

**CHAPTER 4830**  
**HIGHER EDUCATION COORDINATING BOARD**  
**FINANCIAL ASSISTANCE**

4830.0100	DEFINITIONS FOR HIGHER EDUCATION PROGRAMS.	4830.3200	APPLICATION AND DISTRIBUTION OF FUNDS FOR TUITION SUBSIDIES.
	<b>STATE SCHOLARSHIPS AND GRANTS-IN-AID</b>	4830.3300	ELIGIBLE STUDENTS.
4830.0200	SCOPE.	4830.3400	TUITION SUBSIDY.
4830.0300	ELIGIBLE SCHOOLS.		<b>ASSISTANCE FOR STUDENT DEPENDENTS OF POW'S AND MIA'S</b>
4830.0400	APPLICATION DATES AND STUDENT ELIGIBILITY.	4830.4000	SCOPE.
4830.0500	RANKING APPLICANTS.	4830.4100	ELIGIBLE STUDENTS AND VERIFICATION.
4830.0600	AWARDS.	4830.4200	AMOUNT OF ASSISTANCE.
4830.0700	METHOD OF PAYMENT.		<b>STATE STUDENT LOANS</b>
	<b>PART-TIME STUDENT GRANTS</b>	4830.5000	SCOPE.
4830.1550	SCOPE.	4830.5100	ELIGIBLE SCHOOLS.
4830.1551	ELIGIBLE SCHOOLS.	4830.5200	ELIGIBLE STUDENTS.
4830.1552	APPLICATION AND DISTRIBUTION OF FUNDS FOR GRANTS.	4830.5300	SCHOOL AGREEMENTS AND STUDENT APPLICATIONS.
4830.1553	DETERMINATION OF ELIGIBILITY.	4830.5400	AMOUNT, TERMS, AND PAYMENT.
4830.1554	AMOUNT AND TERM OF GRANTS.		<b>PRIVATE COLLEGE CONTRACTS</b>
4830.1555	REPORTS OF DATA.	4830.6000	SCOPE.
	<b>DISLOCATED RURAL WORKER ASSISTANCE PROGRAM</b>	4830.6100	ELIGIBLE SCHOOLS.
4830.1560	SCOPE.	4830.6200	CONTRACTS.
4830.1561	ELIGIBLE SCHOOLS.	4830.6300	CERTIFICATION OF THE NUMBER OF ELIGIBLE STUDENTS.
4830.1562	APPLICATION AND DISTRIBUTION OF FUNDS FOR GRANTS.	4830.6400	PAYMENT.
4830.1563	DETERMINATION OF STUDENT ELIGIBILITY.		<b>CHILD CARE GRANTS</b>
4830.1564	AMOUNT AND TERM OF GRANTS.	4830.7000	SCOPE.
4830.1565	COLLECT, REPORT DATA.	4830.7100	DEFINITIONS.
	<b>WORK-STUDY GRANTS</b>	4830.7200	ELIGIBLE INSTITUTIONS.
4830.2000	SCOPE.	4830.7300	STUDENT PRIORITY.
4830.2100	ELIGIBLE SCHOOLS.	4830.7400	APPLICATION AND DISTRIBUTION OF FUNDS FOR GRANTS.
4830.2200	APPLICATION AND DISTRIBUTION OF FUNDS FOR GRANTS.	4830.7500	AMOUNT AND TERM OF GRANTS.
4830.2300	ELIGIBLE STUDENTS.	4830.7600	PAYMENT.
4830.2400	EMPLOYMENT TERMS; AMOUNT OF GRANTS.	4830.7700	TERMINATION OF CHILD CARE AWARD.
4830.2500	CONTRACTS WITH EMPLOYERS.	4830.7710	PROCEDURES FOR DENIAL OR TERMINATION OF A CHILD CARE AWARD.
4830.2600	REPORTS BY SCHOOL.	4830.7720	APPEAL PROCESS.
	<b>TECHNICAL COLLEGE TUITION SUBSIDY</b>	4830.7800	REFUNDS.
4830.3000	SCOPE.	4830.7900	REPORTS OF DATA.
4830.3100	ELIGIBLE SCHOOLS.		

**4830.0100 DEFINITIONS FOR HIGHER EDUCATION PROGRAMS.**

Subpart 1. **Scope.** For the purposes of chapters 4800, 4810, and this chapter, the terms defined in this part have the meanings given them unless specifically provided otherwise.

Subp. 2. **Board.** "Board" means the Higher Education Coordinating Board.

Subp. 3. **Dependent student.** "Dependent student" means a student who is not an independent student.

Subp. 4. **Educational costs.** "Educational costs" means tuition, required fees, room and board, books, and miscellaneous expenses.

Subp. 5. **Eligible student.** "Eligible student" means a student who meets, at a minimum, all of the following requirements:

A. has not earned a baccalaureate degree and has not entered a graduate school program as a full-time graduate student;

B. is a resident of Minnesota;

C. qualifies for resident tuition other than through a tuition reciprocity agreement;

# MINNESOTA RULES 1991

4469

## FINANCIAL ASSISTANCE 4830.0300

D. is enrolled or is intending to enroll as at least a half-time student in an eligible school;

E. is in good standing and making satisfactory progress, as determined by the school; and

F. is a permanent resident of the United States, if the student is not a United States citizen.

**Subp. 6. Executive director.** "Executive director" means the executive director of the Higher Education Coordinating Board.

**Subp. 7. Financial need.** "Financial need" means the amount of monetary assistance necessary for a student to meet educational costs after parental and student contributions, determined by the financial need analysis, are subtracted from the student's educational costs.

**Subp. 8. Financial need analysis.** "Financial need analysis" means a system for analyzing a family's financial strength to determine the expected parental and student contributions to educational costs. The system is a federally approved system or an equivalent need analysis system adopted each year by the board for the appropriate processing year.

**Subp. 9. Independent student.** "Independent student" has the meaning given it in the Higher Education Act of 1965, United States Code, title 20, section 1070a-6, and applicable regulations.

**Subp. 10. Minnesota resident.** "Minnesota resident" means:

A. for a dependent student, a student whose parent or legal guardian resides in Minnesota on the date of application; or

B. for an independent student, a student who has resided in Minnesota for other than educational purposes for at least 12 consecutive months prior to the date of application.

**Subp. 11. Audit requirements.** Audit requirements means that the school must make available to the board and its authorized representatives all pertinent books, documents, papers, and records for audit and examination for five years after the last day of a fiscal year, unless all audit exceptions for the period are resolved earlier.

**Statutory Authority:** *MS s 136A.111; 136A.134; 136A.16; 136A.234; 136A.70; 147.30*

**History:** *8 SR 196; 10 SR 2319; 13 SR 128*

## STATE SCHOLARSHIPS AND GRANTS-IN-AID

### 4830.0200 SCOPE.

Parts 4830.0200 to 4830.0700 govern state scholarships and grants-in-aid.

**Statutory Authority:** *MS s 136A.111; 136A.121; 136A.132; 136A.141; 136A.233; 136A.70*

**History:** *8 SR 196; 8 SR 2335; 9 SR 991*

### 4830.0300 ELIGIBLE SCHOOLS.

**Subpart 1. Annual list.** Annually the board shall adopt by resolution a list of schools at which a state scholarship or grant-in-aid may be used. Schools may be added to the list by the board 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 ten weeks long; and

## 4830.0300 FINANCIAL ASSISTANCE

4470

(4) involves at least 12 academic credits or 300 clock hours; and

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.

