (or countries) in which you have resided, your dates of residence and your reason for residing (e.g., college, employment, military service, place of birth, etc.) in each state. Please circle any of the following reasons for residing in Minnesota if they apply to you, your spouse or your parent(s):

- active federal military service in Minnesota
- you are a spouse or dependent of a veteran who is a Minnesota resident
- active member of Minnesota National Guard residing in Minnesota
- active member of the reserve component of the U.S. Armed Forces who resides and whose duty station is located in Minnesota.
- relocation to Minnesota from presidential disaster area within 12 months of disaster declaration
- immediate relocation to Minnesota as a refugee from another country

State	Dates of Residence	Reason for Residing in State

Please list the names of all schools you have attended after high school and the dates of attendance for each school. Do NOT include college courses taken during high school. If you withdrew from college during a term due to a major illness while under the care of a physician, or you withdrew for active military service after December 31, 2002, please make note of this below and provide the necessary documentation to your college financial aid administrator. **PLEASE LIST ALL COLLEGES ATTENDED, EVEN IF YOU DO NOT WISH TO TRANSFER CREDIT.**

Name of College	Dates of Enrollment	Enrollment Level

If attending public college in Minnesota, are you receiving tuition reciprocity benefits from a neighboring state?  Yes    No  
If you are currently residing outside of MN, are you enrolled in a distance education program offered by a MN college?  Yes    No

_____ Student Signature	_____ Date Form Completed
----------------------------	------------------------------

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### **This Side for School Use Only**

If the student listed more than 3 years of postsecondary attendance on the questionnaire, the school is required to review academic transcripts from each college attended to determine the amount of postsecondary attendance the student has accumulated.

In addition to screening for eight full-time semesters of postsecondary attendance (or the equivalent) and Minnesota residency on the reverse side of this form, the school is also responsible for verifying that the student meets the remainder of eligibility requirements for the Minnesota State Grant program shown on this side of the form.

Student has not earned baccalaureate degree prior to the start of the current academic year	Student is not in default on a federal student loan
Student is enrolled in an undergraduate program in course work leading to a diploma, certificate or degree	Student is a high school graduate, GED recipient or will be 17 at the time of disbursement
Student is not receiving Tuition Reciprocity benefits from another state (applies only to MN public colleges)	Student meets federal and state requirements for satisfactory academic progress
Student will be enrolled for 3 or more credits (or 6 clock hours per week at clock hour school)	* Student does not owe the Office of Higher Education for a State Grant overpayment
* Student is not in default on a state SELF loan	* Student is not more than 30 days past due on a child support obligation
Student's FAFSA was received by federal processor within 30 days of term start date	

\* The Office of Higher Education assists schools in screening for these variables by reporting data on the State Grant On-Line Hold Report.

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## State Grant On-Line Hold Report

State Grant Student Record Search

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Aid Year	SSN	Student Name	help	DDS/ ISIR rank	SELF hold start date	help	SELF hold end date	help	SELF Notification date	help	Child Support hold start date	help	Child Support hold end date	help	Child Support Notification date	Units > 72 date	help	Units < 72 date	help	Last Transaction
2005				11												85.6	4/26/2005			4/26/2005
2006				12												84	4/26/2005			4/26/2005
2005				12												86.4	4/26/2005			4/26/2005
2005				12												80	4/26/2005			4/26/2005
2005				11												95.2	4/26/2005			4/26/2005
2005				DDS												93.6	4/26/2005			4/26/2005
2006				11						Y	Jun-04				5/19/2005					5/19/2005
2005				11												88	4/26/2005			4/26/2005
2005				11												91	4/26/2005			4/26/2005
2005				11												92.3	4/26/2005			4/26/2005
2006				11												105.9	4/26/2005			4/26/2005
2005				15												105.9	4/26/2005			4/26/2005
2005				11												93.6	4/26/2005			4/26/2005
2005				12												79	4/26/2005			4/26/2005
2005				DDS												93.6	4/26/2005			4/26/2005
2006				11												96	4/26/2005			4/26/2005
2005				11							May-05	6/7/2005			5/17/2005					6/7/2005
2005				11												99.2	4/26/2005			4/26/2005
2006				11												99.2	4/26/2005			4/26/2005
2006				11												78.4	4/26/2005			4/26/2005
2005				11						Y	Aug-04				4/26/2005					4/26/2005
2005				DDS												76	4/26/2005			4/26/2005
2005				11												100.9	4/26/2005			4/26/2005
2005				11												93.6	4/26/2005			4/26/2005
2005				11												95.2	4/26/2005			4/26/2005
2005				DDS												73.1	4/26/2005			4/26/2005
2005				12						Y	Jan-05				4/26/2005					4/26/2005
2005				11												89.6	4/26/2005			4/26/2005
2005				14												89.2	4/26/2005			4/26/2005





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**State Grant Student Record Search - Microsoft Internet Explorer provided by MHESO**

File Edit View Favorites Tools Help

← Back → Search Favorites Media

Address <https://www.mheso.state.mn.us/SSL/SG/stateGrant2.cfm> Go Links >>

## State Grant Student Record Search Results

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6/22/2004

**Name**                    **SSN**  
XXXXXXXXXX

Hold Data		
Code	Date (month/year)	Description
4CS	03/04	* CHILD SUPPORT HOLD 2003-04

Units of Past State Grant Paid				
Aid Year	School Name	Units	Award	Payment
2003-2004	CENTURY COLLEGE	11.2	1028	1028
2002-2003	CENTURY COLLEGE	7.2	1118	1118
2000-2001	COLLEGE OF VISUAL ARTS	24	4350	4350
1999-2000	COLLEGE OF VISUAL ARTS	30.4	4205	4384

Current Year Enrollment											
2003-2004											
School	Units Paid	Summer I		Fall		Winter		Spring		Summer II	
		Credits	Paid	Credits	Paid	Credits	Paid	Credits	Paid	Credits	Paid
CENTURY COLLEGE	11.2	00	0	06	362	0	0	08	666	00	0

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INSTITUTIONAL PARTICIPATION AGREEMENT  
MINNESOTA STATE FINANCIAL AID PROGRAMS  
(Excluding SELF Loan Program)

WHEREAS, The Minnesota Office of Higher Education (hereinafter “the Agency”) has been designated as the agency to administer the Minnesota State Grant Program, State Work Study Program, Postsecondary Child Care Grant Program, and Safety Officer’s Survivor Grant Program (hereinafter “Programs”); and

WHEREAS, Program recipients must attend an eligible institution pursuant to Minnesota Statutes 136A.101, Subdivision 4, 136A.121, Subdivision 18, and Agency Rules 4830.0300. Subpart 2, unless Minnesota Statutes and/or Agency Rules governing Programs dictate otherwise; and

WHEREAS, \_\_\_\_\_  
(hereinafter “Institution”) desires to be recognized as an eligible institution for one or more of the above mentioned Programs administered by the Agency; and

WHEREAS, the Agency, upon review of the Institution’s application for eligibility as evidenced by the completion of Section XV of this Agreement and by providing the required signatures in this section, the Agency does recognize the Institution as an eligible institution pursuant to Minnesota Statutes 136A.101, Subdivision 4, and Agency Rules 4830.0300, Subpart 2, but does not recognize such eligibility with respect to Programs where Minnesota Statutes and/or Agency Rules governing the Programs dictate otherwise;

THEREFORE, the parties agree to the following terms and conditions:

I. Designation of Institutional Employee(s)

The Institution must designate an employee(s) as the Institutional Representative(s) to perform or supervise all financial aid and accounting activities.

II. Limitation of Institutional Participation

An Institution is eligible to participate in the Programs subject to program eligibility limitations specified in Minnesota Statutes and Agency Rules governing the Programs.

III. Program Administration

Both parties to this agreement agree to administer the Programs in accordance with all Federal and Minnesota State Statutes and Agency Rules governing the Programs and the Program policies and procedures contained in the most current version of the Agency’s *Minnesota Financial Aid Manual*.

This agreement is subject to all subsequent changes in both Federal and Minnesota State Statutes and Agency Rules governing the Programs, and Program policies and procedures contained in the most current version of the Agency’s *Minnesota Financial Aid Manual*.

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Both parties acknowledge that the pertinent Program chapters of the Agency's *Minnesota Financial Aid Manual* will be updated on an annual basis and that written directives concerning Program policies and procedures issued by the Agency in the interim will have the full force and effect of the Agency's *Minnesota Financial Aid Manual*, until they are so incorporated.

IV. Terms of the Agreement

This Agreement shall be effective July 1, 2005, or upon final execution, whichever is later, and shall remain in force until modified by mutual consent by both parties or terminated as hereafter provided.

V. Modification or Termination of Agreement

The Agreement may be modified at any time upon mutual agreement of both the Agency and the Institution.

The Agency or the Institution may terminate this Agreement at any time with or without cause upon thirty (30) days written advance notice to the other party. Termination shall be effective on the termination date given in the written notice. All requirements of the agreement related to monies received shall remain in effect until resolved.

VI. Assignment

The Institution shall neither assign nor transfer any rights or obligations under this Agreement without the prior written consent of the Agency.

VII. Amendments

Any amendments to this Agreement shall be in writing.

VIII. Audits

The books, records, documents, and accounting procedures, and practices of an outside party, if applicable and relevant to this Agreement, shall be subject to examination by the Agency and the Legislative auditors.

IX. Affirmative Action

When applicable, the Institution must certify that it has received a certificate of compliance from the Commission of Human Rights pursuant to Minnesota Statutes, Section 363.073.

X. Workers' Compensation

In accordance with the provisions of Minnesota Statutes 176.182, the Agency affirms that the Institution has provided acceptable evidence of compliance with the workers' compensation insurance coverage requirement of Minnesota Statutes 176.181, Subdivision 2.

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XI. Antitrust

The Institution hereby assigns to the State of Minnesota any and all claims for overcharges as to goods and/or services provided in connection with this Agreement resulting from antitrust violations which arise under the antitrust laws of the United States and the antitrust laws of the State of Minnesota.

XII. Voter registration

If the Institution is a state agency or a community based public agency or a non-profit corporation, it shall provide non-partisan voter registration services and assistance, using forms provided by the state, to employees of the institution and the public as required by Minnesota Statutes Section 201.162.

XIII. Sexual Harassment and Violence Policy

All eligible institutions, as defined in Minnesota Statutes 136A.101, Subdivision 4, must adopt a Sexual Harassment and Violence Policy, as outlined in Minnesota Statutes 135A.15.

XIV. Data Practices

The Institution, whether public or private, and the Agency, will maintain and handle all confidential, private and non-public data pursuant to the Minnesota Data Practices Act (“Act”) (Minn. Stat. Chapter 13) in the administration of the Programs. The Institution and the Agency agree that each will be responsible for its own acts or omissions relative to compliance with the Act, and the results of such acts or omissions, to the extent authorized by law and shall not be responsible for the acts of the other party and the results thereof.

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Certification

1. Name of Institution	_____
	(type or print)
2. Full Address	_____
	(type or print)
	_____
	(type or print)
3. The six digit code assigned to the school by the U.S. Department of Education:	
	_____
	(FAFSA Code)
4. Name and Telephone Number of the Director of Financial Aid:	
Name	(      ) _____
	Telephone Number

IN WITNESS WHEREOF, the parties have caused this agreement to be duly executed intending to be bound thereby.

APPROVED INSTITUTION

President, Chief Executive Officer

Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

MINNESOTA OFFICE OF HIGHER EDUCATION

Director of Financial Services

Name: Tim Geraghty

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Financial Aid Director

Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Chief Fiscal Officer/Business Manager

Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

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## Guidelines for Verifying State Grant Eligibility Requirements

Eligibility Requirement	Data Triggering Eligibility Verification* and Suggested Documentation
<b>Undergraduate Program No Baccalaureate Degree</b>	FAFSA degree and grade level questions, school's records. Transcripts or other academic records must prove student does not have a baccalaureate degree and is enrolled in an undergraduate program.
<b>Minnesota Residency</b>  (Schools using State Grant online student eligibility questionnaire can rely on those responses absent missing or conflicting information. See Appendix 24 for further details.)	FAFSA parent and student state of legal residence, date of legal residence, high school state, address state; admissions records may possibly hold state of high school graduation or GED and whether student is paying resident tuition other than through a reciprocity agreement; institutional form should be used to obtain data not on FAFSA (state of GED, whether family resided in Minnesota during high school attendance, date student last moved to Minnesota, when student started postsecondary education in Minnesota, purpose for residing in Minnesota). Documentation must verify that student graduated from a Minnesota high school while residing in Minnesota <u>or</u> student earned a GED in Minnesota after living here 12 months <u>or</u> dependent student's parents resided in Minnesota when FAFSA was completed <u>or</u> student lived in Minnesota 12 months without attending college on a half-time basis or more. Twelve month requirement is waived for certain cases such as military service, natural disasters, refugee status, etc. (see 'Resident Student' definition in Common Definitions chapter).
<b>Minnesota Residency Under MN Dream Act</b>	Documentation collected by OHE. Documentation must prove student attending MN high school for at least three years, graduated from a MN high school or earned a MN GED, and complied with Selective Service registration requirements (if male). Undocumented students who do not meet MN Dream Act criteria can be considered a MN resident if they were granted Deferred Action for Childhood Arrivals (DACA) status prior to meeting one of the state residency criteria above.
<b>Not Receiving Tuition Reciprocity Benefits from Another State</b>	Admissions, business office and registration records.
<b>Limit on Postsecondary Education</b>  (Schools using State Grant online student eligibility questionnaire can use those responses absent missing or conflicting information. See Appendix 24 for further details.)	FAFSA year in college, degree/certificate and bachelor's degree questions along with date of birth. OHE eligibility questionnaire or institutional form should ask student to list all colleges attended and dates of enrollment. Academic transcripts must be reviewed to determine units of postsecondary education attended if student indicates previous enrollment of three or more years. (Refer to State Grant manual for instructions on reviewing transcripts.) The Agency's State Grant On-Line Hold Report (Appendix 3) shows units of State Grant paid to the student in prior years. Schools can also access this data using the State Grant Web Access Screen (Appendix 4). Federal NSLDS system also shows previous attendance if student received federal financial aid.

\*Data triggering selection for eligibility verification is not all inclusive. Schools may have other sources that cause schools to question eligibility.

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<b>Eligibility Requirement</b>	<b>Data Triggering Eligibility Verification* and Suggested Documentation</b>
<p><b>17 Years Old or High School Diploma/GED</b></p> <p>(High school students taking college courses are not eligible for State Grant)</p>	<p>FAFSA date of birth and high school graduation/GED responses are sufficient unless there is conflicting information. Documentation must prove student will be 17 or older at the time of disbursement or have high school diploma/GED. Suggested documentation would be high school diploma or GED certificate or birth certificate. (See information regarding alternate GED tests under ‘High School Diploma, GED or 17 Years of Age’ in this chapter.)</p>
<p><b>Enrolled 3 Credits or More in Program Leading to Degree, Diploma or Certificate</b></p>	<p>School's registration records. School must verify coursework is applicable towards degree, diploma or certificate. Pell Grant eligible credit equivalencies should be counted towards enrollment status.</p>
<p><b>Satisfactory Academic Progress</b></p>	<p>State adopts federal satisfactory academic progress policy used for Title IV financial aid programs. Special provision for approved programs serving students with intellectual disabilities (see Common Definitions chapter of manual for further information).</p>
<p><b>State Grant Overpayment</b></p>	<p>The Agency stores data on its database about students who owe a State Grant overpayment and controls this eligibility criteria by informing schools about students on hold. Students must repay the Agency in full or enter into a repayment plan. School can also access data using State Grant Web Access Screen (Appendix 4) or State Grant On-Line Hold Report (Appendix 3).</p>
<p><b>Federal Loan Default</b></p>	<p>CPS interface with federal loan default data base (NSLDS). Verification documentation the same as for Title IV programs. Schools not participating in federal financial aid programs must rely on the student's SAR.</p>
<p><b>SELF Loan Default</b></p>	<p>The Agency stores this data on its database and controls this eligibility criteria by informing schools about students on hold. Student must repay loan in full or enter into a repayment plan. School can also access data using State Grant Web Access Screen (Appendix 4) or State Grant On-Line Hold Report (Appendix 3).</p>
<p><b>Child Support Arrears</b></p>	<p>The Agency loads data from Human Services Department onto its database and controls this eligibility requirement by informing schools about students on hold. School can also access data using State Grant Web Access Screen (Appendix 4) or State Grant On-Line Hold Report (Appendix 3). DHS must send electronic notification to the Agency that student has repaid past due amount or entered into repayment plan.</p>

\*Data triggering selection for eligibility verification is not all inclusive. Schools may have other sources that cause schools to question eligibility.



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Student's Name: \_\_\_\_\_

Social Security #: \_\_\_\_\_

**Minnesota State Grant Program Transcript Review Worksheet**

Aid Year: \_\_\_\_\_

Units for Pre-July 1, 1992 Coursework		Units for Post-July 1, 1992 Coursework		
Quarter Credits	Semester Credits	Credits	Quarter Units	Semester Units
12+ = 8 Units	12+ = 12 Units	15+	8	12
11-9 = 6 Units	11-9 = 9 Units	14	7.5	11.2
8-6 = 4 Units	8-6 = 6 Units	13	6.9	10.4
5-0 = Bank Credits	5-0 = Bank Credits	12	6.4	9.6
<p><b>* Translating total quarter bank credits to units.</b> Divide total quarter bank credits by 12 to determine number of full-time quarters. Multiply whole number portion of result by 8 units and assign units to any remaining portion of result as follows: .00-.49 = 0 units; .50-.74 = 4 units; .75-.99 = 6 units. Example: Total quarter bank credits = 32 credits divided by 12 = 2.66 FT quarters = 20 units (2.00 x 8 units = 16 units; .66 = 4 units.)</p> <p><b>** Translating total semester bank credits to units.</b> Divide total semester bank credits by 12 to determine number of full-time semesters. Multiply whole number portion of result by 12 units and assign units to any remaining portion of result as follows: .00-.49 = 0 units; .50-.74 = 6 units; .75-.99 = 9 units. Example: Total semester bank credits = 32 credits divided by 12 = 2.66 FT semesters. 2.66 FT semesters = 30 units (2.00 x 12 units; .66 = 6 units.)</p> <p><b>*** Total Units.</b> After translating banked credits to units, add all units for total units. Four full-time years = 96 units. However, schools on the quarter system may exceed the maximum by disbursing one more quarter of aid to a student who has not exceeded <b>94.4</b> units. The corresponding cutoff for semester system schools is <b>93.6</b> units.</p>		11	5.9	8.8
		10	5.3	8.0
		9	4.8	7.2
		8	4.3	6.4
		7	3.7	5.6
		6	3.2	4.8
		5	2.7	4.0
		4	2.1	3.2
		3	1.6	2.4
		2	1.1	1.6
1	.5	.8		

Quarter School Name	Term	Year	Credits	Units	Bank Credits	Semester School Name	Term	Year	Credits	Units	Bank Credits	
<b>Total Banked Credits</b>				N/A		<b>Total Banked Credits</b>				N/A		
<b>Total Quarter Units</b>					*	<b>Total Semester Units</b>					**	
<b>Total Units ***</b>						<b>Terms of remaining eligibility</b>				<b>Date Reviewed:</b>		

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Student's Name: *Student Smith*

Social Security #: *444-44-4444*

**Minnesota State Grant Program Transcript Review Worksheet**

Aid Year: \_\_\_\_\_

Units for Pre-July 1, 1992 Coursework		Units for Post-July 1, 1992 Coursework		
Quarter Credits	Semester Credits	Credits	Quarter Units	Semester Units
12+ = 8 Units	12+ = 12 Units	15+	8	12
11-9 = 6 Units	11-9 = 9 Units	14	7.5	11.2
8-6 = 4 Units	8-6 = 6 Units	13	6.9	10.4
5-0 = Bank Credits	5-0 = Bank Credits	12	6.4	9.6
<p><b>* Translating total quarter bank credits to units.</b> Divide total quarter bank credits by 12 to determine number of full-time quarters. Multiply whole number portion of result by 8 units and assign units to any remaining portion of result as follows: .00-.49 = 0 units; .50-.74 = 4 units; .75-.99 = 6 units. Example: Total quarter bank credits = 32 credits divided by 12 = 2.66 FT quarters = 20 units (2.00 x 8 units = 16 units; .66 = 4 units.)</p> <p><b>** Translating total semester bank credits to units.</b> Divide total semester bank credits by 12 to determine number of full-time semesters. Multiply whole number portion of result by 12 units and assign units to any remaining portion of result as follows: .00-.49 = 0 units; .50-.74 = 6 units; .75-.99 = 9 units. Example: Total semester bank credits = 32 credits divided by 12 = 2.66 FT semesters. 2.66 FT semesters = 30 units (2.00 x 12 units; .66 = 6 units.)</p> <p><b>*** Total Units.</b> After translating banked credits to units, add all units for total units. Four full-time years = 96 units. However, schools on the quarter system may exceed the maximum by disbursing one more quarter of aid to a student who has not exceeded <b>94.4</b> units. The corresponding cutoff for semester system schools is <b>93.6</b> units.</p>		11	5.9	8.8
		10	5.3	8.0
		9	4.8	7.2
		8	4.3	6.4
		7	3.7	5.6
		6	3.2	4.8
		5	2.7	4.0
		4	2.1	3.2
		3	1.6	2.4
		2	1.1	1.6
1	.5	.8		

Quarter School Name	Term	Year	Credits	Units	Bank Credits	Semester School Name	Term	Year	Credits	Units	Bank Credits
<i>Mankato State Univ.</i>	<i>Fall</i>	<i>89-90</i>	<i>12</i>	<i>8</i>		<i>Univ. of St. Thomas</i>	<i>Fall</i>	<i>91-92</i>	<i>4</i>		<i>4</i>
" "	<i>Wtr</i>	<i>89-90</i>	<i>10</i>	<i>6</i>		" "	<i>Sum</i>	<i>90-91</i>	<i>7</i>	<i>6</i>	
" "	<i>Spg</i>	<i>89-90</i>	<i>5</i>		<i>5</i>	" "	<i>Sum</i>	<i>93-94</i>	<i>4</i>	<i>3.2</i>	
<i>U of M - Mpls.</i>	<i>Fall</i>	<i>93-94</i>	<i>12</i>	<i>6.4</i>		<i>Hamline University</i>	<i>Sum</i>	<i>91-92</i>	<i>5</i>		<i>5</i>
" "	<i>Wtr</i>	<i>93-94</i>	<i>10</i>	<i>5.3</i>			<i>Fall</i>	<i>92-93</i>	<i>15</i>	<i>12</i>	
" "	<i>Spg</i>	<i>93-94</i>	<i>17</i>	<i>8</i>							
" "	<i>Fall</i>	<i>95-96</i>	<i>16</i>	<i>8</i>							
" "	<i>Wtr</i>	<i>95-96</i>	<i>14</i>	<i>7.5</i>							
" "	<i>Spg</i>	<i>95-96</i>	<i>16</i>	<i>8</i>							
" "	<i>Sum</i>	<i>95-96</i>	<i>7</i>	<i>3.7</i>							
<b>Total Banked Credits</b>				<b>N/A</b>	<b>5 (/12 = .417 FT Qtrs)</b>	<b>Total Banked Credits</b>				<b>N/A</b>	<b>9 (/12 = 75 FT Sems)</b>
<b>Total Quarter Units</b>				<b>60.9</b>	<b>*0</b>	<b>Total Semester Units</b>				<b>21.2</b>	<b>**9</b>
<b>Total Units *** (60.9 + 0 + 21.2 + 9)</b>			<b>91.1</b>			<b>Terms of remaining eligibility</b>		<b>1 qtr 1 sem</b>		<b>Date Reviewed: 7/1/10</b>	

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**2016-2017 STATE GRANT SHARED RESPONSIBILITY TERM AWARD CALCULATION**  
**Final Parameters 6/1/2016**

The 2016-2017 State Grant term award calculation is shown below. When prorating/multiplying, results should be rounded up or down to the nearest dollar. (Round up if .50 or higher; down if .49 or lower.)

