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# State Financial Aid Manual

## Minnesota Student Teacher Grants

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**About the Minnesota Office of Higher Education**

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

The Minnesota State Grant Program is the largest financial aid program administered by the Office of Higher Education, awarding up to \$235 million in need-based grants to Minnesota residents attending accredited institutions in Minnesota. The agency oversees other state grant and scholarship programs, tuition reciprocity programs, a student loan program, Minnesota's 529 Institution Savings Plan, licensing and early college awareness programs for youth.

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# Introduction

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This manual is written for the Office of Higher Education (OHE) and participating postsecondary institutions for use in administering the Minnesota Student Teacher Grants (STG) which consists of the Student Teachers in Shortage Areas Grant and Underrepresented Student Teacher Grant Programs. It is subject to all subsequent changes in both federal and Minnesota state laws and regulations governing this program. This manual is updated on a regular basis. Institutions are required to read all e-mail and written correspondence from the Office of Higher Education to keep informed of any changes in policy or guidance. Changes announced during the interim have the full force and effect of the State Financial Aid Manual.

## Program Objective

To provide postsecondary financial assistance to eligible students, who are enrolled in a Professional Educator Licensing and Standards Board (PELSB) approved Minnesota teacher preparation program, during the term in which the student is completing the required 12-week or more student teaching experience to attain their initial licensure.

The programs have two goals. One, to encourage individuals, who belong to a racial or ethnic group underrepresented in the Minnesota teacher workforce, to become teachers. Two, to encourage students to teach in a designated license shortage area or in a rural school district in Minnesota.

## Definitions

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### Complete Application

Complete application must include the following:

- Student Teacher Grants application completed by the student;
- Submitted Free Application for Federal Student Aid (FAFSA) or Minnesota Dream Act application; and
- Financial data entered by the Financial Aid Office through the MNAid platform.

### Financial Need

Selection priority is based on a combination of factors including Student Aid Index (SAI) and unmet need. To determine the unmet need, the student's calculated term SAI and the amount of all grants, scholarships, and other gift aid received for the term is subtracted from the student's term federal Title IV Cost of Attendance (COA).

## Priority Application Deadline

The date that is set for each student teaching term as a cut-off for complete applications to be submitted and be considered for an award. The date is annually established by OHE.

## Shortage Area

License shortage area means a licensure area that is identified by the Professional Educator Licensing and Standards Board in coordination with the commissioner using data collected for the teacher supply and demand report under MN Statute 122A.091, subdivision 5, provided that only licensure areas within the following fields may be identified as a license shortage area:

- English as a second language;
- Early childhood;
- Special education;
- Career and technical education;
- Science, technology, engineering, arts, and math, and
- World languages

## Rural school district

Rural school district means a school district with fewer than 30 resident pupil units under Section 126C.05, subdivision 6, per square mile.

## Eligibility

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### Postsecondary Institutions

To be eligible, a postsecondary institution must:

- Offer an eligible MN PELSB approved teacher preparation program

### Student Eligibility

To be eligible, a student must:

- Be enrolled in a Minnesota teacher preparation program approved by PELSB at the institution;
- Be completing at least 12 weeks of student teaching for their initial licensure during the term indicated on the application;
- Have completed the financial aid process to receive federal and state aid (See “Complete Applications” for clarification);
- Meet Satisfactory Academic Progress (SAP) as defined by the institution;

- Not be in default on a federal or state student loan;
- Have not received a grant from the STG program in a previous term;
- Demonstrate [financial need](#); and
- Meet one or more of the following requirements:
  - Intend to teach in a designated rural school district in Minnesota
  - Intend to teach in an identified license shortage area
  - Belong to a racial or ethnic group underrepresented in the Minnesota teacher workforce

Any applicant who belongs to a racial or ethnic group other than White Non-Hispanic, as identified on the application, is considered as belonging to a racial or ethnic group underrepresented in the Minnesota teacher workforce.

