

CHAPTER 4830

HIGHER EDUCATION COORDINATING BOARD

FINANCIAL ASSISTANCE

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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. 1a. **Academic year.** "Academic year" means a period of time in which a full-time student is expected to complete:

A. the equivalent of at least two semesters, two trimesters, or three quarters at an institution that measures academic progress in credit hours and uses a semester, trimester, or quarter system;

B. before July 1, 1992, at least 24 semester hours or 36 quarter hours at an institution that measures academic progress in credit hours but does not use a semester, trimester, or quarter system;

C. after June 30, 1992, at least 30 semester hours or 45 quarter hours at an institution that measures academic progress in credit hours but does not use a semester, trimester, or quarter system; or

D. at least 900 clock hours at an institution that measures academic progress in clock hours.

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

Subp. 2a. **Certificate program.** After June 30, 1992, "certificate program" means a program that is:

- A. offered by an eligible school as defined in part 4830.0300, subpart 1;
- B. at least 12 quarter credits or the equivalent, or 300 clock hours for clock hour schools; and
- C. at least eight weeks long.

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

Subp. 3a. **Designated rural area.** "Designated rural area" means the area outside the cities of Duluth, Mankato, Moorhead, Rochester, St. Cloud, and outside the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

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;
- 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 academic progress, as defined in Minnesota Statutes, section 136A.101, subdivision 10;
- F. is a permanent resident of the United States, if the student is not a United States citizen; and
- G. is not in default, as defined under the applicable loan program, of any educational loan, or, if the student is in default, has made satisfactory arrangements to repay the loan.

Subp. 6. **Executive director.** "Executive director" means the executive director of the board, or board staff who perform duties as assigned by the executive director.

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. 8a. **Full-time.** "Full-time" means the enrollment level defined in Minnesota Statutes, section 136A.101, subdivision 7a, except that for purposes of work-study grants administered under parts 4830.2000 to 4830.2600, "full-time" means enrollment in a minimum of 12 credits per quarter or semester, or the equivalent.

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. a dependent student whose parent or legal guardian resides in Minnesota on the date of application;
- B. an independent student who has resided in Minnesota for other than educational purposes for at least 12 consecutive months prior to the date of application;
- C. a student who graduated from a Minnesota high school, unless the student is a resident of a bordering state while attending a Minnesota high school; or
- D. a student who, after residing in the state for a minimum of one year, earned a high school equivalency certificate in Minnesota.

Subp. 10a. **Determination of student residence.** The residence of the parent whose financial information is reported in the financial need analysis determines the residence of the student. n

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.

Subp. 12. **Returning student.** "Returning student" is a student who has not been in attendance at a postsecondary institution for at least the last three consecutive years before applying for aid.

Statutory Authority: *MS s 136A.04; 136A.111; 136A.134; 136A.16; 136A.234; 136A.70; 147.30*

History: *8 SR 196; 10 SR 2319; 13 SR 128; 15 SR 1780; 16 SR 2732*

STATE SCHOLARSHIPS AND GRANTS-IN-AID

4830.0200 SCOPE.

Parts 4830.0200 to 4830.0700 govern state grants.

Statutory Authority: *MS s 136A.04; 136A.111; 136A.121; 136A.132; 136A.141; 136A.16; 136A.233; 136A.234; 136A.70*

History: *8 SR 196; 8 SR 2335; 9 SR 991; 15 SR 1780*

4830.0300 ELIGIBLE SCHOOLS.

Subpart 1. **Annual list.** Annually the executive director shall approve a list of schools at which a state grant may be used. Schools may be added to the list by the executive director 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 at least eight weeks long; and

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

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; and

D. sign an institutional agreement with the executive director.

Statutory Authority: *MS s 136A.04; 136A.111; 136A.121; 136A.132; 136A.141; 136A.16; 136A.233; 136A.234; 136A.70*

History: *8 SR 196; 8 SR 2335; 9 SR 991; 9 SR 2341; 15 SR 1780; 18 SR 1141*

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. [Repealed, 15 SR 1780]

Subp. 2a. **Out-of-state housing.** A student's Minnesota residence is not lost if the student must live outside of Minnesota for housing purposes while attending an eligible school located within ten miles of the Minnesota border. The student must have moved to the out-of-state address within six months of beginning attendance at an eligible school.