<p><b>+ Average tuition and fees for term</b></p> <p>(The average tuition and fees for the term is a uniform amount used for all students at an institution and consists of tuition and mandatory fees charged to all full-time students)</p>	<p>Use the lesser of the school's average tuition and fees for 15 credits or the full-time tuition and fee maximum for the term. The four-year full-time tuition and maximum is <b>\$7,093</b> for a semester and <b>\$4,728</b> for a quarter. The two-year full-time tuition and fee maximum is <b>\$2,868</b> for a semester and <b>\$1,912</b> for a quarter. If the student is enrolled for fewer than 15 credits per term, both the average full-time tuition and fees and the applicable full-time tuition and fee maximum for the term are prorated on a per credit basis for the student's enrollment level (e.g., by .733 or 11/15ths for a student enrolled for 11 credits) and the lesser of the two is used in the award calculation. The full-time average tuition and fees or the full-time tuition and fee maximum are NOT increased if the student enrolls for more than 15 credits. The tuition and fee maximum used for each student is based on the student's program of study. If the student is enrolled in a four-year degree program, the four-year college tuition and fee maximum is used. If the student is enrolled in a two-year or less program/degree, then the two-year college tuition and fee maximum is used. If the student is paid a State Grant at multiple schools for the same term, the student cannot be paid for more than a total of 15 credits per term. Students enrolled for fewer than three credits per term are not eligible for State Grants. OHE has the authority to increase the maximums during the second year of the biennium (aid year 2016-2017) to use up any projected surplus of funds.</p>
<p><b>+ Living and Misc Expense Allowance (LME) for Term</b></p>	<p>The 9-month annual full-time LME of <b>\$9,320</b> is prorated for the term length (<b>\$4,660</b> for a semester; <b>\$3,106</b> for a quarter) and then prorated again if the enrollment level is less than 15 credits (e.g., by .733 or 11/15ths if the student is enrolled for 11 credits). The LME is NOT increased if the student is enrolled for more than 15 credits. If a student is paid a State Grant at multiple schools for the same term, the total amount of LME used in all the award calculations cannot exceed the LME amount for 15 credits. OHE has the authority to increase the LME during the second year of the biennium (aid year 2016-2017) to use up any projected surplus of funds.</p>
<p><b>= State Grant Budget for Term</b></p>	<p>Derived by adding the term tuition and fees to the term LME.</p>
<p><b>- Student Share 50%</b></p>	<p>50 percent of the State Grant Budget for Term. OHE has authority to adjust this percentage during the year to address funding shortfalls.</p>
<p><b>- Parent Contribution for Term</b></p>	<p>Subtract only for dependent students. Prorate 100 percent of the 9-month annual Federal Methodology need analysis Parent Contribution by term length (.50 for semester system; .3333 percent for quarter system). Multiply the term amount by <b>.94</b>. Do NOT prorate for less than full-time enrollment. Subtract the result within the award calculation. OHE has the authority to place a percentage surcharge on the PC due to projected funding shortfalls.</p>
<p><b>- Student Contribution/ EFC for Term</b></p>	<p>Subtract only for independent students. Prorate 100 percent of the 9-month annual Federal Methodology need analysis Expected Family Contribution (EFC) by term length (.50 for semester system; .3333 percent for quarter system). Multiply the term amount by <b>.86</b> for independent students with dependents other than a spouse or by <b>.50</b> for independent students without dependents other than a spouse. Do NOT prorate for less than full-time enrollment. OHE has the authority to place a percentage surcharge on the EFC due to projected funding shortfalls.</p>
<p><b>- Federal Pell Grant Term Award</b> (based on the 2016-2017 Pell Grant Payment Schedule)</p>	<p>Subtract Federal Pell Grant award for term based on student's enrollment level used for the State Grant program. Prorate annual Pell Grant award for student's enrollment level by term length (50 percent for semester system; .3333 percent for quarter system). Pell Grant enrollment levels are: 12+ credits = full-time, 9-11 credits 3/4-time; 6-8 credits 1/2-time; 1-5 credits less than half-time.</p>
<p><b>= State Grant Term Award</b></p>	<p>If less than the minimum award of \$50 per semester or \$33 per quarter, set to zero.</p>



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**Sample 2016-2017 State Grant Term Award Calculations  
Using Average Tuition and Fees**

**Example 1:** State Grant award for dependent student enrolled in 4-year degree program taking 17 credits at 4-year state university on semester system. Student has 9-month annual Federal Methodology Parent Contribution of \$1,505 and 9-Month Federal Methodology EFC of \$2,000.

Annual Standard Resident Tuition for 30 semester credits = \$6,944  
 Full-Time (15 credits) semester tuition = \$3,472 (must limit tuition to 15 credits)  
 Annual mandatory fees\* charged to all students for 30 semester credits = \$1,106  
 Full-Time (15 credits) semester fees = \$553 (must limit fees to 15 credits)  
 Tuition and Fees for Semester = \$4,025

Annual Tuition and Fee Maximum for 4-Year College = \$14,186  
 Tuition and Fee Maximum for Full-Time Semester = \$14,186 X .50 = \$7,093  
 (maximum not increased for students taking more than 15 credits)

Tuition used in term award calculation = \$3,472  
 Fees used in term award calculation = \$ 553  
 \$4,025

LME used in award calculation + \$4,660 (\$9,320 X .50 = \$4,660)  
 (15 credit LME not increased for student taking more than 15 credits)

State Grant Budget for Term: = \$8,685

Minus 50% Student Share - \$4,343 (\$8,685 X .50 = \$4,343)

Minus FM Parent Contribution - \$ 708 (\$1,505 X .50 = \$753 X .94 = \$708)

Minus Full-Time Pell Grant - \$1,933 (\$3,865 X .50 = \$1,933)

State Grant Award for Term = \$1,701 (over minimum semester award of \$50)

\* Fees can only include mandatory fees charged to all students enrolled at the institution. Fees cannot include fees for the purchase of required equipment or supplies, but may include charges for rental of required equipment or supplies if the school retains ownership and the fees are required. Fees cannot cover rental or purchase charges for books. Fees cannot include fees that can be waived for certain students, even if required for other students.

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**Sample 2016-2017 State Grant Term Award Calculations  
Using Average Tuition and Fees**

**Example 2:** State Grant award for married independent student without dependents enrolled in 2-year degree program taking 13 credits at 2-year public college with tuition banding on semester system. Student has 9-month annual Federal EFC of \$2,145.

Tuition \$200.00 per credit for student taking 1 - 11 credits  
Tuition \$2,500 per semester for student taking 12 - 18 credits  
Tuition for Full-Time (15 credits) Semester = \$2,500  
Tuition for 13 Credit Semester = \$2,500 X 13/15ths or 86.7% = \$2,167.50 = \$2,168  
Annual mandatory fees\* charged to all students for 30 semester credits = \$600  
Full-Time (15 credits) semester fees = \$300  
Fees for 13 credit semester = \$300 X 13/15ths or 86.7% = \$260.10 = \$260

Tuition and Fees for 13 Credit Semester = \$2,428

Annual Full-Time (30 semester credits) Tuition and Fee Maximum for 2-Year College = \$5,736  
Maximum for Full-Time (15 credits) Semester = \$5,736 X .50 = \$2,868  
Maximum for 13 Credit Semester = \$2,868 X 13/15ths or 86.7% = \$2,487

Tuition used in term award calculation = \$2,168  
Fees used in term award calculation = \$ 260  
\$2,428

LME used in award calculation + \$4,040 (50% of 13/15 of 15 credit LME of \$9,320)  
(\$8,828 X .50 = \$4,660)  
(\$4,660 X .867 = \$4,040)

State Grant Budget for Term: = \$6,468

Minus 50% Student Share - \$3,234 (\$6,468 X .50 = \$3,234)

Minus FM Student Contribution - \$ 537 (\$2,145 X .50 = \$1,073)  
(\$1,073 X .50 = \$537)

Minus Full-Time Pell Grant - \$1,833 (50% of \$3,665)

State Grant Award for Term = \$ 864 (over minimum semester award of \$50)

\* Fees can only include mandatory fees charged to all students enrolled at the institution. Fees cannot include fees for the purchase of required equipment or supplies, but may include charges for rental of required equipment or supplies if the school retains ownership and the fees are charged to all students. Fees cannot cover rental or purchase charges for books. Fees cannot include fees that can be waived for certain students, even if required for other students.

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**Sample 2016-2017 State Grant Term Award Calculations  
Using Average Tuition and Fees**

**Example 3:** State Grant award for dependent student enrolled in 4-year degree program taking 18 credits at private 4-year college on semester system. Student has 9-month annual Federal Methodology Parent Contribution of \$1,755 and 9-Month Federal EFC of \$2,235.

Annual Tuition \$1,133.33 per credit X 30 credits = \$34,000  
Tuition for Full-Time (15 credits) Semester = \$34,000 X .50 = \$17,000

Annual mandatory fees\* charged to all students for 30 semester credits = \$500  
Full-Time (15 credits) semester fees = \$250

Annual Full-Time Tuition and Fee Maximum = \$14,186  
Maximum for Full-Time Semester = \$14,186 X .50 = \$7,093  
(Full-time private 4-year tuition maximum of \$14,186 for 15 credits not increased for students taking more than 15 credits)

Tuition used in term award calculation	=	\$-----	
Fees used in term award calculation	=	<u>\$-----</u>	
		\$ 7,093	(tuition and fee maximum)
LME used in award calculation	+	<u>\$ 4,660</u>	(\$9,320 X .50 = \$4,660) (15 credit LME not increased for student taking more than 15 credits)
State Grant Budget for Term:	=	\$11,753	
Minus 50% Student Share	-	\$ 5,877	(\$11,753 X .50 = \$5,877)
Minus FM Parent Contribution	-	\$ 825	(\$1,755 X .50 = \$878 X .94 = \$825)
Minus Full-Time Pell Grant	-	<u>\$1,783</u>	(\$3,565 X 50%)
State Grant Award for Term	=	\$3,268	(over minimum semester award of \$50)

\* Fees can only include mandatory fees charged to all students enrolled at the institution. Fees cannot include fees for the purchase of required equipment or supplies, but may include charges for rental of required equipment or supplies if the school retains ownership and the fees are charged to all students. Fees cannot cover rental or purchase charges for books. Fees cannot include fees that can be waived for certain students, even if required for other students.

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**Sample 2016-2017 State Grant Term Award Calculations  
Using Average Tuition and Fees**

**Example 4:** State Grant award for single independent student with dependents enrolled in 4-year degree program taking 12 credits at private 4-year college on semester system. Student has 9-month annual Federal Methodology EFC of \$2,241.

Tuition \$1,133.33 per credit X 30 credits = \$34,000  
Tuition for Full-Time (15 credits) Semester = \$34,000 X .50 = \$17,000  
Tuition for 12 Credit Semester = \$17,000 X 12/15ths or 80% = \$13,600

Annual mandatory fees\* charged to all students for 30 semester credits = \$600  
Fees for Full-Time (15 credits) Semester = \$300  
Fees for 12 Credit Semester = \$300 X 12/15ths or 80% = \$240

Annual Full-Time Tuition and Fee Maximum = \$14,186  
Maximum for Full-Time (15 Credits) Semester = \$14,186 X .50 = \$7,093  
Maximum for 12 Credits Semester = \$7,093 X 12/15ths or 80% = \$5,674

Tuition used in term award calculation = \$-----  
Fees used in term award calculation = \$-----  
\$5,674 (tuition and fee maximum)

LME used in award calculation + \$3,728 (\$9,320 X .50 = \$4,660)  
(\$4,660 X .80 (12/15) = \$3,728)

State Grant Budget for Term: = \$9,402

Minus 50% Student Share - \$4,701 (\$9,402 X .50 = \$4,701)

Minus FM Student Contribution - \$ 964 (\$2,241 X .50 = \$1,121)  
(\$1,121 X .86 = \$964)  
(prorated by state)

Minus Full-Time Pell Grant - \$1,783 (\$3,565 X .50)

State Grant Award for Term = \$1,954 (over semester minimum award of \$50)

\* Fees can only include mandatory fees charged to all students enrolled at the institution. Fees cannot include fees for the purchase of required equipment or supplies, but may include charges for rental of required equipment or supplies if the school retains ownership and the fees are charged to all students. Fees cannot cover rental or purchase charges for books. Fees cannot include fees that can be waived for certain students, even if required for other students.



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**Sample 2016-2017 State Grant Term Award Calculations  
Using Average Tuition and Fees**

**Example 5:** State Grant award for dependent student enrolled in 2-year degree program taking 11 credits at private 2-year college with tuition banding on semester system. Student has 9-month annual FM Parent Contribution of \$2,829 and 9-Month Federal EFC of \$3,414.

Tuition \$680 per credit for student taking 1 - 11 credits  
Tuition \$8,160 band for students taking 12 - 18 credits = \$8,160  
Full-Time (15 Credits) Semester Tuition = \$8,160  
Tuition for 11 Credit Semester = \$8,160 X 11/15ths or 73.3% = \$5,981.28 = \$5,981

Annual mandatory fees\* charged to all students for 30 semester credits = \$500  
Fees for Full-Time (15 credits) Semester = \$500 X .50 = \$250  
Fees for 11 Credit Semester = \$250 X 11/15ths or 73.3% = \$183.25 = \$183

Tuition and Fees for 11 Credit Semester = \$6,164

2-Year Annual Tuition and Fee Maximum = \$5,736  
Maximum for Full-Time (15 Credits) Semester = \$5,736 X 50% = \$2,868  
Maximum for 11 Credit Semester = \$2,868 X 11/15ths or 73.3% = \$2,102

Tuition used in term award calculation	=	\$-----	
Fees used in term award calculation	=	<u>\$-----</u>	
		\$2,102	(tuition and fee maximum)
LME used in award calculation	+	<u>\$3,416</u>	(50% of 11/15 of 15 credit LME of \$9,320)
			(\$9,320 X .50 = \$4,660)
			(\$4,660 X .733 = \$3,416)
State Grant Budget for Term:	=	\$5,518	
Minus 50% Student Share	-	\$2,759	(\$5,518 X .50 = \$2,759)
Minus FM Parent Contribution	-	\$1,330	(\$2,829 X .50 = \$1,415 X .94 = \$1,330)
Minus 3/4-Time Pell Grant	-	<u>\$1,183</u>	(\$2,365 X .50 = \$1,183)
State Grant Award for Term	=	\$ 246	(over semester minimum award of \$50)

\* Fees can only include mandatory fees charged to all students enrolled at the institution. Fees cannot include fees for the purchase of required equipment or supplies, but may include charges for rental of required equipment or supplies if the school retains ownership and the fees are charged to all students. Fees cannot cover rental or purchase charges for books. Fees cannot include fees that can be waived for certain students, even if required for other students.

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**Sample 2016-2017 State Grant Term Award Calculations  
Using Average Tuition and Fees**

**Example 6:** State Grant award for single independent student without dependents enrolled in 2-year degree program taking 7 credits at private 2-year vocational college on quarter system. Student has 9-month annual Federal Methodology EFC of \$7,000.

\$250 per credit X 45 quarter credits = \$11,250  
Tuition for Full-Time (15 Credits) Quarter = \$3,750  
Tuition for 7 Credit Quarter = \$3,750 X 7/15ths or 46.7% = \$1,751.25 = \$1,751

Annual mandatory fees\* charged to all students for 45 quarter credits = \$300  
Fees for Full-Time (15 credits) Quarter = \$100  
Fees for 7 Credit Quarter = \$100 X 7/15ths or 46.7% = \$46.70 = \$47

Tuition and Fees for 7 Credit Quarter = \$1,798

Annual Tuition and Fee Maximum: \$5,736  
Maximum for Full-Time (15 Credits) Quarter = \$5,736 X .3333% = \$1,912  
Maximum for 7 Credit Quarter = \$1,912 X .467 (7/15ths) = \$893

Tuition used in term award calculation = \$-----  
Fees used in term award calculation = \$-----  
\$ 893 (tuition and fee maximum)

LME used in award calculation + \$1,451 (\$9,320 X .3333 = \$3,106)  
(\$3,106 X .467 (7/15) = \$1,451)  
(15 credit LME prorated for student taking fewer than 15 credits)

State Grant Budget for Term: = \$2,344

Minus 50% Student Share - \$1,172 (\$2,344 X .50 = \$1,172)

Minus FM Student Contribution - \$1,167 (\$7,000 X .3333 = \$2,333)  
(\$2,333 X .50 = \$1,167)  
(prorated by state)

Minus Half-Time Pell Grant - \$ 0

State Grant Award for Term = \$ 0 (under \$33 minimum award for quarter)

\* Fees can only include mandatory fees charged to all students enrolled at the institution. Fees cannot include fees for the purchase of required equipment or supplies, but may include charges for rental of required equipment or supplies if the school retains ownership and the fees are charged to all students. Fees cannot cover rental or purchase charges for books. Fees cannot include fees that can be waived for certain students, even if required for other students.

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**Sample 2016-2017 State Grant Term Award Calculations  
Using Average Tuition and Fees**

**Example 7:** State Grant awards for dependent student taking 10 credits at 2-year public college and 7 credits at a private 4-year college both on semester system for the same term. Award calculated and disbursed separately at both schools. Public college was first to report award to OHE for 10 credits, so private 4-year college is limited to using 5 credits of actual tuition and fees, tuition and fee maximum and LME. Student has 9-month annual Federal Methodology Parent Contribution of \$0 and 9-Month Federal Methodology EFC of \$0.

Annual Full-Time Tuition at Public College: \$170 per credit X 30 Semester Credits = \$5,100  
Tuition for Full-Time (15 Credits) Semester = \$5,100 X .50 = \$2,550  
Tuition for 10 Credit Semester = \$2,550 X 10/15ths or 66.7% = \$1,701

Annual mandatory fees\* charged to all students for 30 semester credits = \$600  
Fees for Full-Time (15 credits) Semester = \$600 X .50 = \$300  
Fees for 10 Credit Semester = \$300 X 10/15ths or 66.7% = \$200

Tuition and Fee Maximum for 2-Year College = \$5,736 X .50 = \$2,868  
\$2,868 X 10/15ths or .667 = \$1,913

Award Calculation at Public College for 10 Credits

Tuition used in term award calc:	\$1,701	
Fees used in term award calculation:	<u>\$ 200</u>	
	\$1,901	(actual tuition and fees below cap)
LME used in award calculation	+ <u>\$3,108</u>	(\$9,320 X .50 = \$4,660) (\$4,660 X .667 = \$3,108) (LME would be limited to 8 credits if private college reported first)
State Grant Budget for Term:	= \$5,009	
Minus 50% Student Share	- \$2,505	(\$5,009 X .50 = \$2,505)
Minus FM Parent Contribution	- \$ 0	
Minus 3/4-Time Pell Grant	- <u>\$2,181</u>	(\$4,361 X .50 = \$2,181)
State Grant Award for Term at 2-Year Public College	= \$ 323	(over minimum semester award of \$50)

\* Fees can only include mandatory fees charged to all students enrolled at the institution. Fees cannot include fees for the purchase of required equipment or supplies, but may include charges for rental of required equipment or supplies if the school retains ownership and the fees are charged to all students. Fees cannot cover rental or purchase charges for books. Fees cannot include fees that can be waived for certain students, even if required for other students.

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### Example 7 (continued)

Annual Full-Time Tuition at Private College: \$1,133.33 per credit X 30 credits = \$34,000  
 Full-Time Tuition for Semester = \$34,000 X .50 = \$17,000  
 Tuition for Remaining 5 Credits of Eligibility = \$17,000 X 5/15ths or 33.3% = \$5,661

Annual mandatory fees\* charged to all students for 30 semester credits = \$600  
 Fees for Full-Time (15 credits) Semester = \$600 X .50 = \$300  
 Fees for 5 Credits of Remaining Eligibility = \$300 X 5/15ths or 33.3% = \$100

Annual Tuition and Fee Maximum for 4-Year College = \$14,186  
 Maximum for Full-Time (15 credits) Semester = \$14,186 X 50% = \$7,093  
 Maximum for Remaining 5 Credits of Eligibility = \$7,093 X .333 (5/15ths) = \$2,362

#### Award Calculation at Private 4-Year College for 5 Credits

Tuition and fees used:	\$2,362	(tuition and fee maximum for 5 credits)
LME used in award calculation	+ <u>\$1,552</u>	(\$9,320 X .50 = \$4,660) (\$4,660 X .333 (5/15ths) = \$1,552) (10 credits LME used at public college leaving 5 remaining credits of LME)
State Grant Budget for Term	= \$3,914	
Minus 50% Student Share	- \$1,957	(\$3,914 X .50 = \$1,957)
Minus Federal Parent Contribution	- \$ 0	
Minus Less Than Half-Time Pell Grant	- <u>\$ 727</u>	(\$1,454 X .50 = \$727)
State Grant Award for Term at Private 4-Year College	= \$1,230	(over minimum semester award of \$50)

\* Fees can only include mandatory fees charged to all students enrolled at the institution. Fees cannot include fees for the purchase of required equipment or supplies, but may include charges for rental of required equipment or supplies if the school retains ownership and the fees are charged to all students. Fees cannot cover rental or purchase charges for books. Fees cannot include fees that can be waived for certain students, even if required for other students.