## Application and Awarding

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### Complete Application

A complete application must be on file in order for an eligible student to be considered for an award. A complete application includes:

- Completed STG application through the MNAid Student Portal. It is preferred to have the application submitted online, however; a PDF application is available upon request.
  - PDF applications must be signed and dated by the student. A typed signature is not accepted.
  - PDF applications can be faxed or scanned to OHE, or
  - PDF applications can be entered in MNAid by the Financial Aid Office at the institution.
- Submitted financial data and all required information for eligible students through MNAid.
  - Institutions should not submit financial data if a student has not completed the financial aid process at their institution. This includes students who have not yet submitted a FAFSA or MN Dream Act Application or have outstanding verification or conflicting information documents.
  - Exception: Institutions can submit financial data for MN Dream Act applicants who are Graduate students or non-Minnesota residents once the income has been verified.
  - Institutions should submit financial data if a student has completed all of the necessary steps at the institution to receive financial aid regardless of whether or not the college has established tuition and fees for the upcoming year, has the ability to provide a complete and final institution form or can issue an award letter.
  - Some estimated information may be entered if the institution is unable to obtain the actual information. For example, if the institution has not established Cost of Attendance for the upcoming year, an estimated amount can be used but must be updated with accurate information as soon as possible to ensure awards are calculated accurately for eligible students.

- Institutions are required to review and update the financial data of awarded students in MNAid before certification, at the time of certification and after disbursement to ensure students continue to demonstrate financial need.

Complete Application Date is the date all documentation needed for a complete application has been submitted. The date will be posted in the student's STG record in MNAid.

Students who submit complete applications but do not meet one or more of the eligibility requirements are notified by the OHE. Eligibility status will be available on both MNAid and the Student Portal.

## Priority Application Deadlines

Priority application deadlines are set for each student teaching term as a cutoff date for the processing of applications. Complete applications received by the priority deadline are considered on-time. Applications will still be accepted after the deadlines but eligible students will most likely be placed on a waitlist depending on the availability of funds.

## Amount of Available Funds

The amount of available funds for the fiscal year is allocated by term. One-third to the fall term and two-thirds to the spring and summer terms.

## Selection Process

All eligible students with complete applications received by the priority deadline for the specified term will be considered for an award from one of the two Student Teacher Grants programs:

- Underrepresented Student Teacher Grant Program (USTG)
- Student Teachers in Shortage Areas Grant Program (STSA)

If there are insufficient funds to award all eligible students, the applications will be prioritized based on the following:

1. Financial need
2. Then, based on which program the student qualifies for, a different factor is applied to prioritize applications.
  - a. STSA: whether or not the applicant intends to teach in both a rural school district and a license shortage area.
  - b. USTG: ensuring the statewide distribution of funds.

Eligible applicants not awarded are then placed on a waitlist.

## Award Process

### *Award Calculation*

Award amounts are based on the student's unmet financial need using the following calculation:

Student's total Cost of Attendance (set by the institution) for the indicated student teaching term.
- Student Aid Index (from FAFSA/MN Dream Act Application)
- Federal Pell Grant
- Federal SEOG Grant
- Minnesota State Grant
- All <u>other grants and scholarships</u>
= Student Teacher Grants Award Amount
(Based on Award Amount Guidelines)

The student's total Cost of Attendance is the federal Title IV Cost of Attendance which is used for federal financial aid programs and includes, but not limited to, tuition and fees, books, supplies, housing and food, transportation, and miscellaneous expenses.

Gift aid to include in the calculation are:

- Federal Pell Grant
- Federal SEOG Grant
- Federal TEACH Grant
- Minnesota State Grant
- Other state aid (MISP, MN GI Bill, Child Care Grant, etc.)
- Tribal Scholarships
- Institutional scholarships and grants
- Tuition waivers
- All other scholarships and grants

Federal or Minnesota work study and VA educational benefits should not be included in the calculation unless institution has first consulted with OHE and received confirmation to include it.

Federal, state or private student loans are excluded from the calculation.



### ***Award Amount Guidelines***

The maximum award amount is \$7,500. OHE may reduce award amounts based on the amount of available funding. The award is for one term only and must be awarded during the term in which the student is completing an eligible student teaching experience. Institutions should not spread funds over more than one term even if the student teaching experience extends over more than one term.