Subp. 3. [Repealed, 15 SR 1780]

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

- A. demonstrate financial need;
- B. if under 17 years old, hold a high school diploma or the equivalent;
- C. pursuing a program or course of study that applies to a degree, diploma, or certificate;
- D. must not have received a previous Minnesota state grant; and
- E. is not more than 30 days in arrears for any child support payments owed to a public agency responsible for child support enforcement or, if the student is more than 30 days in arrears, is complying with a payment plan for arrearages.

Subp. 5. **Renewal awards.** A grant is renewable for a maximum of six semesters, nine quarters, or the equivalent, but must not continue after the first of the following occurrences:

- A. the recipient has obtained a baccalaureate degree; or
- B. the recipient has been enrolled on a full-time basis for eight semesters, 12 quarters, or the equivalent.

To be eligible to renew a grant a student must apply each year and continue to meet the requirements for an initial grant, except for subpart 4, item D. A student must have made satisfactory academic progress as defined in Minnesota Statutes, section 136A.101, subdivision 10.

Subp. 5a. **Child support arrearages.** A grant is not renewable if the recipient is more than 30 days in arrears for any child support payment owed to a public agency responsible for child support enforcement and not subject to a payment plan for arrearages or not in compliance with a payment plan for the arrearages.

Subp. 6. [Repealed, 18 SR 1141]

Statutory Authority: *MS s 136A.04; 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; 15 SR 1780; 16 SR 1822; 18 SR 1141*

4830.0500 [Repealed, 18 SR 1141]

4830.0600 AWARDS.

Subpart 1. **Monetary awards.** The amount of a grant 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 the financial need analysis.
- 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 award amount 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 grant 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.04; 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; 15 SR 1780*

4830.0700 METHOD OF PAYMENT.

Subpart 1. **Payments to schools.** After a grant 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 grant is awarded for full-time attendance at a specified school for the academic year of nine months within the state fiscal year. If a recipient fails to enroll or reduces enrollment, the school must refund the unused portion of the award. If the executive director determines that a school has fraudulently handled grant money, the refund of the unused portion of the award is immediately due, and the board may institute a civil action for recovery if necessary. Refunds to the board are determined as follows:

A. Determine the percentage that the state 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 grant account. Refunded awards are available for reassignment to other qualified applicants.

Subp. 3. **School accounting requirements.** Schools shall maintain separate accounts for grant 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.

Subp. 4. **Recovery of overpayments.** An overpayment occurs when a grant recipient receives more money than the recipient is eligible to receive under the award calculation. A grant recipient shall reimburse the board for overpayment regardless of the cause. The overpayment amount is the difference between the amount received and the calculated award eligibility. The reimbursement amount includes any costs or expenses incurred by the board in collecting the debt, including reasonable attorney fees. The reimbursement is recoverable from the recipient or the recipient's estate. The board may institute a civil action for recovery if necessary.

The recipient must not receive additional awards until the overpayment is recovered or the recipient is making payments under an approved plan. Additional awards for which the recipient is eligible may be used to recover an unreimbursed overpayment.

Statutory Authority: *MS s 136A.04; 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; 15 SR 1780*

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]

4830.1550 [Repealed, 18 SR 1141]

4830.1551 [Repealed, 18 SR 1141]

4830.1552 [Repealed, 18 SR 1141]

4830.1553 [Repealed, 18 SR 1141]

4830.1554 [Repealed, 18 SR 1141]

4830.1555 [Repealed, 18 SR 1141]

4830.1560 [Repealed, 18 SR 1141]

4830.1561 [Repealed, 18 SR 1141]

4830.1562 [Repealed, 18 SR 1141]

4830.1563 [Repealed, 18 SR 1141]

4830.1564 [Repealed, 18 SR 1141]

4830.1565 [Repealed, 18 SR 1141]

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 grants under part 4830.0300.

Statutory Authority: *MS s 136A.04; 136A.111; 136A.121; 136A.132; 136A.141; 136A.16; 136A.233; 136A.234; 136A.70*

History: *8 SR 196; 15 SR 1780*

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 executive director 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 executive director. The executive director shall reallocate the funds to other participating schools requesting additional funds.