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**Sample 2016-2017 State Grant Term Award Calculations  
Using Individualized Tuition and Fees**

**Example 8:** State Grant award for dependent student enrolled in 4-year degree program taking 10 credits at a 4-year private college and 10 credits at a 2-year public college both on semester system. Credits and costs are combined and the award is calculated and disbursed at the 4-year private college. In this case, average tuition and mandatory fees for 15 credits combined from both schools are compared to the 4-year private college tuition and fee maximum for the student's combined credits. Student has 9-month annual State Parent Contribution of \$0 and 9-Month Federal EFC of \$0.

Annual Full-Time Average Tuition at Private College: \$1,133.33 per credit X 30 credits = \$34,000  
 Full-Time Tuition for Semester = \$34,000 X .50 = \$17,000  
 Tuition for 10 Credits = \$17,000 X 10/15ths or 66.7% = \$11,339

Annual mandatory fees\* charged to all students for 30 semester credits = \$600  
 Fees for Full-Time (15 credits) Semester = \$600 X .50 = \$300  
 Fees for 10 Credits = \$300 X 10/15ths or 66.7% = \$200

Annual Full-Time Average Tuition at 2-Year Public College: \$170 per credit X 30 credits = \$5,100  
 Full-Time Tuition for Semester = \$5,100 X .50 = \$2,550  
 Tuition for 5 Remaining Credits of Eligibility = \$2,550 X 5/15ths or 33.3% = \$849

Annual mandatory fees charged to all students for 30 semester credits = \$600  
 Fees for Full-Time (15 credits) Semester = \$600 X .50 = \$300  
 Fees for 5 Credits of Remaining Eligibility = \$300 X 5/15ths or 33.3% = \$100

10 Credits Tuition and Fees at Private 4-Year College = \$11,539  
 5 Credits Tuition and Fees at Public 2-Year College = \$ 949  
 \$12,488

Private Tuition and Fee Maximum for 4-Year College for 15 Credits: \$14,186 X .50 = \$7,093  
 \$12,488 Exceeds Tuition and Fee Maximum of \$7,093, so \$7,093 is used

Award Calculation at Private 4-Year College for Combined Credits

Tuition and fees used: \$ 7,093  
 LME used in award calculation + \$ 4,660 (\$9,320 X .50 = \$4,660)  
 (LME limited to 15 credits per term)

State Grant Budget for Term: = \$11,753  
 Minus 50% Student Share - \$ 5,877 (\$11,753 X .50 = \$5,877)

Minus State Parent Contribution - \$ 0  
 Minus Full-Time Pell Grant - \$ 2,908 (\$5,815 X .50 = \$2,908)

State Grant Award for Term = \$ 2,968 (over minimum semester award of \$50)

\* Fees can only include mandatory fees charged to all students enrolled at the institution. Fees cannot include fees for the purchase of required kits, equipment or supplies, but may include charges for rental of required equipment or supplies if the school retains ownership and the fees are charged to all students. Fees cannot cover rental or purchase charges for books. Fees cannot include fees that can be waived for certain students, even if required for other students.

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**Sample 2016-2017 State Grant Term Award Calculations  
Using Average Tuition and Fees**

**Example 9:** State Grant award for single independent student with no dependents attending progressive clock hour school for 30+ hours per week. School defines full-time academic year as 1200 clock hours and divides academic year into 2 payment periods, like semesters. Student has 9-month annual Federal Methodology EFC of \$1,505.

Tuition: \$13,840 for 1550-hour cosmetology program = \$8.39 per hour  
 Annual Tuition for Full-Time 1200-Hour Academic Year = 1,200 X \$8.39 = \$10,068  
 Tuition for Full-Time 600-Hour Payment Period/Semester = \$10,068 X .50 = \$5,034

Mandatory fees\* charged to all students for 1550 hour cosmetology program = \$200 = \$.13 hr  
 Fees for Full-Time 1200-hour academic year = 1,200 X \$.13 = \$156  
 Fees for Full-Time 600-Hour Payment Period/Semester = \$156 X .50 = \$78

Annual Full-Time Tuition and Fee Maximum for 2-Year College = \$5,736  
 Maximum for Full-Time 600-Hour Payment Period = \$5,736 X .50 = \$2,868

Tuition used in term award calculation = \$-----  
 Fees used in term award calculation = \$-----  
 \$2,868 (private tuition and fee maximum)

LME used in award calculation + \$4,660 (\$9,320 X .50 = \$4,660)

State Grant Budget for Period: = \$7,528

Minus 50% Student Share - \$3,764 (\$7,528 X .50 = \$3,764)

Minus FM EFC - \$ 377 (\$1,505 X .50 = \$753)  
 (\$753 X .50 = \$377)  
 (prorated by state)

Minus Full-Time Pell Grant - \$2,133 (50% of \$4,265)

State Grant Award for Term = \$1,254 (over minimum semester award of \$50)

\* Fees can only include mandatory fees charged to all students enrolled at the institution. Fees cannot include fees for the purchase of required kits, equipment or supplies, but may include charges for rental of required equipment or supplies if the school retains ownership and the fees are charged to all students. Fees cannot cover rental or purchase charges for books. Fees cannot include fees that can be waived for certain students, even if required for other students.

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**Sample 2016-2017 State Grant Term Award Calculations  
Using Average Tuition and Fees**

**Example 10:** State Grant award for single independent student with dependents attending progressive clock hour school for 22 hours per week (Level 11). School defines full-time academic year as 1200 clock hours and divides academic year into 2 payment periods, like semesters. Student has a 9-month Federal Methodology EFC of \$1,505. Student has 350 remaining hours in program.

Tuition \$5,000 for 350-hour manicurist program = \$14.29 per hour  
Annual Full-Time Tuition for 1200-Hour Academic Year = 1,200 X \$14.29 = \$17,148  
Tuition for Full-Time 600-Hour Payment Period = \$17,148 X .50 = \$8,574  
Tuition for Level 11 440-Hour Payment Period = \$8,574 X 11/15ths or 73.3% = \$6,285

Mandatory fees\* charged to all students for 350-hour manicurist program = \$100 = \$.29 hour  
Fees for Full-Time 1200-hour academic year = 1,200 X \$.29 = \$348  
Fees for Full-Time 600-Hour Payment Period = \$348 X .50 = \$174  
Fees for Level 11 440-Hour Payment Period = \$174 X 11/15ths or 73.3% = \$127.50 = \$128

Annual Full-Time Tuition and Fee Maximum for 2-Year College = \$5,736  
Maximum for Full-Time 600-Hour Payment Period = \$5,736 X .50 = \$2,868  
Maximum for Level 11 440-Hours Payment Period = \$2,868 X 11/15ths or 73.3% = \$2,102

Tuition used in term award calculation	=	\$-----	
Fees used in term award calculation	=	<u>\$-----</u>	
		\$2,102	(tuition and fee maximum Level 11)
LME used in award calculation	+	<u>\$3,416</u>	(\$9,320 Level 15 LME X .50 = \$4,660) (\$4,660 X 11/15 (.733) = \$3,416) (LME for Level 11 period)
State Grant Budget for Period:	=	\$5,518	
Minus 50% Student Share	-	\$2,759	(\$5,518 X .50 = \$2,759)
Minus FM EFC	-	\$ 648	(\$1,505 X .50 = \$753) (\$753 X .86 = \$648) (prorated by state)
Minus 3/4-Time Pell Grant	-	<u>\$1,600</u>	(50% of 3/4-time annual Pell of \$3,199 = \$1,600)
State Grant Award for Level 11 Pay Period of 440 hours	=	\$ 511	(over minimum semester award of \$50)
Prorated State Grant Award for 350 remaining hours within 440 hour pay period \$511 X 350/440 (.80)	=	\$ 409	





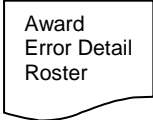

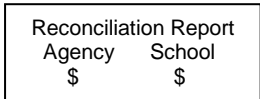
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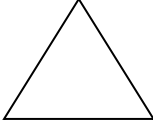



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### DDS Processing Cycle

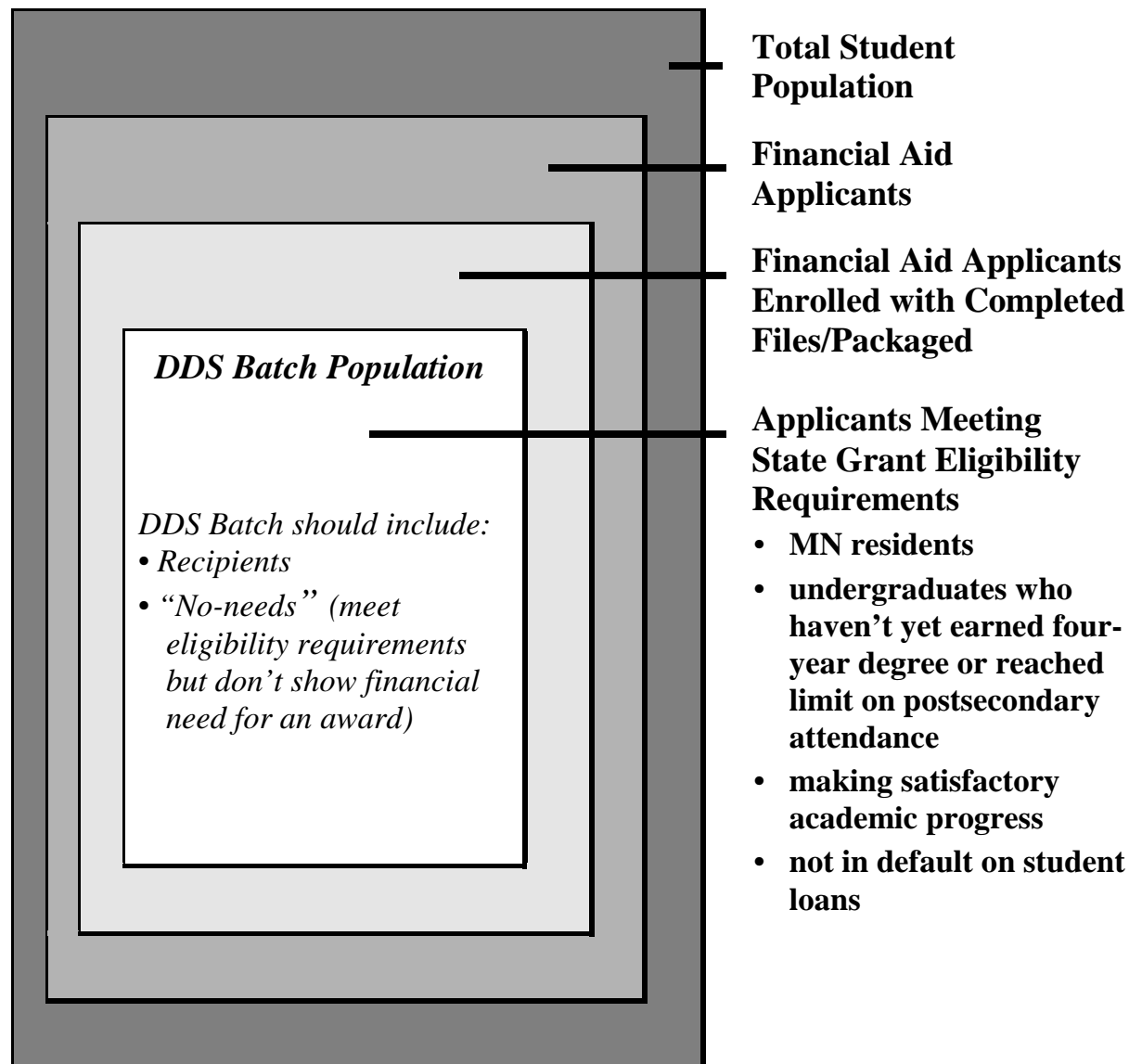
	<ol style="list-style-type: none"> <li>1. The DDS institution submits a batch of DDS records to the Agency via SG web access upload or automated SFTP process.</li> <li>2. School also requests funds using SG web access screen.</li> </ol>
	The Office of Higher Education provides an initial funds advance for first term payments no sooner than 14 days in advance of the first term's start date, based on historical payment data for the institution and the sum of term awards in the institution's most recent batch.
	The Agency compares the institution's trailer record totals with its own computation of totals. If a discrepancy is found, the Agency will not process the DDS transmittal and will ask the school to correct and resubmit its transmittal.
	The <i>Roster of Rejected Awards/Payments</i> displays rejected payments for students with award or payment calculation errors. The roster also includes warning edits for awards that are below the Agency's calculated award and discrepancies in the EFC and PC.
	The <i>Award Error Detail Roster</i> displays data on all award errors occurring within the batch and compares the institution's need analysis and State Grant awards to the results calculated by the Agency.
	The <i>Roster of Accepted Payments</i> displays all students in the DDS batch with accepted payments and total accepted payments by term.
	A <i>Reconciliation Report</i> is generated to enable the Agency and the institution to reconcile amounts for advances, accepted payments, rejected payments and cash balances on hand.

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	The Agency places output reports in the institution's directory on the SG web access screen. Schools log on to SG web access screen to view, print or download output reports.
	The institution reviews the reports and makes any necessary corrections to its student and accounting records. The cycle is repeated on a monthly basis until the end of the year with close attention paid to the reporting deadlines listed under 'Reporting Deadlines' in the State Grant Manual.
	The school returns all excess funds and submits an error-free final batch by the end of year deadlines listed under 'Reporting Deadlines' in the State Grant manual.

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## Selecting a DDS Batch Population





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**MINNESOTA OFFICE OF HIGHER EDUCATION  
DECENTRALIZED DELIVERY SYSTEM RECORD FORMAT  
ACADEMIC YEAR 2016-2017 Version 2017.2 May 2016**

DDS Element Name	Description	Federal ISIR Position	DDS Record Position	Size/Format	OHE Database
------------------	-------------	-----------------------	---------------------	-------------	--------------

If Size/Format column contains a "#" sign, it means a numeric field may be populated with spaces if the corresponding field on the ISIR record contained spaces.

### NOTES FOR PROGRAMMERS

Instructions for programmers are provided below, as well as within the field description on the DDS record format. If you have questions, please contact Ginny Dodds at (651) 355-0610 or Ginny.Dodds@state.mn.us.

1. Records should be sent in ASCII and submitted via the Office of Higher Education's SG Web Access screen or via SFTP for schools using an automated SFTP process.
2. Alpha values (e.g., student's name) should be left-justified in the field. For example, the field for last name holds 16 characters. If the student's last name is only 10 characters, the name is followed by 6 spaces.
3. Numeric values should be right-justified and zero-filled (unless spaces are a valid value). For example, if a numeric field holds 4 digits, and you want to send a value of zero, fill the entire field with zeros - 0000. If you want to report \$20, send 0020; \$159 would be 0159; \$2,500 would be 2500, and so forth. Fields designated as numeric (9) should always contain positive numeric values, unless designated as a signed field.  
  
There are certain numeric fields for which spaces are acceptable if the student left the item blank on the application. When sending spaces in a numeric field, send all spaces; don't ever send a mixture of spaces and numbers. These fields are marked with a # sign on the DDS record format.
4. Signed numeric fields (shown as S9 on layout) are for values that could either be negative or positive. Signed numeric values should also be right-justified and zero-filled (unless spaces are a valid value). Do not use a minus or plus sign to identify whether the value is negative or positive. Rather, the last digit in the number should be send as an alpha value according to the following key:

<u>Last Digit Is:</u>	<u>Send this if positive:</u>	<u>Send this if negative:</u>
0	{,l,? or 0	,,j,., or !
1	A or 1	J
2	B or 2	K
3	C or 3	L
4	D or 4	M
5	E or 5	N
6	F or 6	O
7	G or 7	P
8	H or 8	Q
9	I or 9	R

Example: If field is S9(5) and you want to report -\$4,912, send 0491K.

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DDS Element Name	Description	Federal ISIR Position	DDS Record Position	Size/Format	OHE Database
If Size/Format column contains a "*" sign, it means a numeric field may be populated with spaces if the corresponding field on the ISIR record contained spaces.					
<b>SECTION A</b>					
<b>School identifiers</b>					
MHESO-INST-CODE	School's 6 character institution identification code used for the Federal Pell Grant program.		1-6	X (6)	Inst, char 6
MHESO-SORT	Sort field - must always be left blank		7	X (1)	
MHESO-ACAD-YR	Constant "17" (for 2016-2017 aid year)		8-9	X (2)	aidyr, int
filler	area not used		10-15	X (6)	
MHESO-SSN	Student's current Social Security Number	1349-1357	16-24	9 (9)	
<b>SECTION B</b>					
<b>Student/Parent FAFSA Data</b>					
<b>(This entire section can be copied from 2016-2017 ISIR positions 15 - 966)</b>					
MHESO-LAST-NAME	Student's last name	15-30	25-40	X (16)	
MHESO-FIRST-NAME	Student's first name	31-42	41-52	X (12)	
MHESO-MIDDLE-INIT	Student's middle initial	43	53	X (1)	
MHESO-STREET	Student's permanent street address	44-78	54-88	X (35)	
MHESO-CITY	Student's city of permanent residence	79-94	89-104	X (16)	
MHESO-STATE	Student's permanent state address: Alphabetic U.S. postal code	95-96	105-106	X (2)	
MHESO-ZIP	Zip code of student's permanent address	97-101	107-111	X (5)	
MHESO-BIRTH	Student's date of birth - format CCYYMMDD	102-109	112-119	X (8)	dob, date
filler	area ignored (Position 124-130 used by University of Minnesota for Student ID Code.)	110-201	120-211	X (92)	

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DDS Element Name	Description	Federal ISIR Position	DDS Record Position	Size/Format	OHE Database
MHESO-MARITL	Student's marital status: 1 = Single 2 = Married/remarried 3 = Separated 4 = Divorced or widowed Blank	202	212	X (1)	Marital_status, c1
filler	area ignored	203-208	213-218	X (6)	
MHESO-RES	Student's state of legal residence: Alphabetic U.S. postal code	209-210	219-220	X (2)	Res_state_legal,c2
filler	area ignored	211-316	221-326	X (106)	
MHESO-YRINSCH	Student's year in college: 0 = 1 <sup>st</sup> year, never attended college 1 = 1 <sup>st</sup> year, previously attended 2 = Sophomore 3 = Junior 4 = Senior 5 = 5 <sup>th</sup> Year 6 = 1 <sup>st</sup> year graduate/professional 7 = Continuing graduate/professional Space = Blank on ISIR (Students are not eligible for State Grant after attending college for the equivalent of 4 full-time academic years.)	317	327	X (1)	Yr_in_schl, char1
filler	area ignored	318-369	328-379	X (52)	
MHESO-SS-TAX-STATUS	Student's tax return completed? 1 = Already completed 2 = Will complete 3 = Will not file Blank	370	380	X (1)	Tax_status, c1

If Size/Format column contains a '#' sign, it means a numeric field may be populated with spaces if the corresponding field on the ISIR record contained spaces.

**MINNESOTA OFFICE OF HIGHER EDUCATION  
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DDS Element Name	Description	Federal ISIR Position	DDS Record Position	Size/Format	OHE Database
MHESO-SS-RETURN-TYPE	Student's/spouse's type of 2015 tax form used? 1 = IRS 1040 2 = IRS 1040A or 1040EZ 3 = Foreign Tax Return 4 = Tax return from Puerto Rico, Guam, American Samoa, the Virgin Islands, Marshall Islands, the Federate States of Micronesia or Palau Blank	371	381	X (1)	Tax_form, c1
MHESO-SS-FILING-STATUS	Student's 2015 tax return filing status: 1 = Single 2 = Married, joint return 3 = Married, filed separate return 4 = Head of household 5 = Qualifying widow(er) 6 = Don't know Blank	372	382	X (1)	
MHESO-SS-ELIG-SHORT	Student/spouse eligible to file a 1040A or 1040EZ? 1 = Yes; 2 = No; 3 = Don't know, Blank	373	383	X (1)	Elig_short_form,c1
MHESO-SS-AGI	Student's/spouse's 2015 federal adjusted gross income	374-380	384-390	S9 (7) #	Agi, int4
MHESO-SS-FIT	Student's/spouse's 2015 federal income tax paid	381-387	391-397	9 (7) #	Fed_income_tax, int4
MHESO-SS-EXEMPT	Student's/spouse's 2015 federal income tax exemptions claimed	388-389	398-399	9 (2) #	Tax_exemptions,int
MHESO-SS-STUINC	2015 Student's income earned from work	390-396	400-406	S9 (7) #	Wages, int4
MHESO-SS-SPOINC	2015 Spouse's income earned from work	397-403	407-413	S9 (7) #	Wages_sp, int4
MHESO-SS-CASH	Student's/spouse's cash, savings, and checking account balance as reported on the FAFSA	404-410	414-420	9 (7) #	Savings, int4
MHESO-SS-INVEST-NET-WORTH	Student's/spouse's net worth of other real estate and investments as reported on the FAFSA	411-417	421-427	9 (7) #	Invest_equity, int4

If Size/Format column contains a '#' sign, it means a numeric field may be populated with spaces if the corresponding field on the ISIR record contained spaces.



