



State Financial Aid Manual MN Reconnect Scholarship

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About the Minnesota Office of Higher Education

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

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



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Introduction

This manual is for institutions eligible for and receiving funds on behalf of eligible students in the MN Reconnect Scholarship program and is subject to all subsequent changes in both federal and Minnesota state laws and regulations governing the MN Reconnect Scholarship. The Office of Higher Education (Office) updates this manual on a regular basis. Institutions are required to read all e-mail and written correspondence from the Office to keep informed of any changes in policy or guidance. Changes announced during the interim have the full force and effect of the State Financial Aid Manual. All participating institutions are responsible for designating a MN Reconnect Scholarship contact on campus and notifying the Office about changes to the institutional contact information; including name, e-mail address, and phone number.

Program Objective

The objective of the MN Reconnect Scholarship is to provide financial assistance to eligible adult Minnesota resident students enrolled in a participating institution who previously completed at least 15 credits at a postsecondary institution but did not earn an academic credential.

Program Overview

The MN Reconnect Scholarship (see Appendix A) is a component of the MN Reconnect program. The MN Reconnect program provides adult learners with opportunities to reenroll and finish their postsecondary education. The Office developed the program in partnership with Minnesota State Colleges and Universities (Minnesota State) and with initial financial and technical support from Lumina Foundation and the State Higher Education Executive Officers Association (SHEEO). The State of Minnesota made a one-time appropriation to the program of \$2.010 million (\$1.005 million/year) for the 2020-2021 biennium. This appropriation is available for both scholarships to students and grants to participating institutions.

In collaboration with Minnesota State, the Office awards grants to participating institutions through a competitive process. Funds awarded through that process support on campus staff titled Navigators, who provide specialized academic advising and help students take advantage of multiple resources, from state and federal grants for adult learners to childcare services. Awarded funds also support financial assistance to students to resolve financial holds that prevent them from reenrolling in college. This manual does not cover the policies and procedures regarding these components of the MN Reconnect program. This manual only addresses policies and procedure for the MN Reconnect Scholarship.

Definitions

Child Support Hold

A student is on Child Support Hold if:

- 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
- 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 not complying with a written payment agreement under [section 518A.69](https://www.revisor.mn.gov/statutes/cite/190.05) (<https://www.revisor.mn.gov/statutes/cite/190.05>) or order for arrearages.

The Office maintains a Child Support Hold list that is accessible by participating institutions via State Grant Web Access.

Cost of Attendance

Cost of Attendance is tuition and required fees charged by the institution and the campus-based budget used for federal financial aid for food, housing, books, supplies, transportation, and miscellaneous expenses.

Program

Program is an academic certificate, diploma, or degree program offered by a participating institution.

Resident Student

A Resident Student is a student who meets one of the following conditions:

- a student who has resided in Minnesota for purposes other than postsecondary education for at least 12 months without being enrolled at a postsecondary educational institution for more than five credits in any term
- a dependent student whose parent or legal guardian resides in Minnesota at the time the student applies

- a student who graduated from a Minnesota high school, if the student was a resident of Minnesota during the student's period of attendance at the Minnesota high school and the student is physically attending a Minnesota postsecondary educational institution
- a student who, after residing in the state for a minimum of one year, earned a high school equivalency certificate in Minnesota
- a member, spouse, or dependent of a member of the armed forces of the United States stationed in Minnesota on active federal military service as defined in [Minnesota Statutes Section 190.05, subdivision 5c](#) (<https://www.revisor.mn.gov/statutes/cite/190.05>)
- a spouse or dependent of a veteran, as defined in [Minnesota Statutes Section 197.447](#) (<https://www.revisor.mn.gov/statutes/cite/197.447>), if the veteran is a Minnesota resident
- a person or spouse of a person who relocated to Minnesota from an area that is declared a presidential disaster area within the preceding 12 months if the disaster interrupted the person's postsecondary education
- a person defined as a refugee under United States Code, title 8, section 1101(a)(42), who, upon arrival in the United States, moved to Minnesota and has continued to reside in Minnesota
- a student eligible for resident tuition under [Minnesota Statutes Section 135A.043](#) (<https://www.revisor.mn.gov/statutes/cite/190.05>)
- an active member, or a spouse or dependent of that member, of the state's National Guard who resides in Minnesota or an active member, or a spouse or dependent of that member, of the reserve component of the United States armed forces whose duty station is located in Minnesota and who resides in Minnesota

Eligibility

Postsecondary Institutions

To be eligible, a postsecondary institution must be both:

- A two-year institution within the Minnesota State Colleges and Universities
- Selected to participate in the program through a competitive selection process.