### ***Award Notification***

Students selected for an award will be notified by OHE per the following dates:

- Fall awards: recipients will be notified by August 15
- Spring awards: recipients will be notified by December 1
- Summer awards: recipients will be notified by May 1

These deadlines do not apply in cases where grants are awarded to applicants who applied after the priority deadline or were placed on the waitlist.

## **Disbursement Process**

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### **Application Report**

Institutions can generate a Student Data Report in MNAid that will include the applicant's information, student teaching experience, application date, eligibility status and payment amount. This report can be used for tracking new and current applications and to identify missing information.

OHE will contact the Financial Aid Office if further information is needed for an eligible student.

### **Payment Rosters**

Institutions will be notified via email when a disbursement of funds has been made. The payment roster can be generated in MNAid under Reports and will include for which recipient, the term, the amount and the date paid. Payment rosters will also include refunds received by OHE.

### **Disbursement of Funds**

Disbursements are made directly to the eligible institution via Electronic Funds Transfer (EFT). Disbursements must be based on the student's status as of the date of disbursement or the add/drop date as stated in the institutions' catalog whichever is later.

Prior to disbursement, institutions must review the accuracy of the financial data entered for each recipient and make any necessary updates. Institutions will certify each recipient in MNAid to request for payment/disbursement. Any certification of recipients with missing School/District information will be declined.

Institutions should not certify a recipient for a payment period or term until the student has registered for their student teaching experience/classes during that payment period or term.

Any changes to a recipient's financial data after disbursement must be updated through the recipient's payment history in MNAid.

- If the update results in a refund, institutions must return the indicated refund within 30 days.
- If the update results in an increase of the STG award amount, OHE will review and notify the institution if approved.

Institutions are liable for any program funds that are disbursed to an eligible student:

- If the student failed to begin the enrollment period, or
- If the institution cannot document that the student began their student teaching experience.

All related disbursement guidelines used for the State Grant program apply to the Student Teacher Grant including determination of disbursement date, acceptable methods of disbursement, student authorization for EFT transactions, student account balance requirements and other applicable guidelines described in the 'Disbursement Process' section of the State Grant chapter in the Financial Aid Manual.

## Institutional Refund Process

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If a recipient fails to enroll or meet a program eligibility requirement, the entire grant must be returned to OHE within 30 days of the receipt of funds at the institution or when the recipient's ineligibility is determined whichever is later.

Institutions are required to review and make any necessary updates to the financial data in MNAid throughout the awarded term for all recipients. If any changes to the financial data results in a refund, institutions will be notified via email and must return any necessary refunds to OHE within 30 days.

Refunds must be returned with written documentation that indicates for which student, the STG program (STSA or USTG), the amount of the refund, the term and aid year, and the reason for the refund. Please use one refund form per grant program.

Institutions must use the Refund Return Form provided by OHE.

Returned funds will be awarded to other eligible applicants on the waitlist.

## State Audit Requirements

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### Records Available for Auditors

State auditors will periodically visit each participating institution to perform an audit.

The institution also has the option of hiring an outside auditing firm to conduct its state audits in conjunction with its audits of federal aid programs. (See 'Audits' under the Common Definitions chapter of the Financial Aid Manual for further information.)

Each participating institution must establish a procedure by which an audit can be conducted by going to no more than three administrative offices within the institution. 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 institution.

Each institution must maintain and make available to auditors the financial aid files for USTG and STSA recipients.

Historical records and documentation must be kept on file for three years after the last day of the fiscal year or until all audit exceptions for the period are resolved.

## **Student Eligibility**

The postsecondary institution must have written documentation showing that the student met all eligibility requirements as described in the 'Student Eligibility' section in this chapter.

Exception: documentation of the student's identification as belonging to a racial or ethnic group underrepresented in the Minnesota teacher workforce is provided on the student form and maintained by OHE.

# Appendix A

## Refund Return Form

### 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, 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>School Code:</b>	<b>Date Completed:</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.