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DDS Element Name	Description	Federal ISIR Position	DDS Record Position	Size/Format	OHE Database
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MHESO-SS-BUS-FARM-NET-WORTH	Student's/spouse's net worth of business and investment farm as reported on the FAFSA	418-424	428-434	9 (7) #	Farm_equity_int4
MHESO-SS-ED-CREDITS	Student's/spouse's educational credits as reported in FAFSA item #44a	425-431	435-441	9 (7)	Educ_credits
MHESO-SS-CHILD-SUP-PAID	Student's/spouse's child support paid as reported in FAFSA item #44b	432-438	442-448	9 (7)	Child_sup_paid
MHESO-SS-NEED-BASED-EMP	Student's/spouse's need-based employment income as reported in FAFSA item #44c	439-445	449-455	9 (7)	Need_based_employ
MHESO-SS-GRANT-AID	Student's/spouse's grant/scholarship aid as reported in FAFSA item #44d	446-452	456-462	9 (7)	Grant_aid
MHESO-SS-COMBAT-PAY	Student's/spouse's taxable combat pay as reported in FAFSA item #44e	453-459	463-469	9 (7)	Combat_pay
MHESO-SS-COOP	Student's/spouse's co-op earnings as reported in FAFSA item #44f	460-466	470-476	9 (7)	Coop_earn
MHESO-SS-PENSION	Student's/spouse's pension payments as reported in FAFSA item #45a	467-473	477-483	9 (7)	Pension
MHESO-SS-IRA	Student's/spouse's IRA payments as reported in FAFSA item #45b	474-480	484-490	9 (7)	Ira
MHESO-SS-CHILD-SUP-RECD	Student's/spouse's child support received as reported in FAFSA item #45c	481-487	491-497	9 (7)	Child_sup_recd
MHESO-SS-INT-INCOME	Student's/spouse's interest income as reported in FAFSA item #45d	488-494	498-504	9 (7)	Interest_income
MHESO-SS-IRA-DIST	Student's/spouse's IRA distributions as reported in FAFSA item #45e	495-501	505-511	9 (7)	Ira_dist
MHESO-SS-UNTAXED-PENSIONS	Student's/spouse's untaxed pensions as reported in FAFSA item #45f	502-508	512-518	9 (7)	Untaxed_pension

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MHESO-SS-MILITARY-CLERGY	Student's/spouse's military/clergy allowances as reported in FAFSA item #45g	509-515	519-525	9 (7)	Military_clergy
MHESO-SS-VETS-NON-ED-BEN	Student's/spouse's non-education vets benefits as reported in FAFSA item #45h	516-522	526-532	9 (7)	Vets_non_ed_benefit
MHESO-SS-OTHER-UNTAXED-INC	Student's/spouse's other untaxed income as reported in FAFSA item #45i	523-529	533-539	9 (7)	Other_untaxed_inc
MHESO-SS-OTHER-NON-REPORTED	Student's/spouse's other non-reported money as reported in FAFSA item #45j	530-536	540-546	9 (7)	Other_non_reported
filler	area not used	537-586	547-596	X (50)	
MHESO-BORN-BEFORE	Was student born before 1-1-1993? 1 = Yes; 2 = No, Blank	587	597	X (1)	Born_before, char1
MHESO-STUD-MARRIED	Is student married? 1 = Yes; 2 = No, Blank	588	598	X (1)	Married, char1
MHESO-GRAD-DEG	Is student working on a master's or doctorate program? 1 = Yes; 2 = No, Blank	589	599	X (1)	Grad_or_prof, char1
MHESO-ACTIVE-DUTY	Is the student on active duty in the U.S. Armed Forces? 1 = Yes; 2 = No, Blank	590	600	X (1)	Active_duty, char1
MHESO-VET	Is the student a veteran of U.S. Armed Forces? 1 = Yes; 2 = No, Blank	591	601	X (1)	Veteran, char1
MHESO-CHILDREN	Does the student have children he/she supports? 1 = Yes; 2 = No, Blank	592	602	X (1)	Children, char1

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MHESO-LEGAL-DEP	Does the student have legal dependents other than children or a spouse that live with and get more than half of their support from the student? 1 = Yes; 2 = No, Blank	593	603	X (1)	Legal_dependents, char1
MHESO-ORPHAN	Was the student an orphan, ward of the court or in foster care after age 13 or older? 1 = Yes; 2 = No, Blank	594	604	X (1)	Orphan, char1
MHESO-EMANCIPATED?	As of the date the FAFSA was filed, was student an emancipated minor? 1 = Yes; 2 = No, Blank	595	605	X (1)	Emancipated
MHESO-LEGAL-GUARDIANSHIP?	As of the date the FAFSA was filed, was student in legal guardianship? 1 = Yes; 2 = No, Blank	596	606	X (1)	Legal_guardianship
MHESO-UNACCOMP-DISTRICT?	At any time after July 1, 2015, did school district liaison determine student was unaccompanied youth? 1 = Yes; 2 = No, Blank	597	607	X (1)	Unaccomp_district
MHESO-UNACCOMP-HUD?	At any time after July 1, 2015, did HUD determine student was unaccompanied youth? 1 = Yes; 2 = No, Blank	598	608	X (1)	Unaccomp_hud
MHESO-AT-RISK?	At any time after July 1, 2015, did homeless director consider student at risk of homelessness? 1 = Yes; 2 = No, Blank	599	609	X (1)	At_risk
filler	area not used	600-604	610-614	X (5)	

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MHESO-PAR-MARSTA	Parents' marital status: 1 = Married/Remarried 2 = Never Married 3 = Divorced/Separated 4 = Widowed 5 = Unmarried and both parents living together Blank	605	615	X (1)	Marital_status_pa
filler	area ignored	606-637	616-647	X (32)	
MHESO-FATHER-DOB	Parent 1 date of birth - format CCYYMMDD	638-645	648-655	X(8)	Dob_fa, date
filler	area ignored	646-671	656-681	X(26)	
MHESO-MOTHER-DOB	Parent 2 date of birth - format CCYYMMDD	672-679	682-689	X(8)	Dob_mo, date
filler	area ignored	680-729	690-739	X (50)	
MHESO-PAR-RES	Parents' state of legal residence: Alphabetic U.S. postal code	730-731	740-741	X (2)	Res_state_legal_pa, c2
filler	Area ignored	732-738	742-748	X (7)	
MHESO-PAR-HOUSEHOLD	Parents' household size, as defined for Federal Methodology (report leading zero for single digit value, e.g. '05' for a household size of 5)	739-740	749-750	9 (2) #	Household_size_pa
MHESO-PAR-FAM-INCOL	Number of people in parents' household who are planning to attend college at least half-time during the 2016-2017 academic year (excluding parents)	741	751	9 (1) #	Household_in_college_pa
MHESO-PAR-SSI	Does anyone included in parents' household size receive Supplemental Security Income (SSI) benefits? 1 = Yes; 2 = No, Blank	742	752	X (1)	Security_income_pa

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MHESO-PAR-FOOD	Does anyone included in parents' household size receive Food Stamp benefits? 1 = Yes; 2 = No, Blank	743	753	X (1)	food_stamps_pa
MHESO-PAR-LUNCH	Does anyone included in parents' household size receive Free or Reduced Price Lunch benefits? 1 = Yes; 2 = No, Blank	744	754	X (1)	Lunch_reduced_pa
MHESO-PAR-TANF	Does anyone included in parents' household size receive TANF benefits? 1 = Yes; 2 = No, Blank	745	755	X (1)	Tanf_benefit_pa
MHESO-PAR-WIC	Does anyone included in parents' household size receive Women, Infants and Children (WIC) benefits? 1 = Yes; 2 = No, Blank	746	756	X (1)	Wic_benefit_pa
MHESO-PAR-TAX-STATUS	Parents' tax return completed? 1 = Already completed 2 = Will complete 3 = Will not file Blank	747	757	X (1)	Tax_status_pa
MHESO-PAR-RETURN-TYPE	Parents' federal tax return filed for 2015: 1 = IRS 1040 2 = IRS 1040A or 1040EZ 3 = Foreign Tax Return 4 = Tax return from Puerto Rico, Guam, American Samoa, the Virgin Islands, Marshall Islands, the Federate States of Micronesia or Palau Blank	748	758	X (1)	Tax_form_pa

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MHESO-PAR-FILING-STATUS	Parents' 2015 Tax Return Filing Status: 1 = Single 2 = Married, filed joint return 3 = Married, filed separate return 4 = Head of household 5 = Qualifying widow(er) 6 = Don't know Blank	749	759	X (1)	
MHESO-PAR-ELIG-SHORT?	Parents eligible to file a 1040A or 1040EZ? 1 = Yes; 2 = No; 3=Don't know, Blank	750	760	X (1)	Elig_short_form_pa
MHESO-PAR-DISLOCATED	Is either parent a dislocated worker? 1 = Yes; 2 = No; 3 = Don't know, Blank	751	761	X (1)	Dislocated_pa
MHESO-PAR-AGI	Parents' 2015 federal adjusted gross income	752-758	762-768	S9 (7) #	Agi_pa
MHESO-PAR-FIT	Parents' 2015 federal income tax paid	759-765	769-775	9 (7) #	Fed_income_tax_pa
MHESO-PAR-EXEMPT	Total number of exemptions claimed on parents' 2015 federal tax return	766-767	776-777	9 (2) #	Tax_exemptions_pa
MHESO-FATHER-INC	2015 Parent 1 income earned from work	768-774	778-784	S9 (7) #	Wages_fa
MHESO-MOTHER-INC	2015 Parent 2 income earned from work	775-781	785-791	S9 (7) #	Wages_mo
MHESO-PAR-CASH	Parents' cash, savings, and checking account balance as reported on the FAFSA	782-788	792-798	9 (7) #	Savings_pa
MHESO-PAR-INVEST-NET-WORTH	Parents' other real estate and investments net worth as reported on the FAFSA	789-795	799-805	9 (7) #	Invest_equity_pa
MHESO-PAR-BUS-FARM -NET-WORTH	Parents' business and investment farm net worth as reported on the FAFSA	796-802	806-812	9 (7) #	Farm_equity_pa
MHESO-PAR-ED-CREDITS	Parents' educational credits as reported in FAFSA item #93a	803-809	813-819	9 (7)	Educ_credits_pa

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MHESO-PAR-CHILD-SUP-PAID	Parents' child support paid as reported in FAFSA item #93b	810-816	820-826	9 (7)	Child_sup_paid_pa
MHESO-PAR-NEED-BASED-EMP	Parents' need-based employment income as reported in FAFSA item #93c	817-823	827-833	9 (7)	Need_based_employ_pa
MHESO-PAR-GRANT-AID	Parents' grant/scholarship aid as reported in FAFSA item #93d	824-830	834-840	9 (7)	Grant_aid_pa
MHESO-PAR-COMBAT-PAY	Parents' taxable combat pay as reported in FAFSA item #93e	831-837	841-847	9 (7)	Combat_pay_pa
MHESO-PAR-COOP	Parents' co-op earnings as reported in FAFSA item #93f	838-844	848-854	9 (7)	Coop_earn_pa
MHESO-PAR-PENSION	Parents' pension payments as reported in FAFSA item #94a	845-851	855-861	9 (7)	Pension_pa
MHESO-PAR-IRA	Parents' IRA payments as reported in FAFSA item #94b	852-858	862-868	9 (7)	Ira_pa
MHESO-PAR-CHILD-SUP-RECD	Parents' child support received as reported in FAFSA item #94c	859-865	869-875	9 (7)	Child_sup_recd_pa
MHESO-PAR-INT-INCOME	Parents' interest income as reported in FAFSA item #94d	866-872	876-882	9 (7)	Interest_income_pa
MHESO-PAR-IRA-DIST	Parents' IRA distributions as reported in FAFSA item #94e	873-879	883-889	9 (7)	Ira_dist_par
MHESO-PAR-UNTAXED-PENSIONS	Parents' untaxed pensions as reported in FAFSA item #94f	880-886	890-896	9 (7)	Untaxed_pension_pa
MHESO-PAR-MILITARY-CLERGY	Parents' military/clergy allowances as reported in FAFSA item #94g	887-893	897-903	9 (7)	Military_clergy_pa
MHESO-PAR-VETS-NON-ED-BEN	Parents' noneducation vets benefits as reported in FAFSA item #94h	894-900	904-910	9 (7)	Vets_non_ed_benefit_pa
MHESO-PAR-OTHER-UNTAXED-INC	Parents' other untaxed income as reported in FAFSA item #94i	901-907	911-917	9 (7)	Other_untaxed_inc_pa

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filler	area not used	908-957	918-967	X (50)	
MHESO-SS-HOUSEHOLD	Independent student's/spouse's family size, as defined for Federal Methodology (report leading zero for single digit value, e.g. '05' for a household size of 5)	958-959	968-969	9 (2) #	Household_size
MHESO-SS-NR-INCOL	Number of people in independent student's household who are planning to attend college at least half-time during the 2016-2017 academic year	960	970	9 (1) #	Household_in_college
MHESO-SS-SSI	Does anyone included in independent student's household size receive Supplemental Security Income (SSI) benefits? 1 = Yes; 2 = No, Blank	961	971	X (1)	Security_income
MHESO-SS-FOOD	Does anyone included in independent student's household size receive Food Stamp benefits? 1 = Yes; 2 = No, Blank	962	972	X (1)	food_stamps
MHESO-SS-LUNCH	Does anyone included in independent student's household size receive Free or Reduced Price Lunch benefits? 1 = Yes; 2 = No, Blank	963	973	X (1)	Lunch_reduced
MHESO-SS-TANF	Does anyone included in independent student's household size receive TANF benefits? 1 = Yes; 2 = No, Blank	964	974	X (1)	tanf_benefit
MHESO-SS-WIC	Does anyone included in independent student's household size receive Women, Infants and Children (WIC) benefits? 1 = Yes; 2 = No, Blank	965	975	X (1)	Wic_benefit
MHESO-SS-DISLOCATED	Is student or spouse a dislocated worker? 1 = Yes; 2 = No; 3 = Don't know, Blank	966	976	X (1)	dislocated

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<b>SECTION C**</b>					
<b>Need Analysis Data and Results</b>					
filler	area ignored		977-978	X (2)	
MHESO-LIVARR	Student's living arrangements during 2016-2017: 1 = On campus 2 = With parents 3 = Off campus (Leave blank when OHE is calculating state need analysis and awards for school.)	978	979	X (1)	
MHESO-DEPSTS	Student's dependency status for State Grant program: D = Dependent I = Independent (Do not send values of "X" or "Y" - these appear on rejected ISIRs which should not be sent to OHE.)	1138	980	X (1)	Dep_status
MHESO-FED-EFC	Federal Methodology 9-Month Expected Family Contribution used to determine the Federal Pell Grant Award: (Leave blank when OHE is calculating state need analysis and awards for school.)	1582-1587	981-986	9 (6)	Fed_etc
MHESO-FED-PC	Federal Methodology 9-Month Parent Contribution (zero fill for independent students): (Leave blank when OHE is calculating state need analysis and awards for school. OHE populates on return record.)	1841-1847	987-993	9 (7)	Fed_pc
MHESO-STATE-SC	Due to the elimination of a state need analysis formula, this field should be left blank or zero filled.		994-1000	9 (7)	State_sc
MHESO-STATE-PC	Due to the elimination of a state need analysis formula, this field should be left blank or zero filled.		1001-1007	9 (7)	State_pc

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MHESO-PRI-SEC	Primary/secondary calculation indicator for need analysis: Space or P = use primary calculation results S = use secondary calculation results		1008	X (1)	
MHESO-ORIGIN-TYPE	Origin type: O = EFC based on assumed (not actual) data R or Space = EFC based on actual (not assumed) data <u>Example of One Type of Assumption:</u> In cases where parents' number in college is greater than 6, FM assumes there is only 1 in college and the EFC is based on this assumption. If you are using an EFC that is based on any type of assumption, report 'O' in MHESO-ORIGIN-TYPE field. Some schools choose to override assumptions and recalculate the EFC based on actual data (i.e., more than 6 in college). If you recalculate the record to override assumptions and use actual data, report 'R' or space in this field.		1009	X (1)	Assumption_flag
MHESO-PAR-COLL-OVER	This field is used to inform OHE that the school is using professional judgment to include a dependent student's parent in the number in college and thereby override the need analysis assumption which excludes parents from the number in college. Y = Yes, school wants override N or Blank = No override		1010	X (1)	Incollege_override_pa
MHESO-PRIOR-UNITS	Prior units of State Grant payments received during previous aid years. (This field should only be populated by OHE for schools who have OHE calculate state need analysis and awards.)		1011-1015	999V99	
filler	area ignored		1016	X (01)	

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MHESO-MNRR-FORMULA	<p>Federal Methodology formula type:                      1 = Dependent, Full Needs Test                      2 = Independent w/o Dependents, Full Needs Test                      3 = Independent with Dependents, Full Needs Test                      4 = Dependent, Simplified Needs Test                      5 = Independent w/o Dependents, Simplified Needs Test                      6 = Independent with Dependents, Simplified Needs Test                      (This field should only be populated by OHE for schools who use OHE to calculate state need analysis and awards.)</p>	1600	1017	X (01)	fm_formula
filler	area ignored		1018	X (01)	
<b>SECTION D</b>					
MHESO-PELL-BUDGET	Title IV annual cost of attendance used to determine the Federal Pell Grant award at full-time, 3/4-time and 1/2-time enrollment levels.		1019-1023	9 (5)	Pell_ft_budget
MHESO-PELL-BUDGET-PT	Title IV annual cost of attendance used to determine the Federal Pell Grant award at less than 1/2-time enrollment level. This amount is equal to the full-time Title IV cost of attendance reported in MHESO-PELL-BUDGET minus the costs for room and board and miscellaneous expenses.		1024-1028	9 (5)	Pell_pt_budget
MHESO-PELL-FT	Annual full-time Pell Grant award: (Leave blank when OHE is calculating state need analysis and awards for school.)		1029-1032	9 (4)	Pell_ft_award
MHESO-PELL-3Q	Annual 3/4-time Pell Grant award: (Leave blank when OHE is calculating state need analysis and awards for school.)		1033-1036	9 (4)	Pell_3q_award
MHESO-PELL-HT	Annual 1/2-time Pell Grant award: (Leave blank when OHE is calculating state need analysis and awards for school.)		1037-1040	9 (4)	Pell_ht_award

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MHESO-PELL-PT	Annual less than half-time Pell Grant award: (Leave blank when OHE is calculating state need analysis and awards for school.)		1041-1044	9 (4)	Pell_pt_award
MHESO-PELL-PAID	Due to the elimination of the adjustment of the student's State Grant award for the 3 <sup>rd</sup> semester or 4 <sup>th</sup> quarter of the aid year, this field can be left blank or zero filled.		1045-1048	9 (4)	Pell_paid_prev_term
MHESO-EXTRA-TERM	Due to the elimination of the adjustment of the student's State Grant award for the 3 <sup>rd</sup> semester or 4 <sup>th</sup> quarter of the aid year, this field can be left blank or zero filled.		1049	X (1)	Pell_fill_term
filler	area ignored Pos 1050-1054 for Alternate Pell Grant Schedule Flags Rejoined Filler Space for 2016-2017.		1050-1059	X (10)	
MHESO-SUM1-ENROL	Student's enrollment status for summer term 2016 if it's the student's leading summer term of the 2016-2017 academic year. Report actual number of credits student was enrolled for at time of disbursement, unless award was later recalculated to a different enrollment level. Report actual number of credits even if student was enrolled for fewer than 3 credits or more than 15 credits. Report credits even if student is a "no-need" student. Report spaces or zeros if student is not enrolled.		1060-1061	9 (2)	Enrl_credits_su1
MHESO-TUITION-SUM1	Because State Grant awards are no longer based on each student's actual tuition and fee charges, this field should now be left blank or zero filled. (However, MnSCU and U of M institutions will continue to report actual tuition and fees for the 2016-2017 aid year for research purposes. Any other institution that has the capability of reporting actual tuition and fees for 2016-2017 may also continue to do so.)		1062-1066	9 (5)	Tuition_su1

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DDS Element Name	Description	Federal ISIR Position	DDS Record Position	Size/ Format	OHE Database
	If Size/Format column contains a "#" sign, it means a numeric field may be populated with spaces if the corresponding field on the ISIR record contained spaces.				
MHESO-FEES-SUM1	Because State Grant awards are no longer based on each student's actual tuition and fee charges, this field should now be left blank or zero filled. (However, MnSCU and U of M institutions will continue to report actual tuition and fees for the 2016-2017 aid year for research purposes. Any other institution that has the capability of reporting actual tuition and fees for 2016-2017 may also continue to do so.)		1067-1071	9 (5)	Fees_su1
MHESO-TF-CAP-SUM1	Determines which tuition and fee maximum is used to calculate the student's award for summer term 2016 if it's the student's leading term of the 2016-2017 aid year. 2 = Student is in 2-year or less degree, certificate or diploma program 4 = Student is in 4-year degree program		1072	X (1)	Tui_fee_cap_su1
MHESO-STATE-AWARD-SUM1	State Grant term award for summer term 2016 if it's the student's leading term of the 2016-2017 aid year. Round cents to nearest dollar. Report zeros if the student is not eligible for a grant at the student's enrollment level, or the student is a "no-need" student or the student is not enrolled. (Leave blank when OHE is calculating state need analysis and awards for school. OHE populates on return record.)		1073-1077	9 (5)	Award_offer_su1
MHESO-STATE-PAYMT-NET-SUM1	Net amount of State Grant funds disbursed to date for summer term 2016 if it's the student's leading term of the 2016-2017 aid year (i.e., all payments minus all refunds). Round cents to nearest dollar. Report zeros if "no-need" student or student not yet paid. (Leave blank when OHE is calculating state need analysis and awards for school. OHE populates on return record.)		1078-1082	9 (5)	Award_paid_su1

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DDS Element Name	Description	Federal ISIR Position	DDS Record Position	Size/Format	OHE Database
MHESO-DISB-DATE-SUM1	Disbursement date of State Grant funds disbursed for summer term 2016 if it's the leading summer term of the 2016-2017 aid year. Leave blank if no funds disbursed or "no-need" student. CCYYMMDD (Leave blank when OHE is calculating state need analysis and awards for school.)		1083-1090	X (8)	Disb_date_su1
MHESO-FALL-ENROL	Same as described under MHESO-SUM1-ENROL only for fall semester or quarter 2016. Assume and report enrollment status as 15 credits until actual registration load is known.		1091-1092	9 (2)	Enrl_credits_fa
MHESO-TUITION-FALL	Because State Grant awards are no longer based on each student's actual tuition and fee charges, this field should now be left blank or zero filled. (However, MnSCU and U of M institutions will continue to report actual tuition and fees for the 2016-2017 aid year for research purposes. Any other institution that has the capability of reporting actual tuition and fees for 2016-2017 may also continue to do so.)		1093-1097	9 (5)	Tuition_fa
MHESO-FEES-FALL	Because State Grant awards are no longer based on each student's actual tuition and fee charges, this field should now be left blank or zero filled. (However, MnSCU and U of M institutions will continue to report actual tuition and fees for the 2016-2017 aid year for research purposes. Any other institution that has the capability of reporting actual tuition and fees for 2016-2017 may also continue to do so.)		1098-1102	9 (5)	Fees_fa

