

Memorandum

To: Campus Financial Aid Administrators

From: Meghan Flores
Minnesota Office of Higher Education
Manager, State Financial Aid Programs

Subject: **COVID-19 State Financial Aid Guidance**

Date: April 9, 2020

Colleagues,

Under Article 2, Section 13 of Minnesota Laws 2020 Regular Session, Chapter 71, the Minnesota legislature has granted temporary and limited authority to modify and waive portions of statutes and rules that impact our state financial aid programs. The overall intent of the modifications and waivers is to hold students harmless due to changes related to COVID-19 by protecting the financial stability and academic standing of students and to preserve access to programs and services offered by the Office of Higher Education (OHE). As the Office of Higher Education navigated this authority, we focused on wherever possible keeping state financial aid where it belongs— with our students. This focus not only lessens the burdens our students are currently experiencing; it provides a similar relief to the economic stability of our campus partners. We want to make sure our Minnesota higher education institutions are able to continue to serve students through this unprecedented situation.

Changes to state aid administration under the new authority:**Suspend recovery of overpayments**

OHE is suspending recovery of overpayments required by administrative rules for the following programs:

- State Work Study,
- State Grant (including funds paid via the Minnesota Dream Act),
- Grants for Students with Intellectual and Developmental Disabilities,
- MN Reconnect,
- Postsecondary Child Care Grants,
- Indian Scholarships and
- Teacher Candidate Grants.

An overpayment occurs when a grant recipient receives more money than the recipient is eligible to receive under the award calculation; this overpayment happens when the student changes enrollment (withdraws from class/es), and therefore eligibility changes. This change allows students to keep their aid and not create a balance due on their student account if they withdraw from some or all classes.

Scope: For enrollment changes from 3/13/2020, the date of the peacetime emergency, through terms started prior to 7/1/2020.

Pay Work Study for Scheduled and Average Hours

OHE is suspending the requirement for State Work Study to be paid for hours actually worked and allows institutions to pay students for scheduled hours. So that overall dollars available in the program for students are not reduced, the required institutional wage share remains.

Scope: For terms that were in progress as of 3/13/2020, you may pay students based on scheduled hours. For terms that began after 3/13/2020, but prior to 7/1/2020, you may pay students based on average hours from the previous term of enrollment, not to exceed the student's annual work study award, and within your institution's work study allocation.

Unit Restoration

Students who withdraw from enrollment during the peacetime public health emergency known as COVID-19 will be entitled to have grant eligibility from the term of withdrawal reinstated for State Grant, Postsecondary Child Care Grant and Indian Scholarship programs. This provision will be administered the same way we currently administer withdrawals from enrollment for a major illness that substantially limited the student's ability to complete the term.

Scope: For students who completely withdraw for terms that were in progress as of 3/13/2020 or for terms that began after 3/13/2020, but prior to 7/1/2020.

Hold Child Care Grant Recipients Harmless

OHE is modifying Postsecondary Child Care Grant rules for spring terms to allow students to still be considered eligible and to keep their child care grant as it was determined at the time of disbursement in the event of the following circumstances:

- Student no longer has a child receiving care,
- Student is now receiving MFIP benefits,
- Students whose enrollment or child care costs changed, or
- Students who have other changes from information on their application.

At this time, we do not plan to make any changes to the program for summer term; however, we are open to revisiting this decision. If schools have scenarios they want to discuss, please reach out to Meghan Flores directly.

Scope: From 3/13/2020 through terms started prior to 7/1/2020.

Maintain Residency

OHE is modifying rules to maintain Minnesota residence for students who reside outside of Minnesota in a neighboring state, but are unable to physically attend a Minnesota school during a peacetime declaration when coursework is moved to a distance education format.

Scope: From 3/13/2020 through terms started prior to 7/1/2020.

Tuition Reciprocity with Wisconsin

The Minnesota-Wisconsin Public Higher Education Reciprocity Agreement states that Wisconsin students enrolled in extension or distance learning courses offered by Minnesota institutions in Wisconsin are not covered under the agreement. Likewise, Minnesota students enrolled in extension or distance learning courses offered by Wisconsin institutions in Minnesota are also not covered under the agreement. OHE has collaborated with our colleagues in Wisconsin regarding the vast majority of education at institutions in both states moving to an online, distance education format.

We have mutually agreed to interpret the widespread conversion from on ground to online courses not as “distance learning courses”, but rather, on ground courses currently being offered via a distance education format.

Scope: From 3/13/2020 through terms started prior to 7/1/2020.

SELF and SELF Refi Loans

OHE will be offering interest rate reductions and forbearances for the SELF and SELF Refi programs that will be retroactive to March 13, 2020, the date of the peacetime emergency. It is expected those actions will be implemented no later than the week of April 20th.

Questions

If you have questions or concerns, I encourage you to contact me.

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