**Statutory Authority:** *MS s 136A.111; 136A.121; 136A.132; 136A.141; 136A.233; 136A.70*

**History:** *8 SR 196; 8 SR 2335; 9 SR 991; 9 SR 2341*

## 4830.0400 APPLICATION DATES AND STUDENT ELIGIBILITY.

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

Subp. 2. **Minnesota resident.** "Minnesota resident" means:

A. a student who graduated from a Minnesota high school and has not since established residence in another state; or

B. a dependent student whose parent or legal guardian resides in Minnesota on the date of application; or

C. an independent student who has resided in Minnesota for other than educational purposes for at least 12 consecutive months prior to becoming an eligible student.

Subp. 3. **Eligibility for initial scholarship.** To be eligible for an initial scholarship a student must be an eligible student, as defined in part 4830.0100, subpart 5, except item E, and:

A. in financial need;

B. ranked in the upper quarter of the class at the end of the junior year of senior high school, or the equivalent, based on the student's cumulative scholastic record in senior high school; and

C. must not have received a previous scholarship or grant-in-aid.

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

A. in financial need;

B. if under 17 years old, a holder of a high school diploma or the equivalent; and

C. must not have received a previous scholarship or grant-in-aid.

Subp. 5. **Renewal awards.** A scholarship or grant-in-aid is renewable for a maximum of six semesters, nine quarters, or the equivalent. To be eligible to renew a scholarship or grant-in-aid a student must apply each year and continue to meet the requirements for an initial scholarship or grant-in-aid, except for subparts 3 and 4, item C. A student must have made satisfactory progress as determined by the school.

**Statutory Authority:** *MS s 136A.111; 136A.134; 136A.16; 136A.234; 136A.70; 147.30*

**History:** *8 SR 196; 8 SR 2335; 9 SR 991; 10 SR 2319; 13 SR 128*

## 4830.0500 RANKING APPLICANTS.

Subpart 1. **Classification and ranking of applicants.** Each applicant shall be placed in at least one of the following classifications: renewal scholarship, renewal grant-in-aid, initial scholarship, initial grant-in-aid. Grant-in-aid applicants are ranked according to parental contribution; applicants with the least parental contribution are awarded first. Scholarship applicants are ranked according to class

# MINNESOTA RULES 1991

4471

FINANCIAL ASSISTANCE 4830.0700

rank as a junior in high school; applicants with the highest class rank are awarded first.

**Subp. 2. Priority of classes of applicants.** Applicants renewing scholarships shall be given first priority. Applicants renewing grants-in-aid shall be given second priority. Applicants for initial scholarships shall be given third priority. Applicants for initial grants-in-aid shall be given fourth priority. Awards shall be made on a funds available basis. Once an award is made it may not be withdrawn in order to award an applicant of higher priority.

**Subp. 3. Awards based on need.** Awards determined by financial need shall be assigned each applicant in descending order of rank until available funds are exhausted.

**Statutory Authority:** *MS s 136A.111; 136A.121; 136A.132; 136A.141; 136A.233; 136A.70*

**History:** *8 SR 196; 8 SR 2335; 9 SR 991*

## 4830.0600 AWARDS.

**Subpart 1. Monetary awards.** The amount of a scholarship or grant in aid financial stipend may not exceed an applicant's cost of attendance, as defined in Minnesota Statutes, section 136A.121, subdivision 6, after deducting the following:

A. A contribution by the applicant of at least 50 percent of the cost of attending the institution of the applicant's choosing.

B. For an applicant who is not an independent student, a contribution by the applicant's parents, as determined by a financial need analysis. The parental contribution will be considered in determining the state award.

C. For an applicant who is an independent student, the additional student contribution.

D. An estimate of the amount of a federal Pell grant award for which the applicant is eligible.

**Subp. 1a. Minimum.** The minimum financial stipend shall be \$100.

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

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

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

**Subp. 2. Adjustments to awards.** If financial need decreases because a recipient chooses a different school after the scholarship or grant in aid award is offered, the award shall be reduced. If a change in schools causes financial need to increase, the award shall be increased only if funds are available.

**Subp. 3.** [Repealed, 10 SR 2319]

**Statutory Authority:** *MS s 136A.111; 136A.134; 136A.16; 136A.234; 136A.70; 147.30*

**History:** *8 SR 196; 8 SR 2335; 9 SR 991; 10 SR 2319; 13 SR 128*

## 4830.0700 METHOD OF PAYMENT.

**Subpart 1. Payments to schools.** After a scholarship and grant in aid award is determined, the award shall be sent by the executive director to the school chosen by the recipient. 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 has been received by the school.

**Subp. 2. Refunds.** A scholarship and grant in aid is awarded for full-time attendance at a specified school for the academic year of nine months within a state fiscal year. If a recipient fails to enroll or reduces enrollment, the school must refund the unused portion of the award. Refunds to the board are determined as follows:

A. Determine the percentage that the state scholarship or grant award represents of the student's total financial aid package for the applicable term;

B. Multiply that percentage by the amount determined to be refunded to the student under the school's refund policy. The result yields the amount to be refunded to the board.

A refunded award must be sent by the school to the board's scholarship or grant in aid account. Refunded awards are available for reassignment to other qualified applicants.

Subp. 3. **School accounting requirements.** Schools shall maintain separate accounts for scholarship and grant in aid funds. Refunds to the board 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 board 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 board.

**Statutory Authority:** *MS s 136A.111; 136A.134; 136A.16; 136A.234; 136A.70; 147.30*

**History:** *8 SR 196; 9 SR 991; 10 SR 2319; 13 SR 128*

**4830.1000** [Repealed, 10 SR 2417]

**4830.1100** [Repealed, 10 SR 2417]

**4830.1200** [Repealed, 10 SR 2417]

**4830.1300** [Repealed, 10 SR 2417]

**4830.1400** [Repealed, 10 SR 2417]

**4830.1500** [Repealed, 10 SR 2417]

#### **PART-TIME STUDENT GRANTS**

##### **4830.1550 SCOPE.**

Parts 4830.1550 to 4830.1556 govern state grants-in-aid for part-time students.

**Statutory Authority:** *MS s 136A.111; 1Sp1985 c 11 s 80 subd 1*

**History:** *10 SR 2417*

##### **4830.1551 ELIGIBLE SCHOOLS.**

Schools eligible for part-time student grants are the same schools eligible for state scholarships and grants-in-aid under part 4830.0300.

**Statutory Authority:** *MS s 136A.111; 1Sp1985 c 11 s 80 subd 1*

**History:** *10 SR 2417*

##### **4830.1552 APPLICATION AND DISTRIBUTION OF FUNDS FOR GRANTS.**

Subpart 1. **Allocation formula.** The board shall allocate funds to each school according to the following formula:

A. Each school's share is the number of part-time students enrolled in the last fiscal year, multiplied by the average registration level of its part-time students in the last fiscal year, multiplied by the institutional budget used by the scholarship and grant-in-aid program for the current fiscal year.

B. Each school's initial allocation is the school's share divided by the sum of school shares, multiplied by the last year's usage percent, multiplied by 90 percent. Usage percent is defined as follows:

(1) If no final report is received by the first working day after August 9, the usage percentage is 80 percent.

(2) If the final report is received before August 10, the usage percent is the total amount of funds used divided by the last year's allocation.

(3) A refund in excess of \$1,000 received after April 1 is multiplied by 150 percent and subtracted from the original allocation to determine the funds used. This amount is divided by the last year's allocation to determine the usage percentage.

C. Each January, the board shall allocate the remaining ten percent of the total part-time grant allocation according to the same formula, except that the last year's percent of usage must not be applied.

"Number of part-time students" means the sum of all enrolled resident, extension, and unclassified part-time students, who are Minnesota residents, and are reported to the board for its annual enrollment survey as lower division, upper division, and vocational students in the fall term of the school year.