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DDS Element Name	Description	Federal ISIR Position	DDS Record Position	Size/Format	OHE Database
MHESO-TF-CAP-FALL	Determines which tuition and fee maximum is used to calculate the student's award for fall semester or quarter 2016. 2 = Student is in 2-year or less degree, certificate or diploma program 4 = Student is in 4-year degree program		1103	X (1)	Tui_fee_cap_fa
MHESO-STATE-AWARD-FALL	Same as described under MHESO-STATE-AWARD-SUM1 only for fall semester or quarter 2016. (Leave blank when OHE is calculating state need analysis and awards for school. OHE populates on return record.)		1104-1108	9 (5)	Award_offer_fa
MHESO-STATE-PAYMT-NET-FALL	Same as described under MHESO-STATE-PAYMT-NET-SUM1 only for fall semester or quarter 2016. (Leave blank when OHE is calculating state need analysis and awards for school. OHE populates on return record.)		1109-1113	9 (5)	Award_paid_fa
MHESO-DISB-DATE-FALL	Same as described under MHESO-DISB-DATE-SUM1 only for fall semester or quarter 2016. (Leave blank when OHE is calculating state need analysis and awards for school. OHE populates on return record.)		1114-1121	X (8)	Disb_date_fa
MHESO-WTR-ENROL	Same as described under MHESO-SUM1-ENROL only for winter quarter 2016-2017. Report spaces if semester school. Assume and report enrollment status of 15 credits until actual registration load is known.		1122-1123	9 (2)	Enrl_credits_wi
MHESO-TUITION-WTR	Because State Grant awards are no longer based on each student's actual tuition and fee charges, this field should now be left blank or zero filled. (However, MnSCU and U of M institutions will continue to report actual tuition and fees for the 2016-2017 aid year for research purposes. Any other institution that has the capability of reporting actual tuition and fees for 2016-2017 may also continue to do so.)		1124-1128	9 (5)	Tuition_wi

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DDS Element Name	Description	Federal ISIR Position	DDS Record Position	Size/Format	OHE Database
MHESO-FEES-WTR	Because State Grant awards are no longer based on each student's actual tuition and fee charges, this field should now be left blank or zero filled. (However, MnSCU and U of M institutions will continue to report actual tuition and fees for the 2016-2017 aid year for research purposes. Any other institution that has the capability of reporting actual tuition and fees for 2016-2017 may also continue to do so.)		1129-1133	9 (5)	Fees_wi
MHESO-TF-CAP-WTR	Determines which tuition and fee maximum is used to calculate the student's award for winter quarter 2016-2017. (Report spaces if semester school.) 2 = Student is in 2-year or less degree, certificate or diploma program 4 = Student is in 4-year degree program		1134	X (1)	Tui_fee_cap_wi
MHESO-STATE-AWARD-WTR	Same as described under MHESO-STATE-AWARD-SUM1 only for winter quarter 2016-2017. Report zeros if semester school.		1135-1139	9 (5)	Award_offer_wi
MHESO-STATE-PAYMT-NET-WTR	Same as described under MHESO-STATE-PAYMT-NET-SUM1 only for winter quarter 2016-2017. Report zeros if semester school.		1140-1144	9 (5)	Award_paid_wi
MHESO-DISB-DATE-WTR	Same as described under MHESO-DISB-DATE-SUM1 only for winter quarter 2016-2017. Report spaces if semester school.		1145-1152	X (8)	Disb_date_wi

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DDS Element Name	Description	Federal ISIR Position	DDS Record Position	Size/Format	OHE Database
MHESO-SPRING-ENROL	Same as described under MHESO-SUM1-ENROL only for spring semester or quarter 2017. Assume and report enrollment status of 15 credits until actual registration load is known.		1153-1154	9 (2)	Enrl_credits_sp
MHESO-TUITION-SPRING	Because State Grant awards are no longer based on each student's actual tuition and fee charges, this field should now be left blank or zero filled. (However, MnSCU and U of M institutions will continue to report actual tuition and fees for the 2016-2017 aid year for research purposes. Any other institution that has the capability of reporting actual tuition and fees for 2016-2017 may also continue to do so.)		1155-1159	9 (5)	Tuition_sp
MHESO-FEES-SPRING	Because State Grant awards are no longer based on each student's actual tuition and fee charges, this field should now be left blank or zero filled. (However, MnSCU and U of M institutions will continue to report actual tuition and fees for the 2016-2017 aid year for research purposes. Any other institution that has the capability of reporting actual tuition and fees for 2016-2017 may also continue to do so.)		1160-1164	9 (5)	Fees_sp
MHESO-TF-CAP-SPRING	Determines which tuition and fee maximum is used to calculate the student's award for spring semester or quarter 2017. 2 = Student is in 2-year or less degree, certificate or diploma program 4 = Student is in 4-year degree program		1165	X (1)	Tui_fee_cap_sp
MHESO-STATE-AWARD-SPRING	Same as described under MHESO-STATE-AWARD-SUM1 only for spring semester or quarter 2017. (Leave blank when OHE is calculating state need analysis and awards for school. OHE populates on return record.)		1166-1170	9 (5)	Award_offer_sp

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DDS Element Name	Description	Federal ISIR Position	DDS Record Position	Size/Format	OHE Database
If Size/Format column contains a '#' sign, it means a numeric field may be populated with spaces if the corresponding field on the ISIR record contained spaces.					
MHESO-STATE-PAYMT-NET-SPRING	Same as described under MHESO-STATE-PAYMT-NET-SUM1 only for spring semester or quarter 2017. (Leave blank when OHE is calculating state need analysis and awards for school. OHE populates on return record.)		1171-1175	9 (5)	Award_paid_sp
MHESO-DISB-DATE-SPRING	Same as described under MHESO-DISB-DATE-SUM1 only for spring semester or quarter 2017. (Leave blank when OHE is calculating state need analysis and awards for school.)		1176-1183	X (8)	Disb_date_sp
MHESO-SUM2-ENROL	Same as described under MHESO-SUM1-ENROL only for summer term 2017 if it's the student's trailing term of the 2016-2017 aid year. Report ONLY actual registration load and NOT assumed full-time enrollment status or planned enrollment status from FAFSA.		1184-1185	9 (2)	Enrl_credits_su2
MHESO-TUITION-SUM2	Because State Grant awards are no longer based on each student's actual tuition and fee charges, this field should now be left blank or zero filled. (However, MnSCU and U of M institutions will continue to report actual tuition and fees for the 2016-2017 aid year for research purposes. Any other institution that has the capability of reporting actual tuition and fees for 2016-2017 may also continue to do so.)		1186-1190	9 (5)	Tuition_su2
MHESO-FEES-SUM2	Because State Grant awards are no longer based on each student's actual tuition and fee charges, this field should now be left blank or zero filled. (However, MnSCU and U of M institutions will continue to report actual tuition and fees for the 2016-2017 aid year for research purposes. Any other institution that has the capability of reporting actual tuition and fees for 2016.		1191-1195	9 (5)	Fees_su2

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DDS Element Name	Description	Federal ISIR Position	DDS Record Position	Size/Format	OHE Database
If Size/Format column contains a "#" sign, it means a numeric field may be populated with spaces if the corresponding field on the ISIR record contained spaces.					
MHESO-TF-CAP-SUM2	Determines which tuition and fee maximum is used to calculate the student's award for trailing summer term 2017. 2 = Student is in 2-year or less degree, certificate or diploma program 4 = Student is in 4-year degree program		1196	X (1)	Tui_fee_cap_su2
MHESO-STATE-AWARD-SUM2	Same as described under MHESO-STATE-AWARD-SUM1 only for summer term 2017 if it's the student's trailing term of the 2016-2017 aid year. (Leave blank when OHE is calculating state need analysis and awards for school. OHE populates on return record.)		1197-1201	9 (5)	Award_offer_su2
MHESO-STATE-PAYMT-NET-SUM2	Same as described under MHESO-STATE-PAYMT-NET-SUM1 only for summer term 2017 if it's the student's trailing term of the 2016-2017 aid year. (Leave blank when OHE is calculating state need analysis and awards for school. OHE populates on return record.)		1202-1206	9 (5)	Award_paid_su2
MHESO-DISB-DATE-SUM2	Same as described under MHESO-DISB-DATE-SUM1 only for summer term 2017 if it's the student's trailing term of the 2016-2017 aid year. (Leave blank when OHE is calculating state need analysis and awards for school.)		1207-1214	X (8)	Disb_date_su2
filler	Area not used (OHE populates last 65 characters with 13 annual State Grant awards for enrollment Level 3 through Level 15, 5-digits each, position 1216-1280. Fields are only populated for schools submitting need analysis/award calculation batches to OHE.)		1215-1280	X (66)	

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DDS Element Name	Description	Federal ISIR Position	DDS Record Position	Size/Format	OHE Database
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If Size/Format column contains a "#" sign, it means a numeric field may be populated with spaces if the corresponding field on the ISIR record contained spaces.

**TRAILER RECORD FORMAT**

MHESO-TRAIL-CODE	School's 6 character institution identification code used for the Federal Pell Grant program.		1-6	X (6)	
MHESO-TRAIL-SORT	Sort field - must contain value of 'Z'		7	X (1)	
MHESO-TRAIL-ACAD-YR	Constant "17" = 2016-2017 academic year		8-9	X (2)	
MHESO-TRAIL-REC-COUNT	Number of records in this transmittal, including trailer record.		10-15	9 (6)	
filler	area ignored		16	X (1)	
MHESO-TRAIL-NET-SUM1	Total of all net payments reported in MHESO-STATE-PAYMT-NET-SUM1 field on all records in this transmittal.		17-24	9 (8)	
filler	area ignored		25	X (1)	
MHESO-TRAIL-NET-FALL	Total of all net payments reported in MHESO-STATE-PAYMT-NET-FALL field on all records in this transmittal.		26-33	9 (8)	
filler	area ignored		34	X (1)	
MHESO-TRAIL-NET-WTR	Total of all net payments reported in MHESO-STATE-PAYMT-NET-WTR field on all records in this transmittal.		35-42	9 (8)	
filler	area ignored		43	X (1)	
MHESO-TRAIL-NET-SPRING	Total of net payments reported in MHESO-STATE-PAYMT-NET-SPRING field on all records in this transmittal.		44-51	9 (8)	
filler	area ignored		52	X (1)	
MHESO-TRAIL-NET-SUM2	Total of net payments reported in MHESO-STATE-PAYMT-NET-SUM2 field on all records in this transmittal.		53-60	9 (8)	

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DDS Element Name	Description	Federal ISIR Position	DDS Record Position	Size/Format	OHE Database
filler	area ignored		61	X (1)	
MHESO-TRAIL-CUTOFF-DATE	Cutoff date for payments/refunds reflected in net payments in this transmittal, in format CCYYMMDD.		62-69	X (8)	
filler	area ignored		70	X (1)	
MHESO-TRAIL-INST-BALANCE	Balance of 2016-2017 State Grant funds remaining in institution's State Grant account (sum of all advances minus the sum of all payments to date) as of cutoff date. May be negative.		71-79	S9 (9)	
filler	area ignored		80	X (1)	
MHESO-TRAIL-LABEL-ID	Identification code assigned to batch by school (optional)		81-90	X (10)	
filler	area ignored		91	X (1)	
MHESO-TRAIL-SUB-DT	Date school submits batch to OHE, in format CCYYMMDD		92-99	X (8)	
filler	area ignored		100-1280	X (1181)	

If Size/Format column contains a "#" sign, it means a numeric field may be populated with spaces if the corresponding field on the ISIR record contained spaces.



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## MN Office of Higher Education Refund Calculation Worksheet

### USE FOR FULL WITHDRAWAL (or drop below minimum enrollment level) AT SCHOOLS CHARGING BY TERM OR CLOCK HOUR PAYMENT PERIOD

This form is available in spreadsheet format at: <http://www.oh.edu.state.mn.us/mPg.cfm?pageID=1538>

This form should be used to calculate refunds for all state financial aid programs when a student completely withdraws from school or, for the MN State Grant and SELF Loan programs, if the student drops below minimum enrollment level for those programs. This form should only be used by schools charging students by the term or payment period. (Note: Refunds are never required for the State Work Study program.)

**Student Name:**

**SSN:**

**Did student totally withdraw from school? (enter Yes/No)**

**Date of student withdrawal or change in enrollment level:**

#### PART I – DETERMINING AMOUNT OF NET REFUND

- A. Amount of financial aid and cash received to date for the term or clock hour payment period, including any post-withdrawal disbursements of Title IV financial aid applied to institutional charges. Include cents. If funds exceed the original institutional charges\* for the term or clock hour payment period, enter the amount of original institutional charges only. To determine the amount of financial aid applied to the clock hour payment period, see corresponding [OHE Refund Calculation Spreadsheet](#). A
- B. Subtract amount of original institutional charges for the term or clock hour payment period the school can retain per its institutional or state-mandated refund policy. B
- C. = **GROSS REFUND**  
If gross refund is less than or equal to zero, then no refund is due state financial aid programs. C
- D. Subtract amount of institutional share of any required refund for Title IV financial aid programs from Step 5 Box O) of Return of Title IV Funds Refund Worksheet. Enter 0 if no Title IV refund is due. D
- E. = **NET REFUND**  
If net refund is less than or equal to zero, then no refund is due state financial aid programs. E

\*The state adopts the definition of institutional charges used for federal Title IV aid programs under 484B of the Higher Education Act of 1965 as amended and 34 CFR 668.22.

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**PART II – DETERMINING PROPORTIONAL SHARE OF NET REFUND FOR DISTRIBUTION TO NON-TITLE IV AID PROGRAMS**

List all non-Title IV financial aid received for the term or clock hour payment period. Include only programs requiring refunds when a student withdraws from school or drops below minimum enrollment level. For SELF Loans, use the total loan divided by the number of attendance periods in the loan period. Do NOT include work study awards. Clock hour schools should refer the example shown in the corresponding [OHE Refund Calculation Spreadsheet](#) to calculate an hourly rate for aid disbursed and apply those percentages to the net refund on Line E above.

Program Name	Amount Disbursed	%	% of Non- Title IV Aid Package <small>(For each program divide amount disbursed by total disbursed and round to two decimal places, (45.665%=45.67%)</small>	Refund(s) to State Financial Aid Programs <small>(Multiply Part I, Line E by % of Non-Title IV Aid Package for each program and round to nearest dollar)</small>
1 State Grant	\$	%		\$
2 Postsecondary Child Care Grant	\$	%		\$
3 Safety Officer's Survivor Grant	\$	%		\$
4 SELF Loan	\$	%		\$
5 MN Indian Scholarship	\$	%		\$
6 MN GI Bill	\$	%		\$
7 MnSCU Occupational Grant	\$	%		\$
8	\$	%		\$
9	\$	%		\$
<b>TOTAL</b>	<b>\$</b>	<b>%</b>	<b>100.0%</b>	<b>\$</b>

**WHERE TO RETURN REFUNDS:**

SELF Loan refunds should be returned to: Firstmark Services, PO Box 82522, Lincoln, NE 68501

State Grant, Child Care Grant and MnSCU Occupational Grant refunds occurring before the school closes out its activity for the aid year should be placed back in the school's accounts on campus. Refunds for MN Indian Scholarship as well as post-closure refunds for State Grant, Child Care Grant and MnSCU Occupational Grant should be returned as individual refunds to OHE on the Refund Return Form downloadable from: <http://www.ohe.state.mn.us/mPg.cfm?pageID=1538>. Refunds for other state financial aid programs should also be sent directly to OHE on the Refund Return Form.



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## MN Office of Higher Education Refund Calculation Worksheet

**USE FOR FULL WITHDRAWAL (or drop below minimum enrollment level) AT  
SCHOOLS CHARGING UPFRONT FOR PROGRAM**

This form is available in spreadsheet format at: <http://www.oh.edu.state.mn.us/mPg.cfm?pageID=1538>

This form should be used to calculate refunds for all state financial aid programs when a student completely withdraws from school or, for the MN State Grant and SELF Loan programs, if the student drops below minimum enrollment level for those programs. This form should only be used by schools charging students upfront for the entire program and whose refund policies are based on the percentage of the program completed. (Note: Refunds are never required for the State Work Study program.)

**Student Name:**

**SSN:**

**Did student totally withdraw from school? (enter Yes/No)**

**Date of student withdrawal or change in enrollment level:**

### PART I – DETERMINING AMOUNT OF NET REFUND

**A.** Amount of financial aid and cash received to date for the entire program, including any post-withdrawal disbursements of Title IV financial aid and funds disbursed to the student for living expenses. Exclude federal or state work study funds. If funds received to date for the program exceed the original institutional charges\* for the program, cap Line A at the amount of the original institutional charges for the program. Include cents. (See example in corresponding [OHE Refund Calculation Spreadsheet.](#)) **A**

**B.** Amount of original institutional charges for the program the school can retain per its institutional or state-mandated refund policy. - **B**

**C. A – B = GROSS REFUND**  
If gross refund is less than or equal to zero, then no refund is due state financial aid programs. = **C**

**D.** Amount of institutional share of any required refund for Title IV financial aid programs from Step 5 Box O) of Return of Title IV Funds Refund Worksheet. Enter 0 if no Title IV refund is due. - **D**

**E. C – D = NET REFUND**  
If net refund is less than or equal to zero, then no refund is due state financial aid programs. = **E**

\*The state adopts the definition of institutional charges used for federal Title IV aid programs under 484B of the Higher Education Act of 1965 as amended and 34 CFR 668.22.

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**PART II – DETERMINING PROPORTIONAL SHARE OF NET REFUND FOR DISTRIBUTION TO NON-TITLE IV AID PROGRAMS**

List all non-Title IV financial aid received to date during the student's program and for the current aid year including any funds disbursed to the student for living expenses. Include only programs requiring refunds when a student withdraws from school which can include institutional and private scholarships or other forms of non-Title IV aid. Do NOT include work study awards.

Program Name	Amount Disbursed to Date for Student's Entire Program	%	% of Non-Title IV Aid Package <small>For each program divide amount disbursed by total disbursed and round to two decimal places, (45.665=45.67%)</small>	Refund(s) to State Financial Aid Programs <small>(Multiply Part I, Line E by % of Non-Title IV Aid Package for each program and round to nearest dollar.</small>	Note: If calculated refund amounts exceeds amount disbursed from that program during the current aid year, cap the refund and return only the amount disbursed during the current aid year.
1 State Grant	\$	%	%	\$	
2 Postsecondary Child Care Grant	\$	%	%	\$	
3 Safety Officer's Survivor Grant	\$	%	%	\$	
4 SELF Loan	\$	%	%	\$	
5 MN Indian Scholarship	\$	%	%	\$	
6 MN GI Bill	\$	%	%	\$	
7	\$	%	%	\$	
8	\$	%	%	\$	
9	\$	%	%	\$	
<b>TOTAL</b>	\$		<b>100.0%</b>	\$	

**WHERE TO RETURN REFUNDS:**

SELF Loan refunds should be returned to: Firstmark Services, PO Box 82522, Lincoln, NE 68501

State Grant and Child Care Grant refunds occurring before the school closes out its activity for the aid year should be placed back in the school's State Grant or Child Care Grant account on campus. Refunds for MN Indian Scholarship as well as post-closure refunds for State Grant and Child Care Grant should be returned as individual refunds to OHE on the Refund Return Form downloadable from: <http://www.ohe.state.mn.us/mPg.cfm?pageID=1538>. Refunds for other state financial aid programs should also be sent directly to OHE on the Refund Return Form.

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**MN Office of Higher Education Refund Calculation Worksheet**  
**USE FOR PARTIAL WITHDRAWAL (MN State Grant, Postsecondary Child Care Grant, Safety Officer's Survivor Grant)**

This form is available in spreadsheet format at: <http://www.oh.e.state.mn.us/mPg.cfm?pageID=1538>

This form should be used to calculate refunds for the MN State Grant, Postsecondary Child Care Grant and Safety Officer's Survivor Grant programs when the student changes enrollment level at a credit-hour institution that charges by the term but is still enrolled at or above the minimum enrollment level for each program.

**Student Name:**  **SSN:**

**Date of student's change in enrollment level:**

**PART I – DETERMINING AMOUNT OF NET REFUND**

- A. Amount of financial aid and cash received to date for the term, including any post-withdrawal disbursements of Title IV financial aid applied to institutional charges.\* Include cents. If funds received exceed the original institutional charges, enter the amount of original institutional charges only. A
- B. Amount of original institutional charges the school can retain per its institutional or State-mandated refund policy.\* - B
- C. **A – B = GROSS REFUND**  
If gross refund is less than or equal to zero, then no refund is due state financial aid programs. = C

\*The state adopts the definition of institutional charges used for federal Title IV aid programs under 484B of the Higher Education Act of 1965 as amended and 34 CFR 668.22.

**PART II – DIFFERENCE BETWEEN ORIGINAL AND REVISED STATE FINANCIAL AID AWARDS**

	Credits	State Grant Award	Child Care Grant Award	Safety Officer's Survivor Award
<b>Original Enrollment Level:</b>	<input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>
<b>Revised Enrollment Level</b>	<input type="text"/>	- \$ <input type="text"/>	- \$ <input type="text"/>	- \$ <input type="text"/>
<b>AWARD DIFFERENCE</b> (Original minus Revised)		= \$ <input type="text"/>	= \$ <input type="text"/>	= \$ <input type="text"/>

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**PART III – DETERMINING PROPORTIONAL SHARE OF NET REFUND FOR DISTRIBUTION TO NON-TITLE IV AID PROGRAMS**

List all non-Title IV financial aid received to date for the term. Include only programs requiring refunds when a student changes enrollment level but is still enrolled at or above the minimum enrollment for the program.

	Program Name	Amount Disbursed	%	% of Non- Title IV Aid Package <small>(For each program divide amount disbursed by total disbursed and round to two decimal places. (45.665%=45.67%)</small>	Proportional Share of Refund* <small>(Multiply Part I, Line C by % of Non-Title IV Aid Package for each program and round to nearest dollar.)</small>	Refund for Partial Withdrawal <small>(Lesser of program Award Difference in Part II or Proportional Share of Refund)</small>
1	State Grant*	\$	%		\$	\$
2	Postsecondary Child Care Grant*	\$	%		\$	\$
3	Safety Officer's Survivor Grant	\$	%		\$	\$
4		\$	%		\$	\$
5		\$	%		\$	\$
<b>TOTAL</b>		= \$	=	<b>100.0%</b>	\$	

**WHERE TO RETURN REFUNDS:**

State Grant and Child Care Grant refunds occurring before the school closes out its activity for the aid year should be placed back in the school's State Grant or Child Care Grant account on campus. Post-closure refunds for these programs as well as refunds for the Safety Officer's Survivor Grant should always be sent directly to OHE using the Refund Return Form downloadable from: <http://www.ohe.state.mn.us/mPg.cfm?pageID=1538>.