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

Statutory Authority: *MS s 136A.04; 136A.111 subd 2; 136A.16; 136A.234; 136A.70; 147.30*

History: *8 SR 196; 10 SR 2319; 15 SR 1780*

4830.2300 WORK-STUDY GRANTS.

A school shall determine if a student is eligible for a work-study grant. To be eligible a student must meet the requirements of part 4830.0100, subpart 5, items B, C, E, and F. 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.04; 136A.111 subd 2; 136A.16; 136A.234; 136A.70; 147.30*

History: *8 SR 196; 10 SR 2319; 15 SR 1780; 16 SR 1822*

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 30 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.

Statutory Authority: *MS s 136A.04; 136A.111; 136A.16; 136A.121; 136A.132; 136A.141; 136A.233; 136A.70*

History: *8 SR 196; 16 SR 1822*

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, 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.04; 136A.111 subd 2; 136A.16; 136A.234; 136A.70; 147.30*

History: *8 SR 196; 10 SR 2319; 15 SR 1780*

4830.2600 REPORTS BY SCHOOL..

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

End of year program activity and student data reports are required by the executive director. The school must correctly complete and submit these reports and any applicable refunds to the executive director by the first working day after August 9. The executive director shall withhold the school's subsequent year's allocation if the above deadline date is not met.

Statutory Authority: *MS s 136A.04; 136A.111; 136A.134; 136A.16; 136A.234; 136A.70; 147.30*

History: *8 SR 196; 10 SR 2319; 13 SR 128; 15 SR 1780*

4830.3000 [Repealed, 15 SR 1780]

4830.3100 [Repealed, 15 SR 1780]

4830.3200 [Repealed, 15 SR 1780]

4830.3300 [Repealed, 15 SR 1780]

4830.3400 [Repealed, 15 SR 1780]

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:

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.

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 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 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

REGISTERED NURSE GRANT PROGRAM

4830.6500 SCOPE.

Parts 4830.6510 and 4830.6520 apply to the program of state grants for registered nurses.

Statutory Authority: *MS s 136A.04; 136A.16; 136A.234*

History: 15 SR 1925

4830.6510 APPLICATION AND DISTRIBUTION OF FUNDS FOR GRANTS.

Subpart 1. Application by schools and programs. A school or program of advanced nursing education that desires program funds for registered nurses must submit each year a completed participation application form provided by the executive director.

Subp. 2. Modification of allocations. The executive director shall allocate funds equal to a school or program's estimated need for funds if the estimated need is less than the amount determined by the allocation formula.

Subp. 3. Requirements for participant institutions. Each participating school or advanced nursing program must also:

A. when requested by the executive director, provide enrollment data of registered nurses seeking to complete baccalaureate or master's degrees in nursing or an advanced program of nursing;

- B. establish procedures for students to apply for and receive grants;
- C. establish criteria to use in awarding grants, which must include consideration of the likelihood of a student's success in completing the educational program; and
- D. give priority to students:
 - (1) demonstrating the greatest financial need; and
 - (2) enrolling to complete baccalaureate degrees in nursing.

Subp. 4. Delay. A participating institution that fails to submit the annual application for participation to the executive director or provide requested enrollment data by its deadline date may result in the delay of notification and disbursement by the executive director to the institution.

Subp. 5. Accountability. Each participating school and advanced program of nursing is accountable for any funds disbursed to students for grants to registered nurses. 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 the funds to the executive director.

Subp. 6. Unused funds. When requested by the executive director, a school or advanced nursing program must report on its use of nursing grant funds and must return unused funds. The executive director shall reallocate unused funds to schools or advanced nursing programs that desire additional funds.

Statutory Authority: *MS s 136A.04; 136A.16; 136A.234*

History: *15 SR 1925; 18 SR 1141*

4830.6520 REPORTS OF DATA.

Subpart 1. Annual reports. A participating school or nursing program must collect demographic, educational, and financial data specified by the executive director from eligible students requesting grants, and provide the data upon request to the executive director.

The executive director shall require end of the year program activity and student data reports from participating institutions. The school or advanced nursing program must complete and submit the reports and any applicable refunds to the executive director by the first working day after August 9. If the reports are not completed correctly and submitted by the deadline date, the executive director shall withhold the subsequent year's allocation until reporting requirements are fully met.

Subp. 2. Additional information. The executive director or an agent may require additional information not inconsistent with law that is helpful in the executive director's judgment to efficiently administer the program. The additional information may be required from grant applicants or recipients or eligible institutions or programs.

Statutory Authority: *MS s 136A.04; 136A.16; 136A.234*

History: *15 SR 1925*

LICENSED PRACTICAL NURSE GRANT PROGRAM

4830.6600 SCOPE.

Parts 4830.6610 to 4830.6620 apply to the program of state grants for licensed practical nurses.