"Registration level" is the number of credits (or an equivalent measure) taken by part-time students in the fall term of the school year as reported to the board for its annual enrollment survey, divided by 12 credits (or an equivalent measure).

Subp. 2. **Notification.** The board shall notify each school of the amount allocated to it.

Subp. 3. **Accountability.** Each participating school shall be accountable for any funds disbursed to students for grants-in-aid for part-time students. Funds may be used only during the fiscal year of disbursement. If a student does not use a grant because the student does not enroll or withdraws from school, the school may use the funds for other eligible students or return them to the board.

Subp. 4. **Unused funds.** When requested by the board, a school shall report its use of funds and shall return unused funds. The board shall reallocate unused funds to schools desiring additional funds.

**Statutory Authority:** *MS s 136A.111; 136A.134; 136A.16; 136A.234; 1Sp1985 c 11 s 80 subd 1*

**History:** *10 SR 2417; 13 SR 128*

#### 4830.1553 DETERMINATION OF ELIGIBILITY.

A school shall determine if a student is eligible for a part-time student grant. To be eligible a student must be an eligible student as defined in part 4830.0100, subpart 5, items A, B, C, E, and F. The student must be pursuing course work applicable to a degree, diploma, or certificate. After July 1, 1986, a recipient of an award who is enrolled less than half-time, as defined by the board, may continue to apply for awards.

**Statutory Authority:** *MS s 136A.111; 1Sp1985 c 11 s 80 subd 1*

**History:** *10 SR 2417*

#### 4830.1554 AMOUNT AND TERM OF GRANTS.

Subpart 1. **Financial need.** A school shall award a grant to each eligible student, to the extent allocated funds are available and to the extent the student demonstrates financial need according to a method consistent with the institution's financial aid policies and procedures.

Subp. 2. **Direct educational cost.** The direct educational cost includes, but is not limited to the following:

- A. resident tuition and fees at the institution;
- B. educational materials;
- C. transportation expenses; and

D. an allowance for child care expenses.

The direct educational cost must be consistent with the institution's financial aid policies and procedures.

Subp. 3. **Amount.** The amount of the grant when combined with (a) federal, state, institutional, and private grant assistance that the student receives, (b) employer reimbursement, and (c) the expected parent/student contribution resulting from the assessment of financial need under subpart 1, must not exceed the student's direct educational cost as defined in subpart 2.

**Statutory Authority:** *MS s 136A.111; 1Sp1985 c 11 s 80 subd 1*

**History:** *10 SR 2417*

#### 4830.1555 REPORTS OF DATA.

The school must collect demographic, educational, and financial data specified by the board from eligible students requesting grants. The school shall provide the board with individual student data upon request.

End of year program activity and student data reports are required by the board. The school must complete and submit the reports and any applicable refunds to the board by the first working day after August 9. If the reports are not completed by the deadline, the board shall withhold the subsequent year's allocation.

**Statutory Authority:** *MS s 136A.111; 136A.134; 136A.16; 136A.234; 1Sp1985 c 11 s 80 subd 1*

**History:** *10 SR 2417; 13 SR 128*

### DISLOCATED RURAL WORKER ASSISTANCE PROGRAM

#### 4830.1560 SCOPE.

Parts 4830.1560 to 4830.1565 govern state assistance to schools for students who are dislocated rural workers.

**Statutory Authority:** *MS s 136A.111; 136A.134; 136A.16; 136A.234*

**History:** *13 SR 128*

#### 4830.1561 ELIGIBLE SCHOOLS.

An eligible school under part 4830.0300 is eligible to receive an allocation of state assistance for students who are dislocated rural workers.

**Statutory Authority:** *MS s 136A.111; 136A.134; 136A.16; 136A.234*

**History:** *13 SR 128*

#### 4830.1562 APPLICATION AND DISTRIBUTION OF FUNDS FOR GRANTS.

Subpart 1. **Allocation formula.** The board shall allocate grant money to eligible schools according to the formula in this subpart. An eligible school's allocation is the school's share, divided by the sum of school shares. An eligible school's share is the number of entering Minnesota resident students enrolled in the last fiscal year, from the school's home county, and contiguous counties. For schools located in Hennepin and Ramsey counties, the following counties are considered contiguous: Chisago, Isanti, Sherburne, Wright, McLeod, Sibley, Le Sueur, Rice, and Goodhue. Students who resided in Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, or Washington county must not be counted in any school's share. A school whose allocation would be less than \$500 using this formula must not receive an allocation. Would be allocations of less than \$500 must be reallocated, using this formula, to other schools.

Subp. 2. **Notification.** The board shall notify each school of the amount allocated to it.

Subp. 3. **Accountability.** A participating school is accountable for money dis-

bursed to students for assistance for dislocated rural worker students. The money may be used by students only during the fiscal year of disbursement. If a student does not use a grant because the student does not enroll in, or withdraws from, school, the school may use the funds for other eligible students. The school must return unused money to the board.

**Subp. 4. Report; unused funds.** When requested by the board, a school shall report on its use of funds and shall return unused funds. The board shall reallocate unused funds to schools desiring additional funds according to the formula in subpart 1.

**Statutory Authority:** *MS s 136A.111; 136A.134; 136A.16; 136A.234*

**History:** *13 SR 128*

#### **4830.1563 DETERMINATION OF STUDENT ELIGIBILITY.**

**Subpart 1. Eligibility.** A school shall determine if a student is eligible for a dislocated rural worker assistance grant. To be eligible a student must demonstrate compliance with the requirements in this part.

A. The student must meet the requirements for an eligible student as defined in part 4830.0100, subpart 5, items B, C, E, and F.

B. The student must be enrolled in an adult farm management program, or an occupational education program. The program cannot be a liberal arts program. The program must prepare the student for available employment within a labor market where the student lives or is willing to move.

C. The student must have applied for all other federal and state financial aid scholarship or grant programs.

D. The student must be able to demonstrate that subitem (1), (2), or (3) applies to the student:

(1) The student or the student's spouse is a worker who has been separated from employment or has notice of separation from employment. The separation must be because of a plant shutdown, an industry slowdown, or because the worker's occupation is obsolete; or be in a region where there has been a decline in the number of persons in the worker's customary occupation. The worker must be unlikely to go to work for the same employer or in the same occupation for a year after the job loss.

(2) The student is a displaced homemaker.

(3) The student or the student's spouse is a farmer who can demonstrate severe household financial need.

**Subp. 2. Severe household financial need; incorporation by reference.** Severe household financial need is demonstrated by relating the income of the student's household to the income of a same sized household as found in the most current table of standard maintenance allowance found in the current edition of "Handbook for Financial Aid Administrators" published by the American College Testing Program; 2201 North Dodge Street, P.O. Box 168; Iowa City, Iowa 52243. The table is incorporated by reference, is subject to frequent change, and is available in the handbook in public libraries throughout the state through the Minitex interlibrary loan system. The table is also available separately from the board.

**Statutory Authority:** *MS s 136A.111; 136A.134; 136A.16; 136A.234*

**History:** *13 SR 128*

#### **4830.1564 AMOUNT AND TERM OF GRANTS.**

**Subpart 1. Financial need.** An eligible school shall award a grant to an eligible student, to the extent allocated funds are available and to the extent the student demonstrates financial need according to a method consistent with the school's financial aid policies and procedures.

**Subp. 2. Amount.** The amount of the grant to a student when combined with



**4830.1564 FINANCIAL ASSISTANCE**

4476

the expected or awarded (a) federal, state, institutional, and private grant assistance that the student receives, (b) employer reimbursement, and (c) the expected parent and student contribution resulting from the assessment of financial need under subpart 1, must not exceed the student's direct educational cost as defined in subpart 3.