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**SAMPLE GENERAL LEDGER  
FOR MINNESOTA STATE GRANT PROGRAM  
DECENTRALIZED DELIVERY SYSTEM SCHOOLS**

<u>Date</u>	<u>Description</u>	<u>Debits</u>	<u>Credits</u>	<u>Balance</u>
9/1/2016	From State Grant Program Fall Semester 2016 Advance		\$950,000	\$950,000
9/21/2016	Disbursed to Student Accounts (Invoice #395)	\$800,000		\$150,000
10/03/2016	Refunds from 9/21/2016 disbursements (Invoice #493)		\$100,000	\$250,000
12/30/2016	From State Grant Program for Spring Semester Advance		\$700,000	\$950,000
1/12/2017	Disbursed to Student Accounts (Invoice #654)	\$800,000		\$150,000
1/25/2017	Refunds from 01/12/2017		\$40,000	\$190,000
8/25/2017	Returned 2016-2017 Balance to Office of Higher Education	\$190,000		\$0



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## Sample Payment Periods at Progressive Clock Hour School 900 Hour Academic Year – 3 Pay Periods

	State Payment Periods					
State Grant Enrollment Level	Hours Per Week	% State Budget	Hrs State Acad Yr	Pay Period 1	Pay Period 2	Pay Period 3
Level 15	30+	100%	900	300 (1-300)	300 (301-601)	300 (601-900)
Level 14	28-29	93.3%	840	280 (1-280)	280 (281-560)	280 (561-840)
Level 13	26-27	86.7%	780	260 (1-260)	260 (261-520)	260 (521-780)
Level 12	24-25	80%	720	240 (1-240)	240 (241-480)	240 (481-720)
Level 11	22-23	73.3%	660	220 (1-220)	220 (221-400)	220 (441-660)
Level 10	20-21	66.7%	600	200 (1-200)	200 (201-400)	200 (401-600)
Level 9	18-19	60%	540	180 (1-180)	180 (181-360)	180 (361-540)
Level 8	16-17	53.3%	480	160 (1-160)	160 (161-320)	160 (321-480)
Level 7	14-15	46.7%	420	140 (1-140)	140 (141-280)	140 (281-420)
Level 6	12-13	40%	360	120 (1-120)	120 (121-240)	120 (241-360)
Level 5	10-11	33.3%	300	100 (1-100)	100 (101-200)	100 (201-300)
Level 4	8-9	26.7%	240	80 (1-80)	80 (81-160)	80 (161-240)
Level 3	6-7	20.0%	180	60 (1-60)	60 (61-120)	60 (121-180)

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## Sample Payment Periods at Progressive Clock Hour School 900 Hour Academic Year – 2 Pay Periods

State Grant Enrollment Level	Hours Per Week	% State Budget	Hrs State Acad Yr	State Payment Periods	
				Pay Period 1	Pay Period 2
Level 15	30 +	100%	900	450 (1-450)	450 (451-900)
Level 14	28-29	93.3%	840	420 (1-420)	420 (421-840)
Level 13	26-27	86.7%	780	390 (1-390)	390 (391-780)
Level 12	24-25	80%	720	360 (1-360)	360 (361-720)
Level 11	22-23	73.3%	660	330 (1-330)	330 (331-660)
Level 10	20-21	66.7%	600	300 (1-300)	300 (301-600)
Level 9	18-19	60%	540	270 (1-270)	270 (271-540)
Level 8	16-17	53.3%	480	240 (1-240)	240 (241-480)
Level 7	14-15	46.7%	420	210 (1-210)	210 (211-420)
Level 6	12-13	40.0%	360	180 (1-180)	180 (181-360)
Level 5	10-11	33.3%	300	150 (1-150)	150 (150-300)
Level 4	8-9	26.7%	240	120 (1-120)	120 (121-240)
Level 3	6-7	20.0%	180	90 (1-90)	90 (91-180)



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## Sample Payment Periods at Progressive Clock Hour School 1100 Hour Academic Year – 3 Pay Periods

	State Payment Periods					
State Grant Enrollment Level	Hours Per Week	% State Budget	Hrs State Acad Yr	Pay Period 1	Pay Period 2	Pay Period 3
Level 15	30+	100%	1100	367 (1-367)	367 (368-734)	366 (735-1100)
Level 14	28-29	93.3%	1026	342 (1-342)	342 (343-684)	342 (685-1026)
Level 13	26-27	86.7%	954	318 (1-318)	318 (319-636)	318 (637-954)
Level 12	24-25	80%	880	294 (1-294)	293 (295-587)	293 (588-880)
Level 11	22-23	73.3%	806	269 (1-269)	269 (270-538)	268 (539-806)
Level 10	20-21	66.7%	734	245 (1-245)	245 (246-490)	244 (491-734)
Level 9	18-19	60%	660	220 (1-220)	220 (221-440)	220 (441-660)
Level 8	16-17	53.3%	586	196 (1-196)	195 (197-391)	195 (392-586)
Level 7	14-15	46.7%	514	172 (1-172)	171 (173-343)	171 (344-514)
Level 6	12-13	40%	440	147 (1-147)	147 (148-294)	146 (295-440)
Level 5	10-11	33.3%	367	123 (1-123)	122 (124-245)	122 (246-367)
Level 4	8-9	26.7%	294	98 (1-98)	98 (99-196)	98 (197-294)
Level 3	6-7	20.0%	220	74 (1-74)	73 (75-147)	73 (148-220)

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<b>Sample Payment Periods at Progressive Clock Hour School 1100 Hour Academic Year – 2 Pay Periods</b>					
				<b>State Payment Periods</b>	
State Grant Enrollment Level	Hours Per Week	% State Budget	Hrs State Acad Yr	Pay Period 1	Pay Period 2
Level 15	30 +	100%	1100	550 (1-550)	550 (551-1100)
Level 14	28-29	93.3%	1026	513 (1-513)	513 (514-1026)
Level 13	26-27	86.7%	954	477 (1-477)	477 (478-954)
Level 12	24-25	80%	880	440 (1-440)	440 (441-880)
Level 11	22-23	73.3%	806	403 (1-403)	403 (404-806)
Level 10	20-21	66.7%	734	367 (1-367)	367 (368-734)
Level 9	18-19	60%	660	330 (1-330)	330 (331-660)
Level 8	16-17	53.3%	586	293 (1-293)	293 (294-586)
Level 7	14-15	46.7%	514	257 (1-257)	257 (258-514)
Level 6	12-13	40.0%	440	220 (1-220)	220 (221-440)
Level 5	10-11	33.3%	367	184 (1-184)	183 (185-367)
Level 4	8-9	26.7%	294	147 (1-147)	147 (148-294)
Level 3	6-7	20.0%	220	110 (1-110)	110 (111-220)

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## Sample Payment Periods at Progressive Clock Hour School 1200 Hour Academic Year – 3 Pay Periods

	State Payment Periods					
State Grant Enrollment Level	Hours Per Week	% State Budget	Hrs State Acad Yr	Pay Period 1	Pay Period 2	Pay Period 3
Level 15	30+	100%	1200	400 (1-400)	400 (401-800)	400 (801-1200)
Level 14	28-29	93.3%	1120	373 (1-373)	373 (374-746)	374 (747-1120)
Level 13	26-27	86.7%	1040	347 (1-347)	347 (348-694)	346 (695-1040)
Level 12	24-25	80%	960	320 (1-320)	320 (321-640)	320 (641-960)
Level 11	22-23	73.3%	880	293 (1-293)	293 (294-586)	294 (587-880)
Level 10	20-21	66.7%	800	267 (1-267)	267 (268-534)	266 (535-800)
Level 9	18-19	60%	720	240 (1-240)	240 (241-480)	240 (481-720)
Level 8	16-17	53.3%	640	213 (1-213)	213 (214-426)	214 (427-640)
Level 7	14-15	46.7%	560	187 (1-187)	187 (188-374)	186 (375-560)
Level 6	12-13	40%	480	160 (1-160)	160 (161-320)	160 (321-480)
Level 5	10-11	33.3%	400	133 (1-133)	133 (134-266)	134 (267-400)
Level 4	8-9	26.7%	320	107 (1-107)	107 (108-214)	106 (215-320)
Level 3	6-7	20.0%	240	80 (1-80)	80 (81-160)	80 (161-240)

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## Sample Payment Periods at Progressive Clock Hour School 1200 Hour Academic Year – 2 Pay Periods

State Grant Enrollment Level	Hours Per Week	% State Budget	Hrs State Acad Yr	State Payment Periods	
				Pay Period 1	Pay Period 2
Level 15	30 +	100%	1200	600 (1-600)	600 (601-1200)
Level 14	28-29	93.3%	1120	560 (1-560)	560 (561-1120)
Level 13	26-27	86.7%	1040	520 (1-520)	520 (521-1040)
Level 12	24-25	80%	960	480 (1-480)	480 (481-960)
Level 11	22-23	73.3%	880	440 (1-440)	440 (441-880)
Level 10	20-21	66.7%	800	400 (1-400)	400 (401-800)
Level 9	18-19	60%	720	360 (1-360)	360 (361-720)
Level 8	16-17	53.3%	640	320 (1-320)	320 (321-640)
Level 7	14-15	46.7%	560	280 (1-280)	280 (281-560)
Level 6	12-13	40.0%	480	240 (1-240)	240 (241-480)
Level 5	10-11	33.3%	400	200 (1-200)	200 (201-400)
Level 4	8-9	26.7%	320	160 (1-160)	160 (161-320)
Level 3	6-7	20.0%	240	120 (1-120)	120 (121-240)

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## Sample Payment Periods at Progressive Clock Hour School 1550 Hour Academic Year – 3 Pay Periods

	State Payment Periods					
State Grant Enrollment Level	Hours Per Week	% State Budget	Hrs State Acad Yr	Pay Period 1	Pay Period 2	Pay Period 3
Level 15	30 +	100%	1550	517 (1-517)	517 (518-1034)	516 (1035-1550)
Level 14	28-29	93.3%	1446	482 (1-482)	482 (483-964)	482 (965-1446)
Level 13	26-27	86.7%	1344	448 (1-448)	448 (449-896)	448 (897-1344)
Level 12	24-25	80%	1240	413 (1-413)	413 (414-826)	414 (827-1240)
Level 11	22-23	73.3%	1136	379 (1-379)	379 (380-758)	378 (759-1136)
Level 10	20-21	66.7%	1034	345 (1-345)	345 (346-690)	344 (691-1034)
Level 9	18-19	60%	930	310 (1-310)	310 (311-620)	310 (621-930)
Level 8	16-17	53.3%	826	275 (1-275)	275 (276-550)	276 (551-826)
Level 7	14-15	46.7%	724	241 (1-241)	241 (242-482)	242 (483-724)
Level 6	12-13	40%	620	207 (1-207)	207 (208-414)	206 (415-620)
Level 5	10-11	33.3%	516	172 (1-172)	172 (173-344)	172 (345-516)
Level 4	8-9	26.7%	414	138 (1-138)	138 (139-276)	138 (277-414)
Level 3	6-7	20.0%	310	103 (1-103)	103 (104-206)	104 (207-310)

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## Sample Payment Periods at Progressive Clock Hour School 1550 Hour Academic Year – 2 Pay Periods

				State Payment Periods	
State Grant Enrollment Level	Hrs Per Week	% State Budget	Hrs State Acad Yr	Pay Period 1	Pay Period 2
Level 15	30 +	100%	1550	775 (1-775)	775 (776-1550)
Level 14	28-29	93.3%	1446	723 (1-723)	723 (724-1446)
Level 13	26-27	86.7%	1344	672 (1-672)	672 (673-1344)
Level 12	24-25	80%	1240	620 (1-620)	620 (621-1240)
Level 11	22-23	73.3%	1136	568 (1-568)	568 (569-1136)
Level 10	20-21	66.7%	1034	517 (1-517)	517 (518-1034)
Level 9	18-19	60%	930	465 (1-465)	465 (466-930)
Level 8	16-17	53.3%	826	413 (1-413)	413 (414-826)
Level 7	14-15	46.7%	724	362 (1-362)	362 (363-724)
Level 6	12-13	40%	620	310 (1-310)	310 (311-620)
Level 5	10-11	33.3%	516	258 (1-258)	258 (259-516)
Level 4	8-9	26.7%	414	207 (1-207)	207 (208-414)
Level 3	6-7	20.0%	310	155 (1-155)	155 (156-310)

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**Report Name** **Roster of Rejected Awards/Payments**

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<b>Program Origin</b>	One of four State Grant Decentralized Delivery System (DDS) Output Reports
<b>Distribution</b>	DDS School (1); Office of Higher Education (1).
<b>Frequency</b>	This output report is generated each time the Office of Higher Education processes a DDS batch containing errors. This report will not be generated if there were no award or payment errors in the school's DDS batch.
<b>Purpose</b>	The error edits performed during DDS batch processing inform schools about possible overpayments and prevent erroneous data from being loaded to the Agency's State Grant database. This output report provides information to DDS schools so that errors can be corrected prior to the next DDS batch submission. The total of rejected payments on this roster also appears on the <i>Reconciliation Report</i> , another output report displaying accounting totals for the school's DDS batch. Schools can review and print this report on-line by logging into the SG Web Access Screen the day after submitting a DDS batch to the Agency. The data can also be copied from the report into another format, such as Word or Excel.
<b>General Description</b>	This report displays data on all errors that occurred during processing of the school's DDS batch. Most errors result in rejection of awards or payments, but some errors are merely warnings that do not result in award or payment rejection. The school is responsible for recovering any funds disbursed to students appearing on this report with rejected payments, unless data can be corrected that will allow payments to be accepted in the next DDS batch submission. A small number of error messages are warnings that do not result in rejected payments. Further detail on some of the award and payment errors appearing on this report appears on the <i>Award Error Detail Roster</i> .
<b>Data Description</b>	A description of the data appearing on this roster is provided below by column heading:
• <b>Name</b>	Student's reported name
• <b>Soc Sec</b>	Student's reported social security number
• <b>Date of Birth</b>	Student's reported date of birth
• <b>Total Paid</b>	Total rejected payments for student for all terms
• <b>Summer 1</b>	Student's rejected payment for leading summer term
• <b>Fall</b>	Student's rejected payment for fall term
• <b>Winter</b>	Student's rejected payment for winter term (quarter schools only)
• <b>Spring</b>	Student's rejected payment for spring term
• <b>Summer 2</b>	Student's rejected payment for trailing summer term 2
<b>Message</b>	A description of error messages and their corresponding 'Action Steps' is provided below.
<b>Date of Birth is Blank or Invalid</b>	Appears when the date of birth on the student's incoming DDS record is blank or invalid and results in all reported payments being rejected. The school should correct the student's date of birth prior to the next DDS batch submission.

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- SSN is Non-Numeric**      Appears when the social security number on the student’s incoming DDS record contains a non-numeric value and results in all reported payments being rejected. The school should correct the student’s social security number prior to the next DDS batch submission.
- School’s Name/DOB Do Not Match the Agency’s Name/DOB**      Appears when both the student’s name and date of birth on the incoming DDS record for a given social security number do not match the name and date of birth associated with the corresponding social security number on the Agency’s existing State Grant database. This error results in all reported payments being rejected. The school should check the student’s social security number, name and date of birth and make any necessary changes prior to the next DDS batch submission. If the school determines the Agency’s data is in error, the school should notify the Agency’s grant unit via email or fax.
- Invalid Aid Year on DDS Record**      Appears when the aid year value on the student’s incoming DDS record is not for the current year being processed and results in all reported payments being rejected. The school should correct the aid year value on the student’s record prior to the next DDS batch submission.
- Term Award is Non-Numeric**      Appears when any of the reported term awards contains a non-numeric value other than spaces. The name of all affected terms will be included in the error message and reported payments for all affected terms will be rejected. The school should correct the term award values prior to the next DDS batch submission.
- Term Enrollment is Blank or > 30**      Appears when any of the reported term enrollment values is blank or greater than 30 credits in cases where there is a reported payment for that term. The name of all affected terms will be included in the error message and reported payments for all affected terms will be rejected. The school should correct the term enrollment values prior to the next DDS batch submission.
- Child Support Hold Before Term Disbursement**      Appears when a child support hold existed on the Agency’s State Grant database prior to the date of disbursement reported by the school for the term. The name of all affected terms will be included in the error message and reported payments for all affected terms will be rejected. If a student is on hold for being 30+ days in arrears on child support payments, the school must withhold all future State Grant payments for the student until the student is no longer in arrears. Rejected payments should be recovered from the student and returned to the school’s State Grant account. The school does not have liability for repayment of overpayments from its own institutional funds unless the school disbursed State Grant funds after the school was notified by the Agency, via the on-line hold report or a previous DDS batch output report, of the student being placed on hold.
- SELF Default Hold Before Term Disbursement**      Appears when a SELF default hold existed on the Agency’s State Grant database prior to the date of disbursement reported by the school for the term. The name of all affected terms will be included in the error message and reported payments for all affected terms will be rejected. If a student is on hold for defaulting on a SELF loan, the school must withhold all future State Grant payments for the student until the student is no longer in default or has made six consecutive monthly payments to regain eligibility for State Grant. Rejected payments should be recovered from the student and returned to the school’s State Grant account. The school does not have liability for repayment of overpayments from its own institutional funds unless the school disbursed State Grant funds after the school was notified by the Agency, via the on-line hold report or a previous DDS batch output report, of the student being placed on hold.



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**Total Units in Prior Aid Years Exceed Limit**

Appears when the student has accumulated the maximum number of units of State Grant paid in previous aid years and results in all reported payments being rejected. A student loses eligibility for State Grant once the student has attended or received State Grant payments for 96 units, which is the equivalent of eight full-time semesters or 12 full-time quarters. The actual cut-off point is >94.4 units for a student attending a quarter school and 93.6 units for a student attending a semester school. A school can use the SG Web Access screen to query the student and review historical State Grant payment data. All rejected payments for the current year must be recovered from the student and returned to the school's State Grant account.

**Total Units Prior to Term Exceed Limit**

Appears when the student has accumulated the maximum number of units of State Grant paid prior to the term embedded in the error message. Any reported payments for the affected and subsequent terms will be rejected and must be recovered from the student and returned to the school's State Grant account. A student loses eligibility for State Grant once the student has attended or received State Grant payments for 96 units, which is the equivalent of eight full-time semesters or 12 full-time quarters. The actual cut-off point is >94.4 units for a student attending a quarter school and 93.6 units for a student attending a semester school. A school can use the SG Web Access screen to query the student and review historical State Grant payment data. All rejected payments for the current year must be recovered from the student and returned to the school's State Grant account.

**Term Payment > Term Award**

Appears when a reported payment for a term exceeds that term's reported award by more than \$1. The affected term will be embedded in the error message and the corresponding term payment will be rejected. The school should adjust the term payment and return any overpayments to its State Grant account prior to the next DDS batch submission.

**Multiple Term Payments > 15 Credits**

Appears when another school has already paid the student for the term(s) in question and the current school's reported term payment results in the student being paid for more than 15 credits. The name of the affected term will be embedded in the error message and the corresponding term payment will be rejected. The current school should adjust the student's State Grant payment to an acceptable level and return any overpayments to its State Grant account prior to the next DDS batch submission.

**Annual Units Limit Exceeded**

Appears when the student is paid for more than three full-time semesters (36 units) or four full-time quarters (32 units) during the current aid year. The name of the affected term will be embedded in the error message and the corresponding term payment will be rejected. The current school should either cancel or adjust the student's State Grant payment for the affected term and return any overpayments to its State Grant account prior to the next DDS batch submission.

**Applied After Cutoff for Term**

Appears when the student missed the State Grant application deadline for the term in question. The name of the affected term(s) will be embedded in the error message and all reported payments for the affected terms will be rejected. In order to meet the application deadline, the student's original FAFSA application must be received by the federal application processor within 30 days of the term start date. The Agency makes this determination by comparing the student's FAFSA receipt date on the ISIR to the school's term start dates collected on the annual State Grant budget questionnaire. If the school believes the student's original FAFSA receipt date was within 30 days of the term start date, the school should contact the Grant Unit for assistance at (651) 642-0567. If the student did apply after the term deadline date, the school should cancel the student's award for that term(s) and return any rejected State Grant payments to its State Grant account.

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**No ISIR Record on File**

Appears when the Agency does not have an ISIR record for the student for the current aid year under the Social Security Number on the school's record and is, therefore, unable to verify whether the student met the State Grant application deadline. The school should make sure the student submits a FAFSA. If the student has submitted a FAFSA, the school should contact the Agency's State Grant unit for assistance.

**Term Award Too High for Enrolled Credits**

Appears when the reported award for the term in question is more than \$2 higher than the Agency's calculated award for the term, based on the student's reported enrollment level. The name of the affected term is embedded in the error message and the corresponding term payment is rejected. A detailed comparison of term awards is provided on the accompanying *Award Error Detail Roster* for the current DDS batch. The school should adjust the term award and return any overpayments to its State Grant account. In cases where the award appears too high because the school reported an incorrect enrollment value, the school should correct the enrollment value prior to the next DDS batch submission.

**Term Award Too Low for Enrolled Credits**

Appears when the reported award for the term in question is more than \$2 lower than the Agency's calculated award for the term, based on the student's reported enrollment level. The name of the affected term is embedded in the error message but the corresponding term payment is NOT rejected. A detailed comparison of term awards is provided on the accompanying *Award Error Detail Roster* for the current DDS batch. If necessary, the school should adjust the term award. In cases where the award appears too low because the school reported an incorrect enrollment value, the school should correct the enrollment value prior to the next DDS batch submission.

**Federal Reject**

Appears when the Agency could not perform the Federal Methodology need analysis formula and State Grant award calculation due to the student's application data meeting one or more of the several Federal Methodology reject edits. All reported term payments for the current year will be rejected. The precise federal reject code and detailed description will appear on the accompanying *Award Error Detail Roster* for the current DDS batch. The school should correct the application data creating the federal reject prior to the next DDS batch submission.

**School's EFC Not Equal to the Agency's EFC**

Appears when the school's reported Expected Family Contribution (EFC) for the student does not match the EFC calculated by the Agency using the data supplied on the DDS record for the student. This is a warning message only and does not result in rejected payments. In most cases, discrepancies occur because the school's EFC is based on Federal Methodology assumptions and the Agency's EFC is not, or vice versa. The school should check the value it sent in the MHESO-ORIGIN-TYPE field on the DDS record to make sure it sent the correct value. A value of 'O' means the Agency should use assumptions when calculating the EFC. A value of 'R' or spaces means the Agency should not use assumptions when calculating the EFC.