Statutory Authority: *MS s 136A.04; 136A.16; 136A.234*

History: *15 SR 1925*

4830.6610 APPLICATION AND DISTRIBUTION OF FUNDS FOR GRANTS.

Subpart 1. Application by schools and programs. A school or program that desires nursing grant funds for licensed practical nurses must submit to the executive director each year a completed participation application form provided by the executive director.

Subp. 2. Modification of allocations. The executive director shall allocate funds equal to the school's or program's estimated need for funds if the estimated need is less than the amount determined by the allocation formula.

Subp. 3. Responsibility. Each participating school or nursing program must:

A. when requested by the executive director, provide enrollment data of licensed practical nurses in educational programs leading to licensure as a licensed registered nurse;

B. establish procedures for students to apply for and receive grants;

C. establish criteria to use in awarding nursing grants, which must include consideration of the likelihood of a student's success in completing the nursing educational program; and

D. give priority to students with the greatest financial need.

Subp. 4. Delay. A participating institution that fails to submit the annual application for participation to the executive director or provide requested enrollment data by the deadline dates may result in the delay of notification and allocation by the executive director.

Subp. 5. Accountability. Each participating school and nursing program is accountable for any money disbursed to students for nursing grants for licensed practical nurses. The money 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 must return the funds to the executive director.

Subp. 6. Unused funds. When requested by the executive director, a school or nursing program shall report on its use of funds and shall return unused funds. The executive director shall reallocate unused funds to schools or nursing programs that desire additional funds.

Statutory Authority: *MS s 136A.04; 136A.16; 136A.234*

History: *15 SR 1925; 18 SR 1141*

4830.6620 REPORTS OF DATA.

Subpart 1. Annual reports. The school or nursing program must collect demographic, educational, and financial data specified by the executive director from eligible students requesting grants, and provide this data upon request to the executive director.

The executive director shall require end of the year program activity and student data reports. The school or nursing program must complete and submit the reports and any applicable refunds to the executive director by the first working day after August 9. If the reports are not completed correctly and submitted by the deadline, the executive director shall withhold the subsequent year's allocation until reporting requirements are fully met.

Subp. 2. Additional information. The executive director or the executive director's agent may require additional information not inconsistent with law that in the executive director's judgment is helpful to efficiently administer the program. The additional information may be required from grant applicants or recipients or eligible institutions or programs.

Statutory Authority: *MS s 136A.04; 136A.16; 136A.234*

History: *15 SR 1925*

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 ap-

ply 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.

Subp. 8. **Contract with county.** Institutions may contract with counties to handle program administration, but are accountable for county decisions related to the program. Program administration includes selection of students to receive awards from this program, award calculation, disbursement, and program reporting. The appeal process in part 4830.7720 is applicable to students attending institutions that contract with counties to handle program administration.

Statutory Authority: *MS s 136A.04; 136A.125; 136A.16; 136A.234*

History: *14 SR 2789; 15 SR 1925*

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 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:

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*

PUBLIC SAFETY OFFICER'S SURVIVOR GRANT PROGRAM

4830.8000 SCOPE.

Parts 4830.8000 to 4830.8040 govern state postsecondary education grants to spouses and dependent children of public safety officers killed in the line of duty.

Statutory Authority: *MS s 136A.04; 136A.16; 136A.234*

History: *15 SR 2266*

4830.8010 ELIGIBLE INSTITUTIONS.

A student receiving a grant from the Public Safety Officer's Survivor Grant Program must attend a postsecondary institution that is an eligible institution as defined in Minnesota Statutes, section 136A.101, subdivision 4, and part 4830.0300, subparts 1 and 2, as limited by Minnesota Statutes, section 299A.45, subdivision 1.

Statutory Authority: *MS s 136A.04; 136A.16; 136A.234*

History: *15 SR 2266*

4830.8020 ELIGIBLE RECIPIENT.

To be eligible for a grant, the person must:

A. be enrolled in an eligible institution as specified in part 4830.8010;

B. not have received a baccalaureate degree, nor have been enrolled full time or the equivalent for eight semesters or 12 quarters, whichever occurs first; and

C. provide a copy of the certification of eligibility received from the commissioner of public safety to the eligible institution.