Subp. 3. **Direct educational cost.** The direct educational cost includes the following:

- A. resident tuition and fees at the institution;
- B. cost of educational materials;
- C. transportation expenses;
- D. an allowance for child care expenses; and
- E. other expenses allowed by the school.

The direct educational cost must be consistent with the school's financial aid policies and procedures.

**Statutory Authority:** *MS s 136A.111; 136A.134; 136A.16; 136A.234*

**History:** *13 SR 128*

**4830.1565 COLLECT, REPORT DATA.**

The school must collect demographic, educational, and financial data specified by the board from eligible students requesting grants. The school shall provide the board with individual student data upon request.

**Statutory Authority:** *MS s 136A.111; 136A.134; 136A.16; 136A.234*

**History:** *13 SR 128*

**WORK-STUDY GRANTS****4830.2000 SCOPE.**

Parts 4830.2000 to 4830.2600 govern state work-study grants.

**Statutory Authority:** *MS s 136A.111; 136A.121; 136A.132; 136A.141; 136A.233; 136A.70*

**History:** *8 SR 196*

**4830.2100 ELIGIBLE SCHOOLS.**

Schools eligible for work-study grants are the same schools eligible for state scholarships and grants-in-aid under part 4830.0300.

**Statutory Authority:** *MS s 136A.111; 136A.121; 136A.132; 136A.141; 136A.233; 136A.70*

**History:** *8 SR 196*

**4830.2200 APPLICATION AND DISTRIBUTION OF FUNDS FOR GRANTS.**

Subpart 1. **Application by schools.** A school desiring funds for work-study grants must request funds by June 30 each year. The school must submit its estimate of the amount needed to meet eligible student needs for the following school year.

Subp. 2. **Allocation formula.** Funds shall be allocated to each school according to the following formula:

- A. full-time equivalent enrollment of each school, divided by the total full-time equivalent enrollment of all participating eligible schools;
- B. multiplied by the current fiscal year's appropriation for work-study grants; and
- C. multiplied by the percent of funds for work-study grants actually used by that school during the prior school year.

“Full-time equivalent enrollment” means the enrollment in the fall term determined by the board in its annual enrollment survey in the year prior to the academic year for which work-study funds are allocated.

**Subp. 3. Modification of allocations.** The board shall allocate funds equal to a school’s estimated need if the estimated need is less than the amount determined by the allocation formula.

**Subp. 4. Accountability.** Each participating school shall be accountable for any funds disbursed to students for work-study grants. Funds may be used only during the fiscal year of disbursement. The school must document its efforts to place students with off-campus employers. The percent of the school’s allocation provided to graduate students shall not exceed the percent of graduate students in the total enrollment at the participating school.

**Subp. 5. Unused funds.** The school must return funds which the school determines will not be used within 30 days from the date of a request by the board. The board shall reallocate the funds to other participating schools requesting additional funds.

**Subp. 6. Reallocation.** The board shall reallocate funds using the formula specified in subpart 2, items A and B.

**Statutory Authority:** *MS s 136A.111 subd 2; 136A.16 subd 2; 136A.234; 136A.70; 147.30*

**History:** 8 SR 196; 10 SR 2319

#### 4830.2300 ELIGIBLE STUDENTS.

A school shall determine if a student is eligible for a work-study grant. To be eligible a student must be an eligible student, as defined in part 4830.0100, subpart 5, except that the student may be a graduate student. A student employed during periods of nonenrollment must sign a statement of intent to enroll full-time the next term or provide proof of registration for the next term.

**Statutory Authority:** *MS s 136A.111 subd 2; 136A.16 subd 2; 136A.234; 136A.70; 147.30*

**History:** 8 SR 196; 10 SR 2319

#### 4830.2400 EMPLOYMENT TERMS; AMOUNT OF GRANTS.

**Subpart 1. Eligible employers.** A work-study grant recipient may be employed on-campus by the school or off-campus by any of the following:

- A. a nonprofit, nonsectarian agency located in Minnesota;
- B. a person who has a physical or mental impairment which substantially limits at least one life activity and who could benefit from student assistance in or about the home; or
- C. a person over 65 years old who could benefit from student assistance in or about the home.

**Subp. 2. Amount.** The maximum a student may earn through a work-study grant is the amount of the student’s financial need. If a school finds it necessary to replace any portion of a student’s family contribution with a work-study grant, the school must place written documentation supporting the decision in the student’s file at the school.

**Subp. 3. Hourly wages.** Not less than 20 percent of the amount earned by a student shall be paid by the employer, with the actual percentage determined by the school in consultation with the employer. A student shall be paid for hours actually worked at an hourly rate agreed to by the employer and the student, with the approval of the school. However, the student must be paid at least the state minimum wage, if the federal minimum wage is not applicable. Student earnings must be paid according to federal regulations governing payment of student earnings under the federal work-study program.

# MINNESOTA RULES 1991

## 4830.2400 FINANCIAL ASSISTANCE

4478

**Statutory Authority:** *MS s 136A.111; 136A.121; 136A.132; 136A.141; 136A.233; 136A.70*

**History:** 8 SR 196

## 4830.2500 CONTRACTS WITH EMPLOYERS.

**Subpart 1. Off-campus employer contract.** Before a student begins work, the school and off-campus employer shall sign a contract affirming the eligibility of the employer and agreeing to abide by applicable law and rules.

**Subp. 2. Contents of work contract.** The student, school, and employer shall sign a contract setting forth the nature of the work, number of hours of employment, hourly rate of pay, percentage of earnings to be paid by the employer, maximum payment by the employer, pay and time records, payroll, and workers' compensation. Time records must be signed by the student and the employment supervisor.

**Subp. 3. Review and comment.** All contracts signed by the school and employers are subject to review and comment by the executive director.

**Subp. 4. Supervision.** The school, with the employer, must develop for each work-study assignment a program of supervision consistent with the nature of the assignment and the needs of the individual student. Upon request of the board, the school must submit the program of supervision to the executive director for review and comment.

**Subp. 5. Reasonable effort.** An institution must make a reasonable effort to place a student in eligible off-campus employment. The institution must document its efforts with documents such as:

A. copies of correspondence with eligible employers; and

B. notes of telephone contact with eligible employers. This shall include name of person contacted and date.

**Statutory Authority:** *MS s 136A.111 subd 2; 136A.16 subd 2; 136A.234; 136A.70; 147.30*

**History:** 8 SR 196; 10 SR 2319

## 4830.2600 REPORTS BY SCHOOL.

The school must collect demographic and program activity data as specified by the board. The school shall provide the board with individual student data upon request.

End of year program activity and student data reports are required by the board. The school must complete and submit these reports and any applicable refunds to the board by the first working day after August 9. If the reports are not completed by the deadline, the board shall withhold the subsequent year's allocation.

**Statutory Authority:** *MS s 136A.111; 136A.134; 136A.16; 136A.234; 136A.70; 147.30*

**History:** 8 SR 196; 10 SR 2319; 13 SR 128

## TECHNICAL COLLEGE TUITION SUBSIDY

### 4830.3000 SCOPE.

Parts 4830.3000 to 4830.3400 govern the tuition subsidy program for students in technical colleges.

**Statutory Authority:** *MS s 136A.111; 136A.121; 136A.132; 136A.141; 136A.233; 136A.70*

**History:** 8 SR 196; L 1987 c 258 s 12; L 1989 c 246 s 2

### 4830.3100 ELIGIBLE SCHOOLS.

Schools eligible for tuition subsidies are technical colleges established pursuant to Minnesota Statutes, section 136C.07.