**School's PC Not Equal to the Agency's PC**

Appears when the school's reported Parent Contribution (PC) for the student does not match the PC calculated by the Agency using the data supplied on the DDS record for the student. This is a warning message only and does not result in rejected payments. In most cases, discrepancies occur because the school's PC is based on Federal Methodology assumptions and the Agency's PC is not, or vice versa. The school should check the value it sent in the MHESO-ORIGIN-TYPE field on the DDS record to make sure it sent the correct value. A value of 'O' means the Agency should use assumptions when calculating the PC. A value of 'R' or spaces means the Agency should not use assumptions when calculating the PC.

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Roster of Rejected Awards/Payments • 07/30/2007  
**SAMPLE UNIVERSITY** [ 001234 ]

Name	SSN	DOB	Total Paid	Summer I	Fall	Winter	Spring	Summer II	Error Message
ANDERSON / MARY	111-22-3333	7/14/1985	0						Summer1 award too low for enrolled credits See Award Advisory Roster for details Fall award too low for enrolled credits See Award Advisory Roster for details Winter award too low for enrolled credits See Award Advisory Roster for details School's EFC not equal to OHE'S EFC School's EFC: 10472 Recalc EFC: 5835 School's PC not equal to OHE's PC School's PC: 10472 Recalc PC: 5835
CARLSON / JOHN	222-33-4444	8/30/1987	446	446	0	0			Summer1 award too high for enrolled credits See Award Advisory Roster for details Fall award too high for enrolled credits See Award Advisory Roster for details Winter award too high for enrolled credits See Award Advisory Roster for details School's EFC not equal to OHE'S EFC School's EFC: 237 Recalc EFC: 399 School's PC not equal to OHE's PC School's PC: 237 Recalc PC: 399
JONES / SUSAN	333-44-5555	6/28/1988	188	188	0	0			Summer1 award too high for enrolled credits See Award Advisory Roster for details Fall award too high for enrolled credits See Award Advisory Roster for details Winter award too high for enrolled credits See Award Advisory Roster for details School's EFC not equal to OHE'S EFC School's EFC: 802 Recalc EFC: 314
SMITH / ROBERT	444-55-6666	7/23/1987	0						School's EFC not equal to OHE'S EFC School's EFC: 28520 Recalc EFC: 16646 School's PC not equal to OHE's PC School's PC: 24948 Recalc PC: 13074
<b>TOTAL</b>			<b>\$634.00</b>	<b>\$634.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	



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**Report Name** **Award Error Detail Roster**

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- Program Origin** One of four State Grant Decentralized Delivery System (DDS) Output Reports.
- Distribution** DDS School (1); Office of Higher Education (1).
- Frequency** This output report is generated each time the Office of Higher Education processes a DDS batch containing need analysis or award errors. This report will not be generated if there were no award or payment errors in the school's DDS batch.
- Purpose** The error edits performed during DDS batch processing prevent erroneous data from being loaded to the Agency's State Grant database. This output report provides further detail on need analysis and award calculation errors so they can be corrected prior to the next DDS batch submission. Schools can review and print this report on-line by logging into the SG Web Access Screen the day after submitting a DDS batch to the Agency. The data can also be copied from the report into another format, such as Word or Excel.
- General Description** This report provides further detail for need analysis and award calculation errors appearing on the *Roster of Rejected Awards/Payments*. Most errors result in rejection of awards or payments, but some errors are merely warnings that do not result in award or payment rejection.
- Data Description** A description of the data appearing on this roster is provided below by column heading:
- **Name** Student's reported name.
  - **Soc Sec** Student's reported social security number.
  - **Tuition** Term tuition reported by school appears if term award is flagged for error
  - **Fees** Term fees reported by school appears if term award is flagged for error
  - **Cap** Term tuition and fee maximum for student's degree program (two- or four-year) reported by school appears if term award is flagged for error
  - **Dep Status** Student's dependency status as reported by school (D=dependent; I=independent)
  - **Federal PC** Federal Methodology parent contribution calculated by the Agency using data supplied by school appears under 'State Award' column. School's reported Federal Methodology parent contribution appears under 'Inst Award' column.
  - **State PC** State need analysis parent contribution calculated by the Agency using data supplied by school appears under 'State Award' column. School's reported state need analysis parent contribution appears under 'Inst Award' column. (Note: Data in this field is only used if state need analysis differs from federal need analysis. Currently, the state adopts the federal need analysis.)

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- **State PC**                      State need analysis parent contribution calculated by the Agency using data supplied by school appears under ‘State Award’ column. School’s reported state need analysis parent contribution appears under ‘Inst Award’ column. (Note: Data in this field is only used if state need analysis differs from federal need analysis. Currently, the state adopts the federal need analysis.)
- **State SC**                      State need analysis parent contribution calculated by the Agency using data supplied by school appears under ‘State Award’ column. School’s reported state need analysis parent contribution appears under ‘Inst Award’ column. (Note: Data in this field is only used if state need analysis differs from federal need analysis. Currently, the state adopts the federal need analysis.)
- **Federal EFC**                      Federal Methodology expected family contribution calculated by the Agency using data supplied by school appears under ‘State Award’ column. School’s reported Federal Methodology expected family contribution appears under ‘Inst Award’ column.
- **FT Pell Award**                      The full-time Federal Pell Grant award calculated by the agency appears under ‘State Award’ column. School’s reported full-time Federal Pell Grant award appears under ‘Inst Award’ column.
- **3Q Pell Award**                      The three-quarter time Federal Pell Grant award calculated by the Agency appears under ‘State Award’ column. School’s reported three quarter-time Federal Pell Grant award appears under ‘Inst Award’ column.
- **HT Pell Award**                      The half-time Federal Pell Grant award calculated by the Agency appears under ‘State Award’ column. School’s reported half-time Federal Pell Grant award appears under ‘Inst Award’ column.
- **PT Pell Award**                      The less than half-time Federal Pell Grant award calculated by the Agency appears under ‘State Award’ column. School’s reported less than half-time Federal Pell Grant award appears under ‘Inst Award’ column.
- **Summer 1**                      State Grant award for leading summer term calculated by the Agency using data supplied by school appears under ‘State Award’ column. School’s reported award for leading summer term appears under ‘Inst Award’ column. Any difference between leading summer term awards is displayed in the ‘Award Diff’ column.
- **Fall**                      State Grant award for fall term calculated by the Agency using data supplied by school appears under ‘State Award’ column. School’s reported award for fall term appears under ‘Inst Award’ column. Any difference between fall term awards is displayed in the ‘Award Diff’ column.
- **Winter**                      State Grant award for winter quarter calculated by the Agency using data supplied by school appears under ‘State Award’ column. School’s reported award for winter quarter appears under ‘Inst Award’ column. Any difference between winter quarter awards is displayed in the ‘Award Diff’ column. (Note: Semester schools reporting winter quarter term awards will see errors and award differences since there is no winter quarter on a semester system.)
- **Spring**                      State Grant award for spring term calculated by the Agency using data supplied by school appears under ‘State Award’ column. School’s reported award for spring term appears under ‘Inst Award’ column. Any difference between spring term awards is displayed in the ‘Award Diff’ column.

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• **Summer 2**

State Grant award for trailing summer term calculated by the Agency using data supplied by school appears under ‘State Award’ column. School’s reported award for trailing summer term appears under ‘Inst Award’ column. Any difference between trailing summer term awards is displayed in the ‘Award Diff’ column.

**Message**

A description of error messages and their corresponding ‘Action Steps’ is provided below.

**Term Award Too High for Enrolled Credits**

Appears when the reported award for the term in question is more than \$2 higher than the Agency’s calculated award for the term, based on the student’s reported enrollment level. The name of the affected term is embedded in the error message and the corresponding term payment is rejected. The school should adjust the term award and return any overpayments to its State Grant account. In cases where the award appears too high because the school reported an incorrect enrollment value, the school should correct the enrollment value prior to the next DDS batch submission.

**Term Award Too Low for Enrolled Credits**

Appears when the reported award for the term in question is more than \$2 lower than the Agency’s calculated award for the term, based on the student’s reported enrollment level. The name of the affected term is embedded in the error message but the corresponding term payment is NOT rejected. If necessary, the school should adjust the term award. In cases where the award appears too low because the school reported an incorrect enrollment value, the school should correct the enrollment value prior to the next DDS batch submission. If there is a valid reason the award appears too low (e.g., proration of award at clock hour school), no action is required by the school.

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Award Error Detail Roster • 07/30/2007  
SAMPLE UNIVERSITY [ 001234 ]

Name	SSN	Tuition	Fees	Cap	Dep Status		State Award	Inst Award	Award Diff	Message
ANDERSON / MARY	111-22-3333				D	Federal PC	5835	10472		
						State PC	5835	10472		
						State SC	0	0		
						Federal EFC	5835	10472		
						FT Pell Award	0	0		
						3Q Pell Award	0	0		
CARLSON / JOHN	222-33-4444					HT Pell Award	0	0		
						PT Pell Award	0	0		
					2	Summer I	295	0	-295	Summer I award too low for 15 credits
					2	Fall	295	0	-295	Fall award too low for 15 credits
					2	Winter	295	0	-295	Winter award too low for 15 credits
						Federal PC	399	237		
JONES / SUSAN	333-44-5555				D	State PC	399	237		
						State SC	0	0		
						Federal EFC	399	237		
						FT Pell Award	3960	4060		
						3Q Pell Award	2970	3045		
						HT Pell Award	1980	2030		
SMITH / ROBERT	444-55-6666					PT Pell Award	990	1015		
						Summer I	427	446	19	Summer I award too high for 13 credits
					2	Fall	714	733	19	Fall award too high for 15 credits
					2	Winter	714	733	19	Winter award too high for 15 credits
						Federal PC	314	314		
						State PC	314	314		
JONES / SUSAN	333-44-5555				D	State SC	0	0		
						Federal EFC	314	802		
						FT Pell Award	3960	3460		
						3Q Pell Award	2970	2595		
						HT Pell Award	1980	1730		
						PT Pell Award	990	865		
SMITH / ROBERT	444-55-6666					Summer I	105	188	83	Summer I award too high for 6 credits
					2	Fall	742	909	167	Fall award too high for 15 credits
					2	Winter	742	909	167	Winter award too high for 15 credits
						Federal PC	13074	24948		
						State PC	13074	24948		
						State SC	0	0		



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**Report Name** **Roster of Accepted Payments**

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- Program Origin** One of four State Grant Decentralized Delivery System (DDS) Output Reports.
- Distribution** DDS School (1); Office of Higher Education (1).
- Frequency** This output report is generated each time the Office of Higher Education processes a DDS batch containing payments that were not flagged for errors. This report is not generated if there were no accepted payments in the school's DDS batch.
- Purpose** The error edits performed during DDS batch processing prevent erroneous data from being loaded to the Agency's State Grant database. If a term payment passes through the error edits, it is displayed on this report as accepted. It is possible for a student to appear on this roster, as well as the *Roster of Rejected Awards/Payments*, if one term's payment is rejected and another's is accepted. The total of accepted payments on this roster also appears on the *Reconciliation Report*, another output report displaying accounting totals for the school's DDS batch. Schools can review and print this report on-line by logging into the SG Web Access Screen the day after submitting a DDS batch to the Agency. The data can also be copied from the report into another format, such as Word or Excel.
- General Description** This report displays data on all accepted term payments within the school's most recent DDS batch. Data is provided by student in alphabetical order, with accepted term payments appearing under the applicable term headings.
- Data Description** A description of the data appearing on this roster is provided below by column heading:
- **Name** Student's reported name.
  - **Soc Sec** Student's reported social security number.
  - **Total Paid** Student's total accepted payments for all terms.
  - **Summer 1** Student's accepted payment for leading summer term.
  - **Fall** Student's accepted payment for fall term.
  - **Winter** Student's accepted payment for winter term (used only for quarter system).
  - **Spring** Student's accepted payment for spring term.
  - **Summer 2** Student's accepted payment for trailing summer term.

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Roster of Accepted Payments • 07/30/2007  
**SAMPLE UNIVERSITY [ 001234 ]**

Name	SSN	Total Paid	Summer I	Fall	Winter	Spring	Summer II	Message
ADAMS / MARY M	012-34-5678	507	507	0	0	0	0	
ANDERSEN / JAMES H	123-45-5679	507	507	0	0	0	0	
ANDERSON / SARAH A	234-56-7890	725	725	0	0	0	0	
BAKER / WILLIAM J	345-67-8901	292	292	0	0	0	0	
BANKS / SUZANNE A	456-78-9012	147	147	0	0	0	0	
BENSON / JOHN K	567-89-0123	180	180	0	0	0	0	
CARLSON / KATHLEEN M	678-90-1234	792	792	0	0	0	0	
CARTER / JILL K	789-01-2345	293	293	0	0	0	0	
CLARK / CATHY A	890-12-3456	293	293	0	0	0	0	
COOPER / ROBERT J	901-23-4567	292	292	0	0	0	0	
DAILY / PETER A	098-76-5432	401	401	0	0	0	0	
DANIELS / SANDRA M	987-65-4321	438	438	0	0	0	0	
DANIELSON / ERIK J	876-54-3210	434	434	0	0	0	0	
DAVIDSON / MICHAEL L	765-43-2109	293	293	0	0	0	0	
EDWARDS / JOHN K	654-32-1098	364	364	0	0	0	0	
ERICKSON / JOHN M	543-21-0987	147	147	0	0	0	0	
EVANS / RICHARD A	432-01-9876	292	292	0	0	0	0	
FISCHER / MARTHA J	321-09-8765	220	220	0	0	0	0	
FOX / JEFFREY R	210-98-7654	220	220	0	0	0	0	
GARDNER / AMANDA L	109-87-6543	434	434	0	0	0	0	
GOODWIN / ROBERT K	112-23-3445	292	292	0	0	0	0	
GRAHAM / JAMES R	566-77-8899	1875	1875	0	0	0	0	
GREEN / CARL P	001-12-2334	454	454	0	0	0	0	
GRIFFIN / PHILLIP J	455-66-7788	308	308	0	0	0	0	
HAGLUND / SUSAN R	990-01-1223	220	220	0	0	0	0	
HALL / CYNTHIA A	344-55-6677	446	446	0	0	0	0	
HALL / GREG E	889-90-0112	364	364	0	0	0	0	
HANSEN / JOSEPH J	778-89-9001	220	220	0	0	0	0	
HANSON / DAVID R	122-33-4455	193	193	0	0	0	0	
HANSON / JOHN B	667-78-8990	147	147	0	0	0	0	
HAUGEN / MARY K	011-22-3344	580	580	0	0	0	0	
HERMAN / MICHAEL A	556-67-7889	158	158	0	0	0	0	
HILL / JOE M	900-11-2233	292	292	0	0	0	0	
IVERSON / JEREMY T	223-34-4556	434	434	0	0	0	0	
JACKSON / PATRICIA A	334-45-5667	364	364	0	0	0	0	
JACOBSON / JEREMY J	445-56-6778	873	873	0	0	0	0	
JOHNSON / LAURA L	556-67-7889	293	293	0	0	0	0	
...	...	1205	1205	0	0	0	0	
<b>TOTAL</b>		<b>\$77,801.00</b>	<b>\$77,801.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	

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**Report Name**                      **Reconciliation Report**

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<b>Program Origin</b>	One of four State Grant Decentralized Delivery System (DDS) Output Reports
<b>Distribution</b>	DDS School (1); Office of Higher Education (1).
<b>Frequency</b>	The <i>Reconciliation Report</i> is generated each time the Office of Higher Education processes a DDS submitted by the institution.
<b>Purpose</b>	The report is produced in order for the Agency and the institution to reconcile accounting records with respect to cash advances to date, accepted net payments to date, rejected net payments to date and cash balances on hand at the institution. Schools can review and print this report on-line by logging into the SG Web Access Screen the day after submitting a DDS batch to the Agency. The data can also be copied from the report into another format, such as Word or Excel.
<b>General Description</b>	The report provides a comparison of the Agency's and the institution's data in order to reconcile accounting records and cash flow figures. Totals are taken from a variety of sources such as the institution's trailer record for its DDS batch, the Agency's records of cash advances to date, and the total accepted and rejected payments from the <i>Roster of Rejected Awards/Payments</i> and the <i>Roster of Accepted Payments</i> .
<b>Data Description</b>	A description of the data appearing on this roster is provided below by column heading:
• <b>School</b>	Name of school submitting DDS batch
• <b>School Code</b>	School's 6-digit school code used for federal financial aid programs
• <b>Label ID</b>	10-character optional identifier supplied by school submitting DDS batch
• <b>Cutoff Date</b>	School's cutoff date for data supplied in DDS batch
• <b>Date Received</b>	Date DDS batch received by the Agency
• <b>Date Processed</b>	Date DDS batch processed by the Agency
• <b>Number of Records</b>	Number of student records in DDS batch as counted by the Agency (OHE column) and school (School column)
• <b>Amount Net Payments</b>	Total amount of payments in DDS batch as calculated by the Agency (OHE column) and school (School column)
• <b>Total Advances</b>	Total funds advanced to school by the Agency to date, with detail of individual advances appearing below total
• <b>Total Payments Accepted</b>	Total payments accepted in current batch from the <i>Roster of Accepted Payments</i>
• <b>Balance on Hand</b>	Total funds advanced to school by the Agency minus total of accepted payments. May be a negative figure if school is seeking reimbursement.

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- Total Rejected Payments**                      Total payments rejected in current batch from the *Roster of Rejected Awards/Payments*
- Unidentified School Difference**                      This amount should always be '0.' If it is necessary for the Agency to "plug" an amount on this line to reconcile, it is an indication that the institution has not reconciled its computer records with its business office accounting records prior to submitting DDS records to the Agency. This figure is derived by subtracting the total rejected payments from the difference between the school's balance on hand and the Agency's balance on hand.
- Balance Payable to the OHE**                      Total funds advanced to school by the Agency minus total of accepted payments. Balance must be returned to the Agency no later than August 1 at the end of each aid year. May be a negative figure if school is seeking reimbursement.

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Reconciliation Report • 07/30/2007  
**SAMPLE UNIVERSITY** [ 001234 ]

Label ID: SA01  
Cutoff Date: 07/27/2007  
Date Received: 07/27/2007  
Date Processed: 07/30/2007

<b>Trailer Reconciliation</b>		<b>OHE</b>	<b>School</b>
Number of Records		391	391
Amount Net Payments		\$78,435.00	\$78,435.00
<b>Outstanding Balance Summary</b>		<b>OHE</b>	<b>School</b>
Advance Dated	07/20/2007	\$35,000.00	
Total Advances		\$35,000.00	
Net Payments Accepted Through Cutoff		\$77,801.00	
Balance On Hand As of Cutoff Date		(\$42,801.00)	(\$43,435.00)
Roster of Rejected Net Payments			\$634.00
Unidentified School Difference			\$0.00
Balance Payable to OHE			(\$42,801.00)



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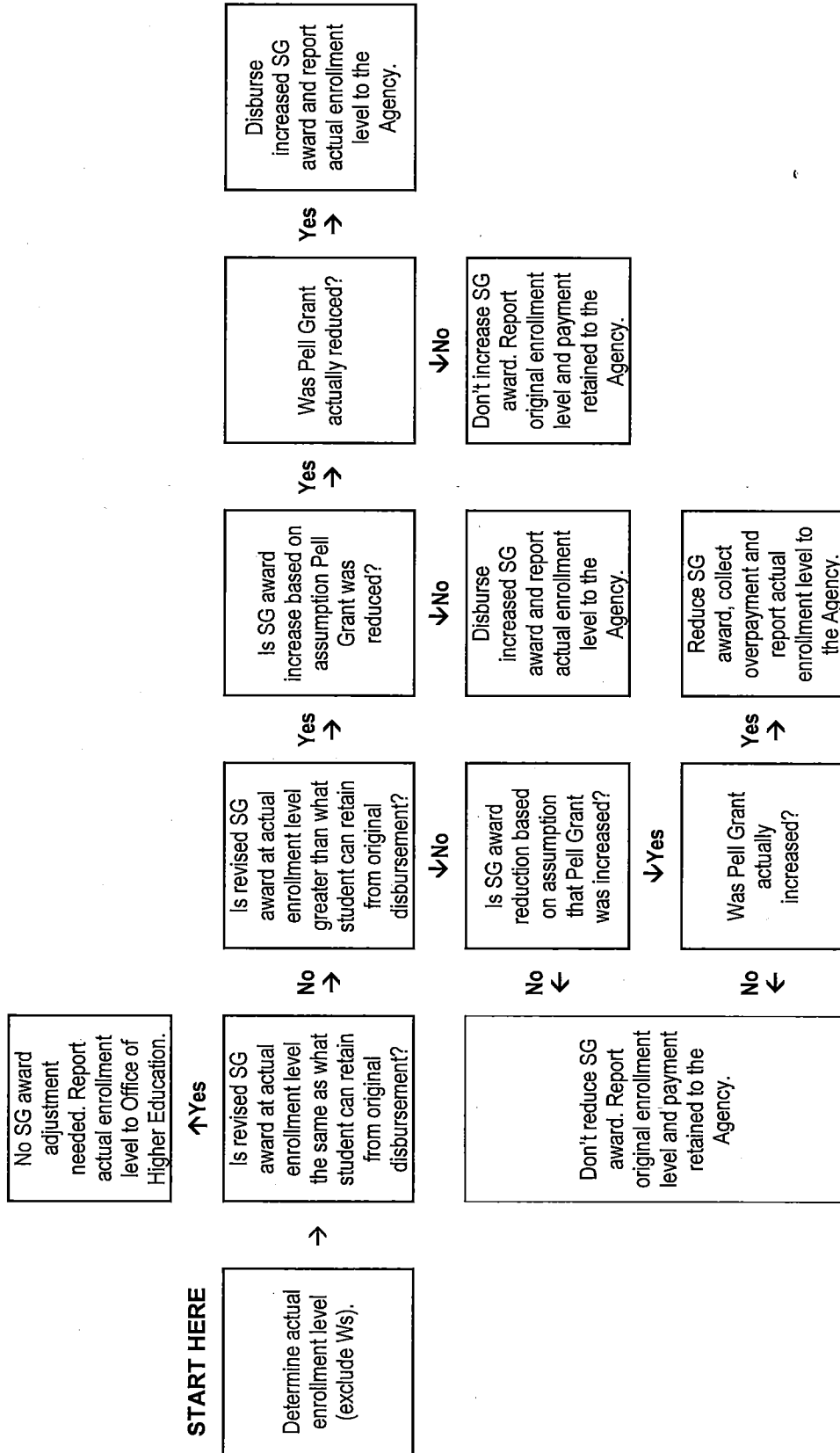
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## Logic for State Grant Adjustment After Initial Disbursement (when enrollment change occurs before school's award adjustment end date)



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## Examples of State Grant Award Adjustments After Initial Disbursement (when enrollment change occurs after student begins attendance but before school's award adjustment end date)

Credit at Initial Payment	Credits Later Withdrawn (B)	State Grant Award Difference Fully Refunded for W Credits?*	Credits Later Added (+)	Actual Enrollment Level (E)	Revised Award Higher or Lower Than Original Payment Retained	Increase or Decrease Due to Change in Parent Cont or EFC?	Increase or Decrease Due to Change in Pell Enrollment Level?	Was Pell Actually Adjusted?	Credits Reported to Office of Higher Education on DDS Record	State Grant Action
15	3	Yes	0	12	Lower	No	No	No	12	Report 12 credits and Level 12 payment amount
15	3	No	0	12	Lower	No	No	No	15	Report 15 credits and up to Level 15 payment amount
15	3	No	0	12	Lower	Yes	No	No	15	School would need to recapture difference between original and revised Level 15 award prior to doing refund calculation for withdrawn credits
15	3	Yes	3	15	Same	No	No	No	15	Report 15 credits and Level 15 payment
15	3	No	3	15	Same	No	No	No	15	Report 15 credits and Level 15 payment
12	3	Yes	4	13	Higher	No	No	No	13	Pay increased amount for Level 13
12	3	No	4	13	Higher	No	No	No	13	Pay increased amount for Level 13
12	3	No	4	13	Higher	Yes	No	No	13	Pay increased amount for revised Level 13 award
12	3	No	2	11	Lower	No	No	No	12	Report 12 credits and up to Level 12 payment amount
12	3	No	2	11	Lower	Yes	No	No	12	School would need to recapture difference between original and revised Level 12 award prior to doing refund calculation for withdrawn credits
12	3	No	2	11	Higher	No	Yes	No	12	Cannot award higher Level 11 State Grant since Pell award not reduced.
12	3	No	2	11	Higher	Yes	No	No	11	Pay increased amount of revised Level 11 award
11	0	N/A	1	12	Higher	No	No	No	12	Pay increased amount for Level 12 award
11	0	N/A	1	12	Lower	No	Yes	No	11	Not required to reduce award to Level 12 since Pell award not increased
12	1	Yes	0	11	Lower	No	No	No	11	Report 11 credits since difference between 12 and 11 credit awards was fully refunded
12	1	No	0	11	Higher	No	Yes	No	12	Cannot award higher Level 11 State Grant since Pell award not reduced
12	1	No	0	11	Higher	Yes	No	No	11	Pay increased amount for new Level 11 award
12	1	No	0	11	Higher	Yes	Yes	No	12	If Pell not decreased, additional funds can only be disbursed for the difference between the original and revised Level 12 State Grant award

\*Indicates whether difference between the State Grant at the original enrollment level and the State Grant for the revised (original minus W credits) enrollment level was fully refunded to the State Grant program.