Statutory Authority: *MS s 136A.04; 136A.16; 136A.234*

History: *15 SR 2266*

4830.8030 INSTITUTIONAL REQUEST AND DISBURSEMENT OF FUNDS FOR GRANTS.

Subpart 1. Institutional request. After verifying a student's eligibility, the institution must submit a written request to the executive director for payment of grant money for the student. A separate request must be submitted for each academic term the student is enrolled. A copy of the student's certificate of eligibility from the commissioner of public safety must accompany the institution's first request for payment.

Subp. 2. Deadline. The request for grant money for a student must be received by the executive director no later than the last day of classes for the academic year for which grant money is requested.

Subp. 3. Disbursement of funds. An institution must not disburse grant money for a student unless the student is enrolled in or has completed the academic term for which payment is intended.

Subp. 4. Refunds. A grant award is made for a student's attendance at a specific institution for the nine-month academic year within the state fiscal year. If a recipient fails to enroll or reduces enrollment, the institution must refund the unused portion of the award to the executive director. Refunded money is available for awards to other eligible students.

Statutory Authority: *MS s 136A.04; 136A.16; 136A.234*

History: *15 SR 2266*

4830.8040 PAYMENTS TO INSTITUTIONS.

Subpart 1. **Time of payment.** The executive director shall send grant money for an eligible student to the institution within 30 days of receipt of a request for payment, but not before July 1 of the academic year for which payment is intended.

Subp. 2. **Withholding payment.** The executive director shall withhold payment for a student until the institution's request for payment is complete and the student's eligibility is verified.

Statutory Authority: *MS s 136A.04; 136A.16; 136A.234*

History: *15 SR 2266*

PRENURSING GRANT PROGRAM**4830.8510 SCOPE.**

Parts 4830.8510 to 4830.8575 apply to the program of state grants for prenursing students.

Statutory Authority: *MS s 136A.04; 136A.16; 136A.234*

History: *15 SR 2266; 17 SR 712*

4830.8520 STUDENT MUST AGREE TO SERVE IN RURAL AREA.

Before a student receives a grant under the program, the student must agree to serve in a designated rural area in Minnesota. The agreement must be to serve there at least three of the first five years after receiving the license that the grant is used to get.

Statutory Authority: *MS s 136A.04; 136A.16; 136A.234*

History: *15 SR 2266*

4830.8530 SERVICE CREDIT AFTER DESIGNATION REMOVED.

In satisfying the service requirements under the program, a grant recipient shall continue to receive credit for serving in a designated rural area even if the designation is removed after the recipient begins serving there.

Statutory Authority: *MS s 136A.04; 136A.16; 136A.234*

History: *15 SR 2266*

4830.8535 APPLICATION AND DISTRIBUTION OF FUNDS FOR GRANTS.

Subpart 1. **Participation by schools and programs.** A school or nursing program that desires prenursing grant funds must sign an institutional participation agreement with the executive director.

Subp. 2. **Modification of allocations.** The executive director shall allocate funds equal to the school's or program's estimated need for funds if the estimated need is less than the amount determined by the allocation formula.

Subp. 3. **Responsibility.** Each participating school or nursing program must:

- A. establish procedures for students to apply for and receive grants;
- B. consider the likelihood of a student's success in completing the nursing educational program and the likelihood that the student will serve in a designated rural area;
- C. give priority to students with the greatest financial need; and
- D. assist the executive director in monitoring recipient service status.

Subp. 4. **Renewal award allocation formula.** The executive director shall calculate an allocation for renewal awards at eligible schools and nursing programs based on prior year information submitted by schools or nursing programs on the Prenursing Grant Final Report. The following formula will be used:

A. for schools and nursing programs located outside the seven county metropolitan area, the sum of each school's or nursing program's total prior year grant awards for current academic year renewal students multiplied by at least 100 percent; plus

B. for schools and nursing programs located within the seven county metropolitan area, the sum of each school's or nursing program's total prior year prenursing grant awards for current academic year renewal students multiplied by at least 100 percent.

Subp. 5. **Prorating, reports, refunds, renewals, excess funds.** If insufficient funds are available to allocate funds to all schools and nursing programs with renewal students, the executive director shall give priority to schools or nursing programs located outside the seven county metropolitan area when prorating the available funds.