**Statutory Authority:** *MS s 136A.111; 136A.121; 136A.132; 136A.141; 136A.233; 136A.70*

**History:** *8 SR 196; L 1987 c 258 s 12; L 1989 c 246 s 2*

#### **4830.3200 APPLICATION AND DISTRIBUTION OF FUNDS FOR TUITION SUBSIDIES.**

**Subpart 1. Application by technical college.** By June 30 a technical college desiring funds for tuition subsidies must request funds on the participation request form supplied by the board. The technical college must submit its estimate of the amount needed to meet eligible student needs for the following school year.

**Subp. 2. Allocation formula.** Funds shall be allocated to a technical college according to the following formula:

A. average daily membership in the technical college divided by the total average daily membership of all technical colleges;

B. multiplied by the current fiscal year's appropriation for tuition subsidies; and

C. multiplied by the percent of funds for tuition subsidies actually used by that technical college during the prior school year.

"Average daily membership" means the average daily membership for a technical college as approved by the Department of Education for the year prior to the fiscal year the funds are allocated.

**Subp. 3. Notification.** The board shall notify each technical college of the amount allocated to it.

**Subp. 4. Accountability.** Each participating technical college shall be accountable for any funds disbursed to students for tuition subsidies. Funds may be used only during the fiscal year of disbursement. When a student does not use a subsidy because the student withdraws from the technical college, the technical college may use the funds for other eligible students or return the funds to the board.

**Subp. 5. Unused funds.** When requested by the board, the technical college must immediately return funds which the technical college determines will not be used. The board shall reallocate the funds to other participating technical colleges requesting additional funds.

**Subp. 6. Return of funds.** Within 30 days of the end of the fiscal year each technical college shall return unused funds to the board.

**Statutory Authority:** *MS s 136A.111; 136A.121; 136A.132; 136A.141; 136A.233; 136A.70*

**History:** *8 SR 196; L 1987 c 258 s 12; L 1989 c 246 s 2*

#### **4830.3300 ELIGIBLE STUDENTS.**

**Subpart 1. Determination of eligibility.** A technical college shall determine if a student is eligible for a tuition subsidy. To be eligible a student must be an eligible student, as defined in part 4830.0100, subpart 5, and both of the following:

A. has not been awarded a state scholarship or grant in aid for the time period for which the tuition subsidy is awarded; and

B. demonstrates financial need.

**Subp. 2. Financial need.** A student's financial need is that portion of educational costs which remains after subtracting the expected family contribution, the Pell grant, and other assistance the student is receiving or will receive.

**Subp. 3. Application.** A student may apply for a tuition subsidy before or while attending a technical college. A student may defer paying tuition during the application process.

## 4830.3300 FINANCIAL ASSISTANCE

4480

**Statutory Authority:** *MS s 136A.111; 136A.121; 136A.132; 136A.141; 136A.233; 136A.70*

**History:** *8 SR 196; L 1987 c 258 s 12; L 1989 c 246 s 2*

## 4830.3400 TUITION SUBSIDY.

**Subpart 1. Subsidy amount.** The amount of a tuition subsidy is based on the student's financial need. A student whose financial need does not exceed five percent of the cost of tuition may not receive a tuition subsidy. A subsidy may not exceed 75 percent of the cost of tuition for the period of the tuition subsidy.

**Subp. 2. Subsidy credited.** A technical college shall reduce the tuition charged to each recipient by the amount of the tuition subsidy.

**Subp. 3. Educational programs extending across fiscal years.** A tuition subsidy is awarded for the fiscal year of disbursement only. For an educational program extending across fiscal years, a tuition subsidy is prorated to the end of the fiscal year. Reapplication is necessary to obtain a tuition subsidy for the remainder of the educational program. A subsequent subsidy is contingent upon availability of funds, continued demonstration of financial need, and continued eligibility.

**Subp. 4. When subsidy begins.** For a recipient who applied before the first day of classes, tuition reduction shall begin on the first day of the recipient's classes. For a recipient who applied after the first day of classes, tuition reduction shall begin on the day the recipient applied for a subsidy.

**Subp. 5. Obligation for tuition when tuition payment deferred.** If a student defers tuition payment during the application process, the student is responsible for tuition which accrued during the application process. However, if a student does not receive a subsidy and promptly withdraws from school, tuition for the period shall be forgiven. A student who does not receive a subsidy and does not promptly withdraw from school is responsible for tuition which accrued during the application process.

**Subp. 6. Scholarship or grant in aid awards.** A recipient of a state scholarship or grant in aid is eligible for a tuition subsidy only for the period of an educational program which does not coincide or overlap with the period of a state scholarship or grant in aid.

**Subp. 7. Transfer to another technical college.** Tuition subsidies are not transferable to other technical colleges. A recipient may apply for another subsidy if the recipient transfers to another technical college. A recipient must meet the eligibility requirements in part 4830.3300, subpart 1.

**Statutory Authority:** *MS s 136A.111; 136A.121; 136A.132; 136A.141; 136A.233; 136A.70*

**History:** *8 SR 196; L 1987 c 258 s 12; L 1989 c 246 s 2*

## ASSISTANCE FOR STUDENT DEPENDENTS OF POW'S AND MIA'S

## 4830.4000 SCOPE.

Parts 4830.4000 to 4830.4200 govern state financial assistance for students in postsecondary school who are dependents of prisoners of war and persons missing in action.

**Statutory Authority:** *MS s 136A.111; 136A.121; 136A.132; 136A.141; 136A.233; 136A.70*

**History:** *8 SR 196*

## 4830.4100 ELIGIBLE STUDENTS AND VERIFICATION.

**Subpart 1. Eligibility.** To be eligible for financial assistance for dependents of prisoners of war and persons missing in action, all of the following requirements must be met:

# MINNESOTA RULES 1991

4481

FINANCIAL ASSISTANCE 4830.5100

A. The student must be registered for an undergraduate program leading to a bachelor's degree or certificate of completion.

B. The student must attend a school located in Minnesota. The school may be a state university, community college, public technical college, or the University of Minnesota. If the school is a private school it must be eligible to participate in the state student loan program according to part 4830.5100.

C. The student must be one of the following:

(1) the spouse of a prisoner of war or person missing in action;

(2) a child born before or during the time the parent served as a prisoner of war or was declared a person missing in action; or

(3) a child legally adopted or in the legal custody of the parent before and during the time the parent served as a prisoner of war or was declared a person missing in action.

**Subp. 2. Verification of status.** In cooperation with the commissioner of veterans' affairs, a school must verify, on behalf of a student applying for assistance, that the student meets the requirements in subpart 1, item C. A prisoner of war or person missing in action means a person who was a Minnesota resident at the time of entering service of the United States Armed Forces, or whose official residence is within Minnesota, and who, while serving in the United States Armed Forces, has been declared to be a prisoner of war or a person missing in action as established by the secretary of defense after August 1, 1958. Verification must include the determination of residency. A discharge form, notarized statement from the student's parent, or other documentation may be required to show residency. In addition, a student may be required to provide a copy of a birth certificate, marriage certificate, or other document showing the student meets the requirement of subpart 1, item C. No situation, including return or reported death of the parent or spouse, can remove a person who qualifies as a dependent from the provisions or benefits provided by law.

**Statutory Authority:** *MS s 136A.111; 136A.121; 136A.132; 136A.141; 136A.233; 136A.70*

**History:** *8 SR 196; L 1987 c 258 s 12; L 1989 c 246 s 2*

## 4830.4200 AMOUNT OF ASSISTANCE.

**Subpart 1. State-supported school.** A state-supported school shall waive full tuition and fees for an eligible student.