Student Eligibility

To be eligible, a student must meet all of the following conditions:

- Be a [Resident Student](#)
 - Be 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 Minnesota Statutes Sections [136A.095](#) (<https://www.revisor.mn.gov/statutes/cite/136A.095>) to [136A.131](#) (<https://www.revisor.mn.gov/statutes/cite/136A.131>)
 - Not be in default, as defined by the office, of any federal or state student educational loan
 - Not be on [Child Support Hold](#)
 - Be enrolled in an [eligible postsecondary institution](#) beginning in the fall 2018 semester or later
 - Be enrolled in three or more credits each term
 - Be 25 years old or older and under 62
 - Have previously completed a minimum of 15 credits in a certificate or degree-seeking program that have been accepted by a participating institution
 - Not have enrolled in any Minnesota institution in the two academic years prior to enrollment at a participating institution
 - Not have completed a certificate, diploma, or degree of 16 credits or longer in length prior to enrollment at a participating institution in this program
 - Report a family adjusted gross income of \$85,000 or less on the Free Application for Federal Student Aid (FAFSA) or state aid application
 - Have applied for the scholarship on the form required by the commissioner
 - Not have received a scholarship for six semesters or the equivalent
- A student who withdraws from enrollment for active military service after December 31, 2002, because the student was ordered to active military service as defined in [Minnesota Statutes Section 190.05, subdivision 5b or 5c](#) (<https://www.revisor.mn.gov/statutes/cite/190.05#stat.190.05.5b>), or who withdraws from enrollment 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 scholarship eligibility.

Program Transfer Eligibility

A student eligible to receive MN Reconnect Scholarship, who transfers to another participating institutions remains eligible for the scholarship if the student has not completed a program.

Example: An eligible student begins attending College A (a MN Reconnect participating college) and receives an award. After two terms at College A without completing any program, the student transfers to College B (another participating college). If College B determines the student was eligible for MN Reconnect Scholarship at College A and has not completed a program then the student remains eligible for MN Reconnect Scholarship. If College B determines the student completed a program at College A, the student does not remain eligible for MN Reconnect Scholarship.

A student cannot receive MN Reconnect Scholarship funds at two participating colleges during the same term.

Application Process

A complete application must be on file in order for student to be eligible to receive funds each year.

Complete application includes all of the following:

- Participation Agreement. Completed online by the student on a page hosted by the Office.
- A complete FAFSA or state aid application and other documentation related to state financial aid eligibility including but not limited to all of the following:
 - Documentation of Minnesota Resident Student status
 - Any required documentation related to the federal verification process
 - Any required information to resolve Conflicting Information related to the FAFSA or state aid application

An eligible student may renew a scholarship by applying for renewal on a form provided by the commissioner and on a schedule set by the commissioner.

Application Complete Date

The Application Complete Date is the FAFSA or state aid application submission date or Participation Agreement submission date, whichever is later.

Award and Disbursement Process

The Office ranks applications by Application Complete Date.

The Office notifies institutions of estimated awards for the fall and spring semesters until all available program funding has been awarded.

Awards for Summer Academic Term

If the Office determines there are sufficient funds available to issue summer scholarship awards, the Office will notify institutions in February.

When the Office makes this determination, the Office will notify institutions of estimated Summer awards for all currently eligible students by updating the Student Roster (see Appendix C). The Office will also begin including Summer awards for any newly completed applications on the Student Roster.

Wait List

Complete applications will be placed on a Wait List if the Office determines all available funds have been awarded. The Office may determine all available funds have been awarded at any point in the awarding process.

The Office ranks complete applications on the Wait List by Application Complete Date.

If funds become available, the Office will issue estimated awards based on the Application Complete Date and notify institutions.

Award Amount Guidelines

The amount of a scholarship for any term is the lesser of \$1,000 or the difference between the [Cost of Attendance](#) and other scholarships or grants received by the student.

Student's Total Cost of Attendance
- Federal Pell Grant
- Federal SEOG Grant
- Minnesota State Grant
- All <u>other grants or scholarships</u>
= MN Reconnect Grant Award Amount up to \$1,000

Scholarship and Grant aid included in the calculation includes, but is not limited to:

- Federal Pell Grant
- Federal SEOG Grant
- Federal TEACH Grant
- Minnesota State Grant
- Minnesota Postsecondary Child Care Grant
- Minnesota GI Bill
- Tribal scholarships
- Institutional scholarships or grants
- All other scholarships or grants
- Tuition waivers

Federal or Minnesota work-study funds should not be included in the calculation unless institution has first consulted with the Office and the Office has indicated it can be included.

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

All awards shall be for a whole dollar amount.

Award Notification

The Office regularly sends institutions an email with a roster (see Appendix C) of students who completed the online participation form (see Appendix B).

The Office includes on the roster its initial eligibility determination based on the information available.