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**Comparison of State and Pell Grant  
Disbursement and Award Adjustment Policies**

Scenario	Current SG Policy	Pell Grant Policy
Award first paid at beginning of term	Base on enrollment level at beginning of term.	Base on enrollment level at beginning of term.
Award first paid on school's award adjustment end date	Base on enrollment level at time of disbursement. Exclude dropped or withdrawn credits.	Base on enrollment level at time of disbursement. Exclude dropped or withdrawn credits.
Award first paid after school's award adjustment end date	Base on enrollment level at time of disbursement. Exclude W credits.	Base on enrollment level at time of disbursement. Exclude W credits.
Award first paid after end of term	Base on enrollment level at end of term. Exclude W, FN or FW credits or their equivalent. Subject to Pell Grant requirement to verify attendance if student receives all F grades. Subject to award recalculation if school determines student never attended class. Subject to refund for total or partial withdrawal if school determines student attended but did not complete class(es).	Base on enrollment level at end of term. W credits excluded. Verify attendance if student receives all non-passing grades. Subject to refund for total withdrawal if school cannot document attendance in at least one class covering the entire length of the term.
Student withdraws from course after initial State Grant disbursement but is still enrolled	Award recalculation required if student never attended class. Otherwise, partial withdrawal refund calculation required if award at new enrollment level is less, student withdrew from course before school's award adjustment end date and there is a refund of institutional charges. If award at new enrollment level is higher, no refund required but award can only be increased if Pell Grant is reduced (based on change in enrollment level) and enrollment level changed before school's award adjustment end date or if award increase is based on change in parent contribution or EFC.	In general, no award recalculation takes place after school's Pell Grant award adjustment end date unless student never attended class. Refunds not required for partial withdrawals.

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Scenario	Current SG Policy	Pell Grant Policy
Student adds credits after initial State Grant disbursement	If enrollment change occurs before school's award adjustment end date, disburse additional funds if award at new enrollment level is higher. School may also have policy to add credits that were not originally included due to school error or interim term credits assigned to fall term. If award at new enrollment level is less, State Grant is only reduced if the Pell Grant is actually increased (based on change in enrollment level) or award decrease is based on change in parent contribution or EFC.	In general, no award recalculation takes place after school's award adjustment end date.
Total withdrawal from school prior to disbursement	Not eligible for State Grant.	Eligible for percentage earned during period of enrollment.
Total withdrawal after initial disbursement	Subject to refund calculation for total withdrawal if there is a refund of institutional charges (based on each school's institutional refund policy—certain proprietary schools subject to prorata policy in MS 141).	Subject to refund calculation for total withdrawal (based on percentage earned for period of enrollment under R2T4 policy).
Retroactive withdrawal backdated to first day of term	If total withdrawal, entire State Grant must be repaid. If partial withdrawal, award recalculated to exclude backdated withdrawal credits.	Subject to refund calculation for total withdrawal (based on percentage earned for period of enrollment). No award recalculation for partial withdrawal after school's Pell Grant award adjustment end date.

# MN Office of Higher Education Refund Return Form

For Returning End of Year Balances or Post-Closure Refunds

**Returning End of Year Balance**  
(for use with State Grant, Occupational Grant, State Work Study, Postsecondary Child Care Grant and MN GI Bill programs)

Program Name	Aid Year	Amount of Refund
		\$
		\$
		\$
		\$
		\$

## Returning Individual Student Refund(s)\*

(for use with Indian Scholarship, State Grant, Occupational Grant, State Work Study, Postsecondary Child Care Grant and MN GI Bill programs)

Student's Name	SSN	Program	Amount	Term	Aid Year	Reason *	If Reason is PW or CH, please indicate enrollment level at: Time of Disbursement/ Current. If OT, provide explanation.
	XXX-XX-		\$				
	XXX-XX-		\$				
	XXX-XX-		\$				
	XXX-XX-		\$				
	XXX-XX-		\$				
	XXX-XX-		\$				
	XXX-XX-		\$				
	XXX-XX-		\$				
	XXX-XX-		\$				

**Reason Codes:**  
 NE = not enrolled for term/withdrawal before disbursement  
 WI = total withdrawal from school after disbursement  
 PW = withdrew from class but still enrolled  
 CH = changed enrollment level, refunding full difference in awards  
 OT = other (provide explanation above)

Return refund with form to:  
**Minnesota Office of Higher Education**  
**Administrative Services Division**  
**PO Box 64449**  
**St. Paul, MN 55164-0449**

<b>Person Returning Funds:</b>	<b>Phone Number:</b>
<b>Name of College:</b>	<b>Date Completed:</b>
<b>School Code:</b>	

\*Schools should only return individual student refunds for State Grant, Occupational Grant, State Work Study, Postsecondary Child Care Grant and MN GI Bill programs if they occur after the school has closed out program activity for the aid year.



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[PLACE SCHOOL'S LOGO OR LETTERHEAD HERE]

**Student Disclosure Statement Required for Schools Not Participating  
in the Federal Pell Grant Program  
2016-2017 Academic Year**

As a postsecondary educational institution that is not participating in the Federal Pell Grant program, we are required by Minnesota Statutes 136A.103 to inform you that, by choosing to attend this institution, you will not be eligible to receive a Federal Pell Grant.

For the 2015-2016 academic year (July 1, 2015 to June 30, 2016), Federal Pell Grants range from \$588 to \$5,775 per year and are available to students who:

1. have an expected family contribution (EFC) less than \$5,199
2. are U.S. citizens or eligible non-citizens,
3. are enrolled in an eligible undergraduate program at a participating postsecondary institution,
4. are making satisfactory academic progress,
5. are not in default status on a federal student loan, and
6. have not have been convicted of the sale of illegal drugs while receiving federal financial aid.

By signing below, I am confirming that I have read the above disclosure statement and understand that I will not be receiving a Pell Grant at this institution.

\_\_\_\_\_  
Student's Signature

\_\_\_\_\_  
Date Signed



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## State Grant On-Line Student Eligibility Questionnaire Report

**Report Name**

**Report Origin**

Records are created when students access the State Grant On-Line Student Eligibility Questionnaire via the student's original FAFSA on the Web confirmation page state link or, for those who missed the state link, through a follow-up email from OHE containing a student-specific link to the state questionnaire site. Once a student has a successfully completed on-line state questionnaire on file, the student can no longer access the state on-line questionnaire. Participating campuses create reports by logging into the SG Web Access screen and choosing the 'State Grant On-Line Student Eligibility Questionnaire Report' option.

**Distribution**

Each school's on-line state questionnaire report is limited to financial aid administrators at that campus, as well as OHE grant unit staff.

**Frequency**

The State Grant On-Line Student Eligibility Questionnaire database is updated in real-time as students access the system and complete questionnaires. Reports of student on-line questionnaire records may be created at any time by financial aid administrators at participating campuses and will reflect real-time student data.

**Purpose**

The State Grant On-Line Student Eligibility Questionnaire system was created to capture information from Minnesota FAFSA applicants about state residency and amount of postsecondary attendance after high school. The information collected is stored and made available to participating campus financial aid administrators when they create a report from the system for their campus. The information on the report, as well as other documentation collected on the FAFSA or by financial aid administrators, will be used to determine if applicants meet program eligibility requirements for the Minnesota State Grant program, as well as other state financial aid programs requiring Minnesota residency or a limit on postsecondary attendance.

**General Description**

The report created by the financial aid administrator will display the student's responses to the questions on the on-line state questionnaire, as well as relevant data from the student's most current Institutional Student Information Record (ISIR) for the aid year. There may be multiple on-line state questionnaire transactions for students who logged into the questionnaire on multiple occasions but did not complete the questionnaire until the most recent transaction. There may also be multiple transactions when a previously completed on-line state questionnaire was subsequently invalidated by a newer ISIR transaction (see description of this under 'Guidance' section below).

When students reach the on-line state questionnaire page, **screen-out logic** is used to bypass the entire on-line state questionnaire if the student's FAFSA data indicates the student will not meet program eligibility requirements:

- The student will be 20 years old as of the start of the aid year (July 1) and the student either answered: 'yes' to having a bachelor's degree; 'yes' to being a graduate/professional student; or that s/he was pursuing a graduate/professional degree (ISIR credential value of '8'); OR
- The student had a value of '3' (neither U.S. citizen or eligible non-citizen) for the citizenship question; OR

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- The student's ISIR did not contain at least one college code for a MN college participating in the State Grant On-Line Student Eligibility Questionnaire system; OR
- The student has already successfully completed the on-line questionnaire and there are no new participating MN college codes on the ISIR.

For students who are not immediately screened out and do access the on-line state questionnaire, skip logic is used to bypass the screen containing state residency questions if the student's state residency status can be easily determined by data supplied on the ISIR. In both of the cases below, the 'State Residency Status' field on the student's on-line state questionnaire record is set to 'Confirmed':

- A student whose FAFSA high school state = 'MN' and who indicated MN was the state of residence at the time of high school graduation on the on-line state questionnaire screen; OR
- A dependent student whose parents' state of legal residence on the FAFSA = 'MN'.

A description of the data appearing on each student's on-line state questionnaire record is described in the annotated version of the MN State Grant Student Eligibility Questionnaire Record at the end of this document.

## Guidance

In many cases, financial aid administrators are not required to collect additional documentation beyond what appears on the student's on-line state questionnaire record to determine a student's Minnesota residency status and/or amount of previous postsecondary attendance *unless there is conflicting information in the student's file.*

The following are examples of cases where no additional documentation would be required.

If the 'State Residency Status' field is set to 'Confirmed,' the student would be considered a Minnesota resident absent conflicting information.

If the 'Student Successfully Completed State Grant Questionnaire' field is set to 'Y,' and:

- the 'State Residency Status' field is set to 'Unconfirmed,' the school must review all of the information provided under 'State Residency Questions' on the student's on-line eligibility questionnaire to determine if the student meets the state residency requirement. It is only if the school is unable to make a determination based on the student's on-line questionnaire responses that the school would need to collect additional documentation from the student.
- the 'Indicated No Attendance Beyond High School,' field is 'Y,' and the 'Transcripts Required' field is set to 'N,' the school is not required to request academic transcripts from the student absent conflicting information.
- the 'Indicated No Attendance Beyond High School,' field is set to 'N,' and postsecondary attendance is listed but the 'Transcripts Required' field is set to 'N,' the school is not required to request academic transcripts from the student absent conflicting information.



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In some cases, the school will need to collect additional documentation beyond what is collected on the on-line state questionnaire. The following are examples of when the school would either need to collect additional information or watch for another on-line state questionnaire record.

- The ‘Student Successfully Completed State Grant Questionnaire’ field is set to ‘N’ for No, which means the school can either give the student the link to the on-line state questionnaire so the student can complete an on-line questionnaire or collect information directly from the student using the paper state questionnaire or similar form developed by the school. Directing the student to the on-line state questionnaire link will only work if the student does not meet the screen out logic used by the on-line state questionnaire.
- The ‘Student Successfully Completed State Grant Questionnaire’ field is set to ‘I’ for Invalidated and the ‘State Residency Status’ field is set to ‘Reversed.’ This occurs when the residency fields on the previous ISIR transaction confirmed state residency without the student having to complete the full residency section of the previous on-line state questionnaire transaction, but the residency fields on the newest ISIR transaction do not confirm state residency. OHE will email the student a link to the on-line state questionnaire and once accessed, it will require the student to complete the full residency section on the questionnaire, generating another questionnaire record.
- The student lists 810 or more days of postsecondary attendance and the ‘Transcripts Required?’ flag is set to ‘Y,’ unless the 810 or more days includes future attendance listed by the student or the school has documentation proving the student did not attend 810 or more days of postsecondary education.

NOTE: For example, if the student listed a period of enrollment at the current institution as 08/15/2007 to 06/15/2009 (670 days), and a previous institution as 08/15/2006 to 01/15/2007 (153 days), for a total of 823 days, but the school knows the student didn’t attend summer term 2008 (90 days) at the current institution, the school would not be required to collect transcripts from the previous school, since the total days would equal 733.

- If the student indicates on the on-line state questionnaire that s/he is receiving tuition reciprocity benefits from a neighboring state, and the student is attending a Minnesota public postsecondary school, the school should follow-up to make sure the student is not receiving both state financial aid and tuition reciprocity benefits from another state. The student may turn down reciprocity benefits in order to qualify for state financial aid, assuming the student meets the state residency requirement.
- If the student’s response to ‘If you currently reside in another state/country, are you physically attending a Minnesota college?’ is ‘Y’ or ‘N’ rather than ‘N/A,’ the school should make sure the student is physically attending at least one class if the only way the student can meet the state residency requirement is by having graduated from a MN high school and the student currently resides in another state.
- If the student lists postsecondary attendance and indicates s/he withdrew for a major medical illness or active military duty, the school should request supporting documentation from the student and not count that term’s attempted credits towards the limit on postsecondary attendance.



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### Annotated MN State Grant Student Eligibility Questionnaire Record

Aid Year: **2017** [last calendar year in aid year]

Date Generated: **01/18/2016 03:46PM** Source: FOTW (FAFSA interface), OHE email response (student used unique link in OHE follow-up email), OHE log-in (student logged in), OHE automated record (previous record copied for new school) Dep Status: I/Y=independent, D/X=dependent

Student: **LAST NAME, FIRST NAME** DOB: **MM/DD/CCYY** SSN: **XXX-XX-XXXX**

Insts: **002354, 002342, 002334** [school codes from current FAFSA/ISIR]

#### Screen-Out Variables

Graduate or Professional Student? **2** [1=Yes, 2=No—from current FAFSA/ISIR]

U.S. Citizen/Eligible Non-Citizen? **1** [1=citizen, 2=eligible non-citizen, 3=neither—from current FAFSA/ISIR]

Bachelor's Degree? **2** [1=Yes, 2=No - from current FAFSA/ISIR]

Degree/Credential Code: **5** [1=first bach, 2=2<sup>nd</sup> bach, 3-6 associate or certificate, 7=teach cred, 8=grad/prof, 9=undecided—from current FAFSA/ISIR]

Prior Year Questionnaire? **N** Prior Year(s) Found: **n/a** [from OHE search of database]

Student Successfully Completed State Grant Questionnaire? **Y** [determined by OHE]

Sent SELF Loan information? **N** [based on student's response on questionnaire]

State Residency Status: **Unconfirmed** [Confirmed=Student graduated from MN high school while residing in MN OR dependent student's parents' state of residence=MN on FAFSA]

#### State Residency Questions

Student's State of Legal Residence on FAFSA: **MN** [from current FAFSA/ISIR]

Parents' State of Legal Residence on FAFSA: [from dependent student's current FAFSA/ISIR]

State in Which Student's High School Located: **ND** [from current FAFSA/ISIR]

Student's State at Time of HS Graduation: [from OHE questionnaire if student graduated from MN high school]

Year of High School Graduation: **1980** [from OHE questionnaire only if student not MN high school graduate]

Year of GED: **1980** State of GED: [from OHE questionnaire only if student not MN high school graduate]

State/Country [from OHE questionnaire]	From	To	Reason
<b>MINNESOTA</b>	<b>06/2010</b>	<b>01/2016</b>	<b>Other</b>
<b>NORTH DAKOTA</b>	<b>06/2008</b>	<b>06/2010</b>	<b>Employment</b>
<b>TEXAS</b>	<b>06/1985</b>	<b>06/2008</b>	<b>Military Service</b>
<b>GERMANY</b>	<b>05/1983</b>	<b>05/1985</b>	<b>Military Service</b>
<b>NORTH DAKOTA</b>	<b>05/1974</b>	<b>03/1983</b>	<b>Orig Place of Res</b>

Tuition reciprocity benefits from another state? **N** [Y or N response from OHE questionnaire]

If you currently reside in another state/country, are you physically attending a Minnesota college? **N/A** [Y, N or N/A response from OHE questionnaire]

#### Previous Postsecondary Attendance

College [from OHE questionnaire]	From	To	Enrollment Level
<b>NORTH DAKOTA STATE UNIV</b>	<b>07/1980</b>	<b>05/1982</b>	<b>Full</b>
<b>NORTH HENNEPIN COMMUNITY</b>	<b>08/2012</b>	<b>05/2013</b>	<b>Full-time</b>

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[CON'T]

Transcripts Required? **Y** [Default of N=No; Set to Y=Yes by OHE if student total days > 809]

Indicated no attendance beyond high school: **N** [Y=Yes – student indicated no postsecondary attendance, N=No]

Withdrew for major medical illness while under care of professional: **N** [Y or N response from OHE questionnaire]

Withdrew for active duty military service after 12/31/2002: **N** [Y or N response from OHE questionnaire]

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**Voluntary Waiver of  
Minnesota State Grant and Postsecondary Child Care Grant  
for Academic Year: \_\_\_\_\_**

\_\_\_\_\_  
Name (Please print)

\_\_\_\_\_  
Student I.D. #

Please indicate why you are voluntarily waiving your right to the Minnesota State Grant and Postsecondary Child Care Grant:

I am currently unable to provide my academic transcript(s), but plan do so in the future

**NOTE:** It is your responsibility to notify the financial aid office to review the transcript when it is provided. Disbursement will be based on your eligibility at the time of disbursement.

I am unable to provide my academic transcript(s) this academic year

**NOTE:** The Family Educational Rights and Privacy Act (FERPA) requires colleges to allow you access to your academic records even if there is a hold on your official records. This means you can physically inspect and copy your unofficial records, such as transcripts. If it is impossible for you to physically inspect the records, colleges must send copies of the requested records to you and may charge you for doing so. You can then submit the unofficial records to your current college which will review them to determine your eligibility for Minnesota State Grant and/or Postsecondary Child Care Grant. However, unofficial transcripts/records cannot be used to transfer in course work to your current college.

**NOTE:** If your previous college has closed, your transcripts may be held by another college or organization. This web site provides information about private colleges that closed in Minnesota:

<http://www.ohe.state.mn.us/sPages/closedSchoolContact.cfm>

Other: \_\_\_\_\_

By signing this waiver, I certify that I am voluntarily relinquishing any and all rights to the 2016-2017 Minnesota State Grant and/or Postsecondary Child Care Grant. I also understand that relinquishing my rights to the Minnesota State Grant may negatively affect other state financial aid programs that are dependent upon my eligibility for Minnesota State Grant, such as the Minnesota Indian Scholarship and MN GI Bill programs. I also certify that a member of the financial aid staff has informed me of all of my options, given me the opportunity to ask questions and answered all my questions to my satisfaction.

\_\_\_\_\_  
Student's Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Campus Financial Aid Administrator

\_\_\_\_\_  
Date



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**DEPARTMENT OF THE ARMY  
UNIT LETTERHEAD**



[Note: This is an example of acceptable documentation of active membership in the National Guard. The letter can also be modified to serve as documentation of membership in the Reserves, in which case, the Commanding Officer must also verify the member is stationed in Minnesota.]

OFFICE SYMBOL

DATE

MEMORANDUM FOR RECORD

SUBJECT: Verification of Minnesota National Guard Status

1. This memorandum is to verify that SOLDIER NAME/RANK (XXX-XX-1234) is an active member of the Minnesota National Guard.
2. SOLDIER NAME/RANK has been a member of the Minnesota National Guard from DATE-PRESENT.
3. Due to SOLDIER NAME/RANK's status in the Minnesota National Guard, he/she and his/her spouse and/or dependents are eligible for state financial aid, provided he/she meets the program-specific eligibility requirements, such as residing in Minnesota.
4. POC for this memorandum is the unit full-time Readiness NCO, RNCO NAME/RANK at PHONE NUMBER or EMAIL ADDRESS.

COMMANDER'S  
SIGNATURE BLOCK