**Subp. 2. Private school.** A private school shall request payment from the board for each eligible student. The payment to the private school for each student shall not exceed \$250 per 12 months.

**Statutory Authority:** *MS s 136A.111; 136A.121; 136A.132; 136A.141; 136A.233; 136A.70*

**History:** *8 SR 196*

## STATE STUDENT LOANS

### 4830.5000 SCOPE.

Parts 4830.5000 to 4830.5400 govern state loans to postsecondary students.

**Statutory Authority:** *MS s 136A.111; 136A.121; 136A.132; 136A.141; 136A.233; 136A.70*

**History:** *8 SR 196*

### 4830.5100 ELIGIBLE SCHOOLS.

Schools eligible for funds for student loans are public or private postsecondary schools in any state, approved by the United States secretary of education in accordance with requirements of the Higher Education Act of 1965, as amended, published in United States Code, title 20, chapter 28.

## 4830.5100 FINANCIAL ASSISTANCE

4482

**Statutory Authority:** *MS s 136A.111; 136A.121; 136A.132; 136A.141; 136A.233; 136A.70*

**History:** 8 SR 196

## 4830.5200 ELIGIBLE STUDENTS.

Subpart 1. **In general.** To be eligible for a state student loan, a student must meet all of the following requirements:

A. is eligible for the guaranteed student loan program created by the Higher Education Act of 1965, as amended, published in United States Code, title 20, chapter 28;

B. is enrolled at least half-time;

C. is in good standing, as determined by the school;

D. lives in Minnesota during the school period for which the loan is approved, for a student who is not a Minnesota resident;

E. has a loan refusal letter from a commercial lender when applying for a loan for the first time as an undergraduate student; and

F. is one of the following:

(1) enrolled in an eligible school in Minnesota; or

(2) a Minnesota resident enrolled in an eligible school in any other state.

Subp. 2. [Repealed, 10 SR 2319]

Subp. 3. **Students in default.** A student is not eligible for a loan if the student is currently in default on a student loan or has a default claim filed with the guarantee agency at the time of application unless the student has made repayment arrangements satisfactory to the guarantee agency and the board.

**Statutory Authority:** *MS s 136A.111 subd 2; 136A.16 subd 2; 136A.234; 136A.70; 147.30*

**History:** 8 SR 196; 10 SR 2319

## 4830.5300 SCHOOL AGREEMENTS AND STUDENT APPLICATIONS.

Subpart 1. **Origination agreement.** Before approving loans to students at a school, the school and executive director shall execute a loan origination agreement. A school is considered to have originated a loan if the school determines who receives a loan and the loan amount or if the school, at the request of the lender, verifies the identity of the borrower or completes forms normally completed by the lender. The origination agreement must specify the school's responsibility for proper delivery of loans to students. It must also designate a school representative who is responsible for performance of the following activities:

A. complete and certify the school section of a loan application;

B. assist the board by providing loan counseling to students;

C. assist the board by counseling students about their obligations when accepting a loan;

D. deliver loan disbursements to students; and

E. promptly notify the board when a borrower does not attend school at least half-time.

Subp. 2. **Termination.** The executive director may terminate an agreement with a school upon determining that continuation of the agreement is not in the best interests of the state student loan program.

Subp. 3. **Application, guarantee, and note.** The student and school must complete appropriate parts of the application and promissory note and send them to the board for its review. The board must complete the lender's part of the application and send it to the guarantee agency. The guarantee agency must determine the loan amount it will guarantee. Once the loan amount has been guaranteed,

the board must send the loan amount to the school as prescribed in the Higher Education Act of 1965, as amended.

**Statutory Authority:** *MS s 136A.111 subd 2; 136A.16 subd 2; 136A.234; 136A.70; 147.30*

**History:** *8 SR 196; 10 SR 2319*

#### **4830.5400 AMOUNT, TERMS, AND PAYMENT.**

**Subpart 1. Maximum and minimum amounts.** The maximum loan for a loan period and the aggregate principal balance of loans shall be those prescribed in the Higher Education Act of 1965, as amended, published in United States Code, title 20, chapter 28. The minimum amount of a loan shall be \$250.

**Subp. 2. Duration.** A loan shall not be approved for a loan period in excess of 12 months.

**Subp. 3. Repayment.** The interest rate, terms, and conditions of repayment shall be those prescribed by the Higher Education Act of 1965, as amended, published in United States Code, title 20, chapter 28.

**Subp. 4. Date of payments.** No check shall be dated more than 30 days before the beginning of the loan period for which the loan is made. A school shall not deliver a check to a student until after the loan period has begun. No payment shall be made after the loan period expires.

**Subp. 5. Failure to enroll, transfer, or withdraw.** The school shall return checks for students who have not enrolled within 30 days of the date enrollment is determined. If a student transfers to another school or withdraws from school before a check is received, the loan is canceled. A student may reapply for a loan at another school. If a student who has received a check does not attend school for the intended loan period, the loan shall be immediately due and payable.

**Subp. 6. Refunds.** Refunds from schools to the board must be made as prescribed in the Higher Education Act of 1965, as amended.

**Statutory Authority:** *MS s 136A.111 subd 2; 136A.16 subd 2; 136A.234; 136A.70; 147.30*

**History:** *8 SR 196; 10 SR 2319*

### **PRIVATE COLLEGE CONTRACTS**

#### **4830.6000 SCOPE.**

Parts 4830.6000 to 4830.6400 govern the state program of contracts with private colleges for education of Minnesota residents.

**Statutory Authority:** *MS s 136A.111; 136A.121; 136A.132; 136A.141; 136A.233; 136A.70*

**History:** *8 SR 196*

#### **4830.6100 ELIGIBLE SCHOOLS.**

Annually the board shall adopt by resolution a list of schools eligible for a contract. To be eligible a school must meet all of the following requirements:

- A. be a private institution of higher education;
- B. be located in Minnesota;
- C. not be operated for profit;

D. not be an institution or department or branch of an institution whose program is specifically to prepare students to become ministers of religion, to enter upon some other religious vocation, or to prepare to teach theological subjects;

E. grant an associate degree or higher degree; and

F. be either of the following:

- (1) fully accredited or making satisfactory progress toward full



## 4830.6100 FINANCIAL ASSISTANCE

4484

accreditation by the North Central Association of Secondary Schools and Colleges; or

(2) determined by the board to maintain programs and standards substantially equivalent to the institutions in Minnesota which are fully accredited.

**Statutory Authority:** *MS s 136A.111; 136A.121; 136A.132; 136A.141; 136A.233; 136A.70*

**History:** 8 SR 196

## 4830.6200 CONTRACTS.

**Subpart 1. Content.** The executive director shall offer contracts to all eligible schools. The contract must specify the responsibilities of the school, the services it is to provide, and the terms and conditions of receiving payment for the services.

**Subp. 2. Students eligible.** The contract must be for students who meet all the following requirements:

A. are enrolled full-time in the fall term according to the standards of the school, but for not less than 12 credits or the equivalent;

B. are enrolled in an eligible program; and

C. are either one of the following:

(1) dependent upon the financial support of parents or guardians who have resided in Minnesota for not less than 12 months prior to admission at the school; or

(2) independent of parental or guardian's financial support and have resided in Minnesota, for purposes other than obtaining an education, for not less than 12 consecutive months prior to admission at the school.

**Subp. 3. Eligible programs notarized.** As a condition of the contract, the chief executive officer and an officer of the governing board of each school must provide a notarized statement that programs included in the contract meet the following criteria:

A. must lead to an associate or bachelor's degree or to a prebaccalaureate diploma;

B. must be at least one academic year in duration; and

C. may provide for the scholarly study of religion as a discipline of knowledge in a manner similar to that provided for any field of study, but it may not require a student to:

(1) take courses based upon a particular set of religious beliefs;

(2) receive instruction intended to propagate or promote any religious beliefs;

(3) participate in religious activities;

(4) maintain affiliation with a particular church or religious organization; or

(5) attest to any particular religious beliefs.

**Statutory Authority:** *MS s 136A.111; 136A.121; 136A.132; 136A.141; 136A.233; 136A.70*

**History:** 8 SR 196

## 4830.6300 CERTIFICATION OF THE NUMBER OF ELIGIBLE STUDENTS.

The chief executive officer of each school must certify as of the tenth class day of the fall term the exact number of Minnesota residents who are enrolled in programs meeting the criteria in part 4830.6200, subpart 3. Each school must maintain adequate records demonstrating the method of calculating the number

# MINNESOTA RULES 1991

4485

## FINANCIAL ASSISTANCE 4830.7100

of students. The records and underlying documents must be available to the board for inspection.

**Statutory Authority:** *MS s 136A.111; 136A.121; 136A.132; 136A.141; 136A.233; 136A.70*

**History:** 8 SR 196

### 4830.6400 PAYMENT.

**Subpart 1. Amount of payment.** The executive director shall pay, for each eligible student who is not a state grant-in-aid recipient, \$120 per student in a school granting an associate degree but not a bachelor's degree and \$150 per student in a school granting a bachelor's degree. In addition, the executive director shall pay, for each eligible student who is a state grant-in-aid recipient, \$400 per student in a school which grants an associate degree but not a bachelor's degree and \$500 per student in a school which grants a bachelor's degree. However, if the appropriation is insufficient to pay the full amount, the executive director shall reduce the payments in a manner which maintains the ratios among the four categories of students.

**Subp. 2. Time of payment.** Ninety percent of the payment shall be made in the winter. It shall be calculated by using the number of eligible students, certified by the school and verified by the executive director, and the preliminary number of fall grant-in-aid recipients. The final payment shall be made in the spring. It shall be based on the final number of fall grant-in-aid recipients and shall include any required adjustments.

**Statutory Authority:** *MS s 136A.111; 136A.121; 136A.132; 136A.141; 136A.233; 136A.70*

**History:** 8 SR 196

## CHILD CARE GRANTS

### 4830.7000 SCOPE.

Parts 4830.7000 to 4830.7900 govern state assistance to institutions to reduce the cost of child care for eligible students attending eligible postsecondary institutions.

**Statutory Authority:** *MS s 136A.04; 136A.125*

**History:** 14 SR 2789

### 4830.7100 DEFINITIONS.

**Subpart 1. Scope.** The definitions in this part apply for the purposes of parts 4830.7000 to 4830.7900.

**Subp. 2. Continuing enrollment.** "Continuing enrollment" means that a student has not had an interruption in enrollment at the institution in which the student is currently enrolled for more than one academic term or 60 days of the immediately preceding academic year, whichever is longer. A student may miss one academic term and summer school and not lose continuing enrollment status.

**Subp. 3. Eligible employment.** "Eligible employment" means the number of hours of paid employment that the institution determines shall be covered with child care assistance, not to exceed 20 hours of employment per week.

**Subp. 4. Eligible hours of education.** "Eligible hours of education" means:

- A. hours spent in class;
- B. up to a maximum of one hour a day for transportation between class, home, and employment;
- C. up to four hours a day between classes; and
- D. additional eligible hours as determined by the institution.

**Subp. 5. Eligible student.** "Eligible student" means a student who:

A. has a child 12 years of age or younger, or 14 years of age or younger who is handicapped as defined in Minnesota Statutes, section 120.03, and who is receiving or will receive care on a regular basis from a provider of child care services as those terms are defined in Minnesota Statutes, section 256H.01, subdivisions 2 and 12, after the grant is received;

B. is a resident of Minnesota as defined in part 4830.0400, subpart 2;

C. is not a recipient of aid to families with dependent children;

D. has not earned a baccalaureate degree and has been enrolled full time in any postsecondary institution fewer than eight semesters, 12 quarters, or the equivalent;

E. is pursuing a nonsectarian program or course of study that applies to an undergraduate degree, diploma, or certificate;

F. is enrolled at least half time in an eligible institution for the term for which an award is received;

G. is in good academic standing and making satisfactory progress, as defined by the institution according to federal requirements; and

H. reports any changes to data reported on the child care application within ten days of the change.

**Subp. 6. Nonsectarian program.** "Nonsectarian program" means a program of study that is not specifically designed to prepare students to become ministers of religion, to enter some other religious vocation, or to prepare them to teach theological subjects. A nonsectarian program may provide for the scholarly study of religion as a discipline of knowledge in a manner similar to that provided for any other field of study, but must not require its students to take courses that are based on a particular set of religious beliefs, to receive instruction intended to propagate or promote any religious beliefs, to participate in religious activities, to maintain affiliation with a particular church or religious organization, or to attest to any particular religious beliefs.

**Subp. 7. Institution's share.** "Institution's share" means the number of students in an eligible institution who have applied for the state scholarship and grant program under parts 4830.0200 to 4830.0700 for the most current academic year and who have reported dependent children.

**Statutory Authority:** *MS s 136A.04; 136A.125*

**History:** *14 SR 2789*

#### **4830.7200 ELIGIBLE INSTITUTIONS.**

Institutions eligible for child care grants are Minnesota public postsecondary institutions and private, residential colleges or universities granting two-year or four-year liberal arts degrees that have signed a child care program agreement with the board.

**Statutory Authority:** *MS s 136A.04; 136A.125*

**History:** *14 SR 2789*

#### **4830.7300 STUDENT PRIORITY.**

Beginning July 1, 1990, a student who has received an award from the program in the immediately preceding academic year and who has had continuing enrollment at that institution must be given a child care award for the next academic year if the student remains eligible and funds are available. A student shall apply for a continuation of funds by June 1 of the preceding academic year or lose priority ranking for the funds over students who did not apply for a continuation of funds by June 1 and eligible students applying for a child care grant for the first time.

**Statutory Authority:** *MS s 136A.04; 136A.125*

**History:** *14 SR 2789*

**4830.7400 APPLICATION AND DISTRIBUTION OF FUNDS FOR GRANTS.**

**Subpart 1. Initial allocation formula.** Funds shall be allocated to each eligible institution according to the following formula:

A. the institution's share divided by the sum of participating institutions' shares; and

B. multiplied by the current fiscal year's appropriation for child care grants.

**Subp. 2. Yearly allocation to institutions.** After the 1989-1990 academic year, funds shall be allocated to each eligible institution according to the following formula:

A. the institution's share divided by the sum of participating institutions' shares;

B. multiplied by the current fiscal year's appropriation for child care grants; and

C. multiplied by the percent of funds for child care grants actually used by the institution during the prior academic year.

**Subp. 3. Reallocation.** The board shall reallocate available funds at least twice during the academic year to institutions requesting additional child care funds according to the following formula:

A. the institution's share divided by the sum of the shares of institutions requesting additional funds; and

B. multiplied by the amount of child care funds available for reallocation.

**Subp. 4. Administrative expense.** By July 1 of each year, the board shall set the percentage of awarded child care grant funds that may be used for administration of the child care program by the board and the institution.

**Subp. 5. Notification.** The board shall notify each participating institution in writing of allocation and reallocation amounts.