For eligible students, the roster includes estimated award amounts for fall and spring academic terms on the roster. If funds are available for summer term awards, the Office will update the roster with those estimated awards.

Upon receipt of the roster, institutions must review the accuracy of the initial eligibility determination and estimated award amounts. **Institutions must notify the Office within 10 business days** to indicate one of the following for each student:

1. A student is eligible for an award
2. A student is not eligible for an award.
 - a. Must indicate reason for ineligibility.

3. A student is eligible for a reduced award amount based on information held at the institution.
 - a. Must indicate the reduced amount the student is eligible to receive.

Institutions are responsible for notifying students of awards.

Disbursement

Payment to Institution

Institutions must verify each student's eligibility and award amount on the award roster before any funds are disbursed to the institution or eligible students.

The Office schedules payment dates for each award indicated as eligible by the institution on the award roster.

The Office disburses funds directly to the eligible postsecondary institution via EFT.

Disbursement to Student by Institution

Institution may not make a payment to a student for a payment period or term until the student has registered for classes during that payment period or term.

Institution is liable for all funds disbursed to a registered student prior to the start of the enrollment period if that student fails to begin the enrollment period.

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.

All related disbursement guidelines used for the State Grant program apply 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

1. If a recipient fails to enroll or meet a program eligibility requirement (including completion of the eligible student teaching experience), the entire grant must be returned to the Office within 30 days of the receipt of funds at the institution or when the recipient's ineligibility is determined whichever is later.

2. Institutions are required to review and make any necessary updates to the Institution Form throughout the award year for all recipients and within 30 days of any changes and make any necessary refunds or contact the Office to determine if funds from one term can be transferred to another term or if a refund is necessary.
3. Refunds must be returned with written documentation that, at a minimum, indicates the individual student for which the refund is being made, the amount of the refund, the aid year and term for which the refund should be applied and the reason for refund.
 - a. Institutions may choose to use the Refund Return Form provided by the Office (see Appendix D).
4. Refunded money is available for awards to other eligible applicants.
5. All Refunds shall be made in whole dollars with no cents.

State Audit Requirements

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 [State Financial Aid Manual](http://www.ohe.state.mn.us/mPg.cfm?pageID=891) (<http://www.ohe.state.mn.us/mPg.cfm?pageID=891>) 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 individual student financial aid files for scholarship 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.

All related accounting and audit requirements used for the State Grant program apply including Utilization of MN Reconnect Fund Interest Earnings, Prohibition Against Charging Student Fees, Student Account Requirements, and other applicable guidelines described in the 'Accounting and Audit Requirements' section of the State Grant chapter in the Financial Aid Manual.

Documentation of 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.

Reconciliation

At a minimum, at the end of each fiscal year, the financial aid office must reconcile its record of MN Reconnect Scholarship disbursements with:

- Offices' records of MN Reconnect Scholarship disbursements, and
- Institution's business office records of MN Reconnect Scholarship disbursements.

The Office strongly encourages institutions reconcile its record of MN Reconnect Scholarship disbursements with the Office and institutional business office records monthly and at the end of each term in order to make available any refunded funds for awards to other eligible students on the waiting list.

Appendices

Appendix A: Minnesota Statutes Governing MN Reconnect Scholarship

[136A.123 MN RECONNECT PROGRAM.](#)

Subdivision 1. Program administration. The commissioner of the Office of Higher Education must administer a credential completion program for adult learners consistent with this section.

Subd. 2. Definitions. (a) For the purpose of this section, the terms defined in this subdivision have the meanings given them.

(b) "Cost of attendance" means tuition and required fees charged by the institution and the campus-based budget used for federal financial aid for food, housing, books, supplies, transportation, and miscellaneous expenses.

(c) "Eligible student" means an individual who:

(1) meets the eligibility requirements in section 136A.121, subdivision 2, paragraphs (a), clauses (1), (2), (4), and (5); and (b);

(2) is 25 years old or older and under 62;

(3) has previously completed a minimum of 15 credits in a certificate or degree-seeking program that have been accepted by a participating institution;

(4) has not enrolled in any Minnesota institution in the two academic years prior to enrollment at a participating institution;

(5) has not completed a certificate, diploma, or degree of 16 credits or longer in length prior to enrollment at a participating institution in this program;

(6) has enrolled in three or more credits each term;

(7) reports a family adjusted gross income of \$85,000 or less; and

(8) has applied for the grant on the form required by the commissioner.

(d) "Grant" means funds awarded under this section.

(e) "Participating institution" means a two-year institution within the Minnesota State Colleges and Universities system selected under subdivision 5.

(f) "Program" means a certificate, diploma, or degree program offered by a participating institution.

(g) To the extent not inconsistent with this section, the definitions in section 136A.101 apply to this section.