Schools or nursing programs with final reports correctly completed and submitted to the executive director with any applicable refunds by the first working day after August 9 will be informed in writing by the executive director of their allocations for renewal awards by the first working day after August 30. The executive director shall withhold a school's or nursing program's allocation for renewal awards if the reporting deadline date is not met.

Funds not needed for renewal awards may be used by the school or nursing program for initial awards to eligible students.

Subp. 6. **Appropriation balance.** The annual prenursing grant appropriation minus the sum of subpart 4, items A and B, equals the appropriation balance. The appropriation balance will be allocated to schools and nursing programs as specified in subpart 7.

Subp. 7. **Initial award allocation formula.** A second allocation will be made to schools and nursing programs to make awards for initial prenursing grant applicants using the following formula:

A. each school's or nursing program's number of eligible initial prenursing grant applicants for the current academic year residing in designated rural areas, as defined in part 4830.0100, subpart 3a, multiplied by the prior year average award amount for prenursing grant recipients from the postsecondary system applicable to the school or nursing program, multiplied by at least 100 percent; plus

B. each school's or nursing program's number of eligible initial prenursing grant applicants for the current academic year residing outside designated rural areas, as defined in part 4830.0100, subpart 3a, multiplied by the prior year average award amount for prenursing grant recipients from the postsecondary system applicable to the school or nursing program, multiplied by at least 100 percent.

Subp. 8. **Priority for proration, second allocation.** If insufficient funds are available to allocate funds to all schools or nursing programs, the executive director shall give priority to schools or nursing programs located outside the seven county metropolitan area with pre-nursing grant applicants who reside within designated rural areas, as defined in part 4830.0100, subpart 3a.

The executive director shall notify all participating schools and nursing programs in writing of their second allocation amount by September 30 if the school or nursing program has provided the information specified in subpart 9 by the first working day after September 9.

Subp. 9. **Applicant information data.** By August 15 each year, the executive director will provide each school or nursing program with a prenursing grant applicant data form to be completed and submitted to the executive director no later than the first working day after September 9. Schools or nursing programs that wish to be included in the second allocation calculation specified in subpart 7 must provide the following information on the data form provided by the executive director by the specified deadline date.

The following information for the current academic year will be requested on the data form:

A. the number of applications received from eligible initial prenursing grant applicants who reside in designated rural areas, as defined by the board;

B. the number of applications received from eligible initial prenursing grant applicants who reside outside designated rural areas, as defined in part 4830.0100, subpart 3a;

C. the estimated amount of prenursing grant funds needed to award applicants in item A; and

D. the estimated amount of prenursing grant funds needed to award applicants in item B.

Subp. 10. **Consequences of failure to report.** Failure to correctly complete and submit the requested information to the executive director by the first working day after September 9 will result in the failure of the school or nursing program to be included in the initial award allocation calculation.

Subp. 11. **Reallocation.** If funds are available, the executive director shall reallocate funds to schools or nursing programs requesting additional prenursing grant funds according to the formula in subpart 7.

Subp. 12. **Accountability.** Each participating school and nursing program is accountable for any money disbursed to students for prenursing grants. The money 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 must return the funds to the executive director.

Subp. 13. **Unused funds.** When requested by the executive director, a school or nursing program shall report on its use of funds and shall return unused funds. The executive director shall reallocate unused funds to schools or nursing programs that desire additional funds.

Subp. 14. **Monitoring recipient service status.** A participating school or nursing program must assist the executive director in monitoring the service status of each prenursing grant recipient to determine whether the recipient is fulfilling the service requirement specified in part 4830.8520. The recipient must provide written documentation annually to the executive director regarding current status as a nurse in a designated rural area. The school or nursing program must provide the executive director with each recipient's most current permanent address and telephone number on record at the school or nursing program upon graduation or termination of enrollment. Upon request of the executive director, the school or nursing program must also provide the name, address, and telephone number for at least two persons listed on the recipient's prenursing grant application as references.

Statutory Authority: *MS s 136A.04; 136A.16*

History: *17 SR 712*

4830.8540 RANKING APPLICANTS.

Subpart 1. **Classification of applicants.** Each applicant must be placed in one of the following classifications:

- A. renewal applicant residing in a designated rural area;
- B. renewal applicant not residing in a designated rural area;
- C. initial applicant residing in a designated rural area, and has not previously been enrolled in any nursing program or coursework; and
- D. initial applicant not residing in a designated rural area, and has not previously been enrolled in any nursing program or coursework.

Subp. 1a. **Order; previous enrollees.** Applicants will be awarded in the order of the classifications listed in subpart 1. Initial applicants who have been previously enrolled in a nursing program or who have completed some nursing coursework are not eligible.

Subp. 2. **Ranking of applicants.** Within each of the classifications specified in subpart 1, grant applicants are ranked according to parental contribution. Applicants with the least parental contribution are awarded first.

Subp. 3. **Insufficient funds.** If insufficient funds are available to meet the needs of all eligible applicants, the school or nursing program shall make awards to applicants in the order specified in subparts 1, 1a, and 2.

Subp. 4. **Transfer student.** A student who received a prenursing grant at one school or nursing program and transfers to another school or nursing program must be considered a renewal applicant for ranking purposes at the school or nursing program to which the student transferred. The student must continue to demonstrate financial need and complete the application process. If no funds are available at the time the student transfers, the school or nursing program must give priority to the renewal transfer student over an initial applicant if funds become available.

Statutory Authority: *MS s 136A.04; 136A.16; 136A.234*

History: *15 SR 2266; 17 SR 712*

4830.8550 AWARDS.

Subpart 1. **Award calculation.** The amount of the grant award is a percentage of the sum of the student's Pell grant and state grant for which the student is currently eligible. The

percentage must be determined annually by the executive director based upon the money available to the program from state appropriations and the estimated financial need of students. If the student is not eligible for a Pell grant or state grant for the current academic year, the student is not eligible for a prenursing grant award.

Subp. 2. **Application of award and disbursement.** A recipient's total prenursing grant award must be divided by the number of terms in the academic year and disbursed accordingly. The school or nursing program shall apply each disbursement 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.

Subp. 3. **Minimum award.** The minimum award amount for full-time attendance is \$100 per academic year.

Subp. 4. **Adjustments to awards.** If a recipient's award amount decreases because of an adjustment in the student's Pell grant or state grant award, the prenursing grant award must be reduced. If a recipient's award amount increases because of an adjustment in the student's Pell grant or state grant award, the prenursing grant award must be increased, if funds are available.

Statutory Authority: *MS s 136A.04; 136A.16; 136A.234*

History: *15 SR 2266; 16 SR 1822; 17 SR 712*

4830.8560 [Repealed, 17 SR 712]

4830.8570 RECIPIENT RESPONSIBILITIES.

Subpart 1. **Change of address.** Until graduation or termination of enrollment, the recipient must notify the school or nursing program in writing of a change of address within 30 days of the change. From the time of graduation or termination of enrollment until five years after the nursing license is received, the recipient must notify the executive director in writing of a change in address within 30 days of the change.

Subp. 2. **Service status verification.** Each year for up to five years after a nursing license is received, on request of the executive director, a grant recipient must complete and return to the executive director a service status verification form provided by the executive director.

Statutory Authority: *MS s 136A.04; 136A.16; 136A.234*

History: *15 SR 2266; 17 SR 712*

4830.8575 REPORTS BY SCHOOLS OR NURSING PROGRAMS.

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

End of year program activity and student data reports are required by the executive director. The school or nursing program must correctly complete and submit those reports and any applicable refunds to the executive director no later than the first working day after August 9. If the reports are not completed correctly and submitted by the deadline, the executive director shall withhold the subsequent year's allocation until reporting requirements are fully met.

Statutory Authority: *MS s 136A.04; 136A.16*

History: *17 SR 712*

4830.8580 [Repealed, 17 SR 712]

NURSING GRANT PROGRAM FOR PERSONS OF COLOR

4830.9005 SCOPE.

Parts 4830.9005 to 4830.9030 apply to the program of state grants for nursing students who are persons of color.

Statutory Authority: *MS s 136A.04; 136A.16*

History: *18 SR 1141*

4830.9010 DEFINITIONS.

Subpart 1. **Scope.** The terms used in parts 4830.9005 to 4830.9030 have the meanings given them in this part.

Subp. 2. **Person of color.** "Person of color" means a person who is an Asian Pacific-American, African-American, American Indian, or Hispanic-American (Latino, Chicano, or Puerto Rican).

Statutory Authority: *MS s 136A.04; 136A.16*

History: *18 SR 1141*

4830.9015 APPLICATION AND DISTRIBUTION OF FUNDS FOR GRANTS.

Subpart 1. **Application by schools and programs.** A school or registered nursing program must submit each year to the executive director a completed participation application form provided by the executive director.

Subp. 2. **Responsibility.** Each participating school or registered nursing program must:

A. when requested by the executive director, provide enrollment data of students in educational programs leading to licensure as a registered nurse;

B. establish procedures for students to apply for and receive grants;

C. establish criteria to use in awarding grants to nursing students, which must include the likelihood of the student's success in completing the nursing educational program and the likelihood that the student will serve in Minnesota for at least three years following licensure;

D. give priority to students with the greatest financial need;

E. agree that the money awarded through the grant program must not be used to replace any other grant or scholarship money for which the student would be otherwise eligible; and

F. assist the executive director in monitoring recipient service status.

Subp. 3. **Allocation formula.** Funds shall be allocated to each school or registered nursing program according to the following formula: enrollment of registered nursing students of each school or nursing program, divided by the total enrollment of all participating schools or nursing programs; multiplied by the current fiscal year's appropriation for grants under this program.

The minimum allocation to a school or nursing program is \$2,500.

Subp. 4. **Modification of allocations.** The executive director shall allocate funds equal to the school's or program's estimated need for funds if the estimated need is less than the amount determined by the allocation formula.

Subp. 5. **Reallocation.** If funds are available, the executive director shall reallocate funds to schools or nursing programs requesting additional program funds according to the formula in subpart 3.

Subp. 6. **Delay.** Failure of a participating school or nursing program to submit the annual application for participation to the executive director or provide requested enrollment data by the deadline dates will result in the delay of notification and disbursement by the executive director to the school or nursing program.

Subp. 7. **Accountability.** Each participating school and nursing program is accountable for any money disbursed to students for nursing grants. The money 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 must return the funds to the executive director.

Subp. 8. **Unused funds.** When requested by the executive director, a school or nursing program shall report on its use of funds and shall return unused funds. The executive director shall reallocate unused funds to schools or nursing programs that desire additional funds.

Subp. 9. **Monitoring recipient service status.** The participating school or nursing program must provide the executive director with each recipient's most current permanent address and telephone number on record at the school or nursing program upon graduation or termination of enrollment. Upon request of the executive director, the school or nursing pro-

gram must also provide the name, address, and telephone number for at least two persons listed on the recipient's nursing grant application as references.

Statutory Authority: *MS s 136A.04; 136A.16*

History: *18 SR 1141*

4830.9020 AWARDS.

Subpart 1. **Award amount.** Grants must be \$2,500 per academic year.

Subp. 2. **Award disbursement.** A recipient's total nursing grant award must be divided by the number of terms in the academic year and disbursed accordingly.

Subp. 3. **Renewal awards.** The grant must be awarded for one academic year but is renewable for a maximum of six semesters or nine quarters of full-time study, or their equivalent. A student wishing to renew a nursing grant must complete an application form for each academic year.

Statutory Authority: *MS s 136A.04; 136A.16*

History: *18 SR 1141*

4830.9025 RECIPIENT RESPONSIBILITIES.

Subpart 1. **Change of address.** Until graduation or termination of enrollment, the recipient must notify the school or nursing program in writing of a change of address within 30 days of the change. From the time of graduation or termination of enrollment until three years after the nursing license is received, the recipient must notify the executive director in writing of a change of address within 30 days of the change.

Subp. 2. **Service status verification.** Each year for up to three years after a nursing license is received, on request of the executive director, a grant recipient must complete and return to the executive director a service status verification form provided by the executive director.

Statutory Authority: *MS s 136A.04; 136A.16*

History: *18 SR 1141*

4830.9030 REPORTS BY SCHOOLS OR NURSING PROGRAMS.

Subpart 1. **Data collection; reports.** The school or nursing program must collect demographic, educational, and financial data specified by the executive director from eligible students requesting grants, and provide this data to the executive director upon request.

The executive director shall require program activity and student data reports at the end of each year. The school or nursing program must complete and submit the reports and any applicable refunds to the executive director by the first working day after August 9. If the reports are not completed correctly and submitted by the deadline, the executive director shall withhold the subsequent year's allocation until reporting requirements are fully met.

Subp. 2. **Additional information.** The executive director may require additional information not inconsistent with law that in the executive director's judgment is helpful to efficiently administer the program. The additional information may be required from grant applicants or recipients or eligible institutions or programs.

Statutory Authority: *MS s 136A.04; 136A.16*

History: *18 SR 1141*