**Subp. 6. Accountability.** Each participating institution shall be accountable for any funds disbursed to students for child care grants. Funds may be used only during the fiscal year of disbursement. If a student does not use a grant because the student does not enroll or withdraws from the institution, the institution may use the funds for other eligible students or return them to the board.

**Subp. 7. Unused funds.** An institution shall return funds that the institution determines will not be used within 30 days from the date of a request by the board. The board shall reallocate unused funds to other participating institutions requesting additional funds.

**Statutory Authority:** *MS s 136A.04; 136A.125*

**History:** *14 SR 2789*

**4830.7500 AMOUNT AND TERM OF GRANTS.**

**Subpart 1. Financial need.** An institution shall award a grant to each eligible student to the extent allocated funds are available. The family income and family size used shall be that used to determine eligibility for the state scholarship and grant program under parts 4830.0200 to 4830.0700 and must be within the income ranges established by Minnesota Statutes, section 256H.10, subdivision 2. Each student shall report any changes in income within ten days to the institution.

**Subp. 2. Amount.** The amount of a grant must cover:

A. the cost of child care for all children 12 years old or younger, or 14 years old or younger if the child is handicapped as defined in Minnesota Statutes, section 120.03;

B. the total number of eligible hours for which child care is needed; and

C. the provider's charge up to a maximum rate established each year by the board based on rate information received from the Department of Human Services in each county where services are being provided.

The institution shall determine the amount of child care needed for the eligible hours of education as defined in part 4830.7100, subpart 4, and the number of eligible hours of employment as defined in part 4830.7100, subpart 3, for each academic term and then subtract the amount of student copayment for each month of child care according to charts provided by the board.

The amount of the grant must not exceed 60 hours per child per week and must not cover hours during which a parent or legal guardian is capable and available to care for the children.

If, after an award is made, a student presents information to the institution that would increase the student's child care award, the award must be increased if program funds are available.

**Subp. 3. Insufficient funds.** An institution shall make awards that cover all eligible hours as defined in part 4830.7100, subparts 3 and 4. An institution may use one of the following methods to award the next student on the institution's waiting list if funds are insufficient to award all students eligible for the child care grants:

A. an institution may delay the beginning of an award but once an award is made, the award must continue throughout the year unless a student becomes ineligible;

B. an institution may award a student a full child care grant but notify the student that all awards are contingent on the availability of funds and that the student might not receive the full award; as refunds or reallocations make funds available, no new student may receive an award until outstanding awards are assured full disbursement; or

C. an institution may supplement child care money with institutional money in order to make a full disbursement to a student.

**Statutory Authority:** *MS s 136A.04; 136A.125*

**History:** *14 SR 2789*

#### **4830.7600 PAYMENT.**

Child care payments shall be made each academic term to the student or to the child care provider, as determined by the institution.

**Statutory Authority:** *MS s 136A.04; 136A.125*

**History:** *14 SR 2789*

#### **4830.7700 TERMINATION OF CHILD CARE AWARD.**

A child care award shall be terminated if the student ceases to meet the eligibility requirements in part 4830.7100, subpart 5. Before termination of the award occurs, the institution must allow the student to meet with the financial aid officer at the institution to discuss the termination, and documentation as to why the termination should not occur.

**Statutory Authority:** *MS s 136A.04; 136A.125*

**History:** *14 SR 2789*

#### **4830.7710 PROCEDURES FOR DENIAL OR TERMINATION OF A CHILD CARE AWARD.**

**Subpart 1. Applicability.** Students meeting the eligibility requirements in part 4830.7100, subpart 5, but denied a child care grant award due to an institution's lack of program funds, shall be placed on the institution's waiting list pending the availability of program funds. Subpart 2 and part 4830.7720 are not

# MINNESOTA RULES 1991

4489

## FINANCIAL ASSISTANCE 4830.7800

applicable to students who are denied child care grant awards due to lack of program funds.

**Subp. 2. Procedures.** A school must follow the procedures in items A to D when denying or terminating a child care grant award, except in cases where the denial is due to lack of program funds.

A. The school shall notify a student, in writing, of denial or termination of a child care grant award. The notice must state the reason or reasons the assistance is being denied or terminated. The notice shall inform the student of the right to contest the adverse action and the procedure for doing so. Except for cases of suspected fraud when a child care grant is terminated, the notice must be mailed to the student's last known address, or hand delivered to the recipient at least 14 calendar days before terminating assistance. In cases of suspected fraud, the termination notice must be mailed or hand delivered at least five working days before the effective date of the termination.

B. Failure of a child care grant recipient to provide required information or documentation, to report changes required under part 4830.7100, subpart 5, or to pay the family copayment fee or the provider charge if the state share of the subsidy is paid directly to the family, is just cause for terminating assistance.

C. Child care assistance payments shall be terminated pending the result of the appeal process in part 4830.7720. If the appeal results in the continuation of child care payments to the student, payments covering the period from termination to the appeal decision to continue child care payments shall be made retroactively to the extent allocated funds are available.

D. If the child care grant award is made by vendor payment, the school shall inform the child care provider of the notice of termination pending the results of the appeal process.

**Statutory Authority:** *MS s 136A.04; 136A.125*

**History:** *14 SR 2789*

### 4830.7720 APPEAL PROCESS.

**Subpart 1. Appeal request.** An applicant or recipient of a child care subsidy adversely affected by a school's action may file a written request for an appeal.

**Subp. 2. Informal conference.** The school shall offer an informal conference to students adversely affected by the school's decision in an attempt to resolve the dispute. The school shall advise such students that a request for a conference with the school is optional and does not delay or replace the right to an appeal under subpart 1.

**Subp. 3. Appeal process.** Students must follow the normal appeal process established by the school to handle complaints about financial aid program decisions. The school's appeal process must be completed within two weeks of the student's filing a written request for an appeal with the school. If the student is not satisfied with the result of the appeal, the student may ask the school to forward the results to the executive director of the Minnesota Higher Education Coordinating Board for review. The school must forward the results of the appeal and documentation provided by the student at the appeal to the executive director within two weeks of the school's appeal decision. The executive director shall review the decision and accompanying documentation, and shall make a decision according to Minnesota Statutes, section 136A.125, and parts 4830.7000 to 4830.7900. The student and school shall be advised in writing of the executive director's decision. The executive director's decision is final.

**Statutory Authority:** *MS s 136A.04; 136A.125*

**History:** *14 SR 2789*

### 4830.7800 REFUNDS.

If a recipient reduces enrollment, the institution must refund the unused portion of the award. Refunds are determined as follows:

# MINNESOTA RULES 1991

## 4830.7800 FINANCIAL ASSISTANCE

4490

A. the percentage the child care award represents of the student's total financial aid package for the applicable term; and

B. multiplied by the amount determined to be refunded to the student under the institution's refund policy. The result yields the amount to be refunded to the program fund. Refunded awards are available for reassignment to other qualified applicants.

**Statutory Authority:** *MS s 136A.04; 136A.125*

**History:** *14 SR 2789*

## 4830.7900 REPORTS OF DATA.

Institutions must:

A. collect demographic, educational, and financial data specified by the board from eligible students requesting child care grants;

B. provide the board with individual student data upon request;

C. report information about students who receive awards, students who are on the waiting list, and students who were denied awards, including the institution's methods of prioritizing applicants if insufficient funds are available; and

D. submit fiscal year program activity reports and student data reports to the board.

Fiscal year program activity reports and student data reports are required by the board. Institutions shall correctly complete and submit all required reports and any applicable refunds to the board by the first working day after August 9. The board shall withhold an institution's subsequent year's allocation if the deadline date is not met.

**Statutory Authority:** *MS s 136A.04; 136A.125*

**History:** *14 SR 2789*