Subd. 3. Student application. Application for a grant must be made by a FAFSA or state aid application and any additional form required by the commissioner. Applications are due on a schedule set by the commissioner.

Subd. 4. Student grants. (a) The commissioner must, to the extent funds are available, make grants to eligible students to attend a program at a participating institution. The amount of a grant per spring or fall academic term is the lesser of \$1,000 or the difference between the cost of attendance and other scholarships or grants received by the student. If the appropriation is greater than the projected grants for the spring and fall terms, the commissioner may award grants up to \$1,000 per student for summer or interim terms.

(b) An eligible student may renew a student grant by applying for renewal on a form provided by the commissioner and on a schedule set by the commissioner. An eligible student may receive a student grant under this section for up to six semesters or the equivalent.

Subd. 5. Participating institutions. (a) A two-year institution within the Minnesota State Colleges and Universities system may apply to become a participating institution. The commissioner, in conjunction with a selection committee, shall select institutions through a competitive application process. Priority must be given to institutions participating in the most recently completed fiscal year.

(b) Participating institutions must:

(1) demonstrate a commitment to adult learners through adoption of best practice policies, programs, and services; and

(2) complete an adult learner assessment prior to participation.

Subd. 6. Institutional grants. Participating institutions may receive funds for student advising, resolving student financial holds, and improving services to eligible students.

History: 2019 c 64 art 2 s 7

Appendix B: Online Participation Form

2020-2021 PARTICIPATION AGREEMENT FORM

• **First Name***

• **M.I.***

• **Last Name***

• **Please enter your Minnesota State StarID (if known):**

• **Date of Birth***

• **Gender***

- Male
 Female
 Prefer Not to Answer

• **Race***

<input type="radio"/> American Indian or Alaskan Native	<input type="radio"/> Asian or Pacific Islander
<input type="radio"/> Black, not Hispanic	<input type="radio"/> White, not Hispanic
<input type="radio"/> Hispanic	<input type="radio"/> More than one race
<input type="radio"/> Other	<input type="radio"/> Prefer not to answer

• Email*

• Phone Number*

<input type="text"/>	### -	<input type="text"/>	### -
<input type="text"/>	####		

• Permanent Address*

Street Address	<input type="text"/>
Address Line 2	<input type="text"/>
City	<input type="text"/>
Stato / Provincia / Region	<input type="text"/>
Postal / Zip Code	<input type="text"/>

• Mailing Address (if different from permanent address)

Street Address	<input type="text"/>
Address Line 2	<input type="text"/>
City	<input type="text"/>
Stato / Provincia / Region	<input type="text"/>
Postal / Zip Code	<input type="text"/>

- Please select all the terms you plan to attend in the upcoming year.*

- Fall 2020
- Spring 2021
- Summer 2021

- Please select the MN Reconnect participating institution you would like to attend.*

Select one... 

- What was the last college you attended?*

- I request to participate in the MN Reconnect program.*

I agree.

- I give permission to my college, MN State, and the Minnesota Office of Higher Education to share information and documentation with each other as it pertains to the MN Reconnect program and to verify information provided on this agreement.*

I agree.

- I certify the information on this agreement is true and correct and I promise to provide additional documentation if requested.*

I agree.

- I understand not all MN Reconnect participants will receive scholarship awards and all scholarship awards are subject to the availability of funds.*

I agree.

- I understand I must submit a FAFSA or MN Dream Act Application to be eligible for a scholarship award.*

I agree.

- If I receive a scholarship award, I understand that changes to my FAFSA, State Aid Application, Pell Grant, MN State Grant, or state, federal, or other financial aid may cause an adjustment to my scholarship award.*

I agree.

- I certify I have read and understand the [Notice to Participants](#).*

I agree.

- Signature (type full name)*

- Date*

mm / dd / yyyy

Appendix C: Student Roster

Entry Id	First Name	M.I.	Last Name	Date of Birth	MN Reconnect Institution	OHE Comments
01	Student	A	Sample	1980-00-01	Participating College	

Appendix D: Refund Return Form

MN Office of Higher Education Refund Return Form

For Returning End of Year Balances or Returning Individual Student Refunds

Returning End of Year Balance or Interim Excess

(for use with ID Grant, Postsecondary Child Care Grant, State Grant, State Work Study)

Program Name	Aid Year	Amount of Refund
		\$
		\$
		\$
		\$
		\$

Returning Individual Student Refund(s)*

(for use with ID Grant, Indian Scholarship, MN Reconnect Scholarship, Postsecondary Child Care Grant, State Grant/Dream Act, State Work Study, Teacher Candidate Grant)

Student's Name	SSN	Program	Amount	Term	Aid Year	Reason Code	At Disbursement Enrollment Level	Current Enrollment Level
	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

Person Returning Funds:		Phone Number:
Name of College:	School Code:	Date Completed: