

MINNESOTA RULES 1987

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SCHOLARSHIP, LOANS, GRANTS, WORK-STUDY

CHAPTER 4800

HIGHER EDUCATION COORDINATING BOARD SCHOLARSHIP, LOANS, GRANTS, WORK-STUDY

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NOTE: See part 4830.0100 for definitions applicable to this chapter.

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4800.6700 [Repealed, 8 SR 196]

4800.6800 [Repealed, 8 SR 196]

4800.6900 [Repealed, 8 SR 196]

4800.7000 [Repealed, 8 SR 196]

FOREIGN STUDENT ASSISTANCE PROGRAM

4800.8100 DEFINITIONS.

Subpart 1. **Scope.** The following terms shall have the meaning hereinafter ascribed to them.

Subp. 2. **Allocation formula.** "Allocation formula" shall be defined as the full-time equivalent fall term enrollment for each participating institution multiplied by the cost of education divided by the sum of the products for all participating institutions times the appropriation as provided for by the Minnesota legislature.

Subp. 3. **Eligible institution.** "Eligible institution" shall be any public or private institution of higher education in Minnesota which is eligible for the state grant-in-aid program as defined in Minnesota Statutes, section 136A.101, subdivision 4 and part 4800.0200 and that has foreign students enrolled.

Subp. 4. **Executive director.** "Executive director" is the executive director of the Minnesota Higher Education Coordinating Board.

Subp. 5. **Financial need.** "Financial need" shall be defined as the difference between the total cost of education which is paid by the student and the total student resources available to the student to meet that cost.

Subp. 6. **Foreign student.** "Foreign student" shall be defined as a person who possesses a student visa as established by the United States Immigration and Naturalization Service.

Subp. 7. **Full-time equivalent fall term enrollment.** "Full-time equivalent fall term enrollment" shall be defined as that enrollment which is determined by the board in its annual enrollment survey in the year prior to the academic year for which program funds are allocated.

Subp. 8. **Minnesota foreign student assistance program.** "Minnesota foreign student assistance program" is the state program of financial assistance to post-secondary foreign students as provided for in Minnesota Statutes, hereinafter referred to as the program.

Subp. 9. **Participating institution.** "Participating institution" shall be defined as any eligible institution which applies for participation in the program in accordance with the procedures prescribed in part 4800.8700.

Subp. 10. **Resident status.** "Resident status" shall be defined as that status assigned to a student by a public institution for the purpose of paying in-state tuition fees.

Subp. 11. **Student family.** "Student family" shall be defined as the student, the student's spouse, the student's dependents, the student's parents, the student's brothers and sisters, or any other legal relative of the student.

Subp. 12. **Total cost of education.** "Total cost of education" shall be defined as the institutional budget established for the state grant-in-aid program adjusted to include out-of-state tuition fee.

Subp. 13. **Total student resources.** "Total student resources" shall be defined as the sum of the family contribution, student income, other financial aid received, and any and all other resources that are available to the student to pay for the cost of education.

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Subp. 14. **Unexpected financial needs.** "Unexpected financial needs" shall be defined as those needs that any reasonable person could not anticipate and plan for by reading standard printed cost quotations in various institutional publications or any unanticipated loss of resources.

Statutory Authority: *MS s 136A.16 subd 2*

4800.8200 PURPOSE.

The purpose of parts 4800.8100 to 4800.8800 is to augment Minnesota Statutes, sections 136A.143 et seq., as amended, establishing a state program of financial assistance to postsecondary students by providing standards, criteria, and rules therefor.

Statutory Authority: *MS s 136A.16 subd 2*

4800.8300 EXECUTIVE DIRECTOR.

The executive director is hereby delegated necessary authority and responsibility for administration of the program in accordance with these rules, state law, and applicable federal laws and regulations, including issuing public information, designing related forms, prescribing application procedures, prescribing procedures and terms for collection and repayment of loans, prescribing terms and conditions for agreements with eligible institutions, approving and disapproving applications, and establishing such policies and practices as the executive director may deem necessary for effective administration in accordance with the purposes and requirements of the Minnesota foreign student assistance program.

Statutory Authority: *MS s 136A.16 subd 10*

4800.8400 GRANTING RESIDENT STATUS.

Subpart 1. **One-year domicile.** Resident status may be authorized by an eligible institution for any foreign student who has been domiciled in Minnesota for at least one year immediately prior to application, provided that the institution documents the financial need of the student according to procedures prescribed by the executive director, and further provided that the total number of these residencies shall not exceed one-half of one percent of total full-time equivalent fall term enrollment of the institution.

Subp. 2. **Scholarship and grant-in-aid recipients.** Eligible institutions shall have the authority to grant resident status to any foreign student who is a recipient of scholarship or grant funds contributed by Minnesota individuals, organizations, or corporations in sufficient amounts to cover such resident tuition fees provided that the institution documents that the scholarship or grant funds did not originate from the student or any member of the student's family.

Statutory Authority: *MS s 136A.16 subd 2*

4800.8500 UNEXPECTED FINANCIAL NEED.

Funds may be awarded by an eligible institution for any foreign student provided that the institution documents the unexpected financial need of the student according to procedures prescribed by the executive director.

Statutory Authority: *MS s 136A.16 subd 2*

4800.8600 TERMS OF LOANS AND GRANTS.

Subpart 1. **Conversion of loan to grant.** Each eligible institution shall be authorized and be responsible for informing any foreign student who receives funds or residency status pursuant to the program that the funds are provided initially as a loan and will not be converted to a grant until the student submits evidence that the student has returned to his home country within one year of completion of the student's education and has not returned to the United States for five years as a permanent resident.

Subp. 2. **Procedures.** Each eligible institution shall be responsible for estab-

lishing sound procedures for loan principal and interest collection including the execution of a promissory note and disclosure of finance charges at the time of making of each loan.

Subp. 3. **Note and interest.** Each loan shall be evidenced by a promissory note and shall bear interest at a rate of eight percent simple from the time of the making of the loan.

Subp. 4. **Accelerated payment.** Each loan and accrued interest shall be payable to and upon demand of the eligible institution in the event that the student does not satisfy the requirements in subpart 1.

Subp. 5. **Board repayment.** Any loan and interest amounts collected by any institution under part 4800.8500 of the program shall revert back to the board.

Subp. 6. **Reports.** The eligible institutions shall provide reasonable reports as are requested by the executive director.

Statutory Authority: *MS s 136A.16 subd 2*

4800.8700 ALLOCATION OF FUNDS.

Subpart 1. **Notice of availability.** Annually, the board shall notify eligible institutions of the funds available for allocation that year.

Subp. 2. **Request for participation.** Upon receipt of notification by the board, eligible institutions wishing to participate shall submit to the board a written request for participation in the program for that year, and an estimate of the amount of funds necessary at that institution to meet expected financial needs of eligible foreign students.

Subp. 3. **Allocation formula.** Upon receipt of institutional request for participation, the board shall calculate each institution's allocation according to the allocation formula.

If the estimate of funds by each participating institution is less than the amount which would be allocated to that institution under the allocation formula, the board shall allocate to the institution funds equal to the institution's estimate.

If the institution's estimate of need exceeds the allocation determined by the allocation formula, the board shall allocate additional funds to the institution to utilize funds remaining from the earlier allocations to institutions whose estimates of need are less than the amount determined under the allocation formula.

Statutory Authority: *MS s 136A.16 subd 2*

4800.8800 DISBURSEMENT OF FUNDS.

Funds shall be disbursed to participating institutions according to procedures prescribed by the executive director. Any disbursed funds shall be for use only during the fiscal year of disbursement and any unused funds shall be remitted to the board according to procedures prescribed by the executive director. Each participating institution shall be accountable for any funds disbursed to students under the provisions of these rules.

Statutory Authority: *MS s 136A.16 subd 2*