

Memorandum: Mandatory State Grant Parameters

To: Minnesota State Grant Campus Administrators

From: Meghan Flores
State Financial Aid Program Manager

Subject: Mandatory Minnesota State Grant Parameters for 2025-2026

Date: June 20, 2025

Please find the Final MN State Grant Parameters for the 2025-2026 year reflected in the below table. Changes from either the 2024-2025 Actual Parameters or the December 16th, 2024, Mandatory Estimated 2025-2026 are displayed in Red.

Minnesota State Grant Award Parameters	Actual 2024-2025	December Mandatory Estimated	Final 2025-2026
Living and Miscellaneous Expense Allowance	\$12,990	\$13,420	\$12,444
Assigned Student Responsibility	52.8%	52.7%	50.0%
Tuition and Fee Maximums: Students in Two-Year Programs	\$6,679	\$6,913	\$6,909
Tuition and Fee Maximums: Students in Four-Year Programs	\$17,370	\$18,065	\$17,717
Federal Pell Grant Maximum	\$7,395	\$7,395	\$7,395
Treatment of Negative SAI / Parent Contribution (PC)	100% of negative SAI / PC included in SG Formula	100% of negative SAI / PC included in SG Formula	50% of Negative SAI / PC included in SG Formula, capped at -1500

Proration of Assigned Family Responsibility (AFR)	Actual 2024-2025	December Mandatory Estimated	Final 2025-2026
Dependent Students (FM PC)	100%	100%	95%
Independent Students with Dependents (FM SAI)	100%	100%	71%
Independent Students without Dependents (FM SAI)	100%	100%	35%

In addition to the above State Grant Parameters, we want to provide updated guidance on how to handle the blank Parent Contribution (PC) and Student Aid Index (SAI) Formula Type ISIR fields for 2025-2026 State Grant awards. When a student is identified on the FAFSA as being eligible for Maximum Pell Grant Type 1, 2 or 3, a full calculation is not performed, resulting in both the PC and SAI Formula Type ISIR fields being left blank or null. These two ISIR fields are especially important for the State Grant because the PC is used in the State Grant formula for dependent students and the SAI Formula Type identifies whether an independent student has dependents or not, which determines the correct proration of the Assigned Family Responsibility (AFR) in the State Grant formula. The Office of Higher Education (OHE) and the MNAid system will utilize the logic below when calculating and verifying reported 2025-2026 State Grant awards for students with blank or Null values for either PC or SAI Formula Type ISIR fields. Although many users will not work directly with it, it is important to share the logic with your campus Information Technology or anyone working on setting up packaging for 2025-2026 State Grant awards.

If DependencyStatus = D (Dependent Students):

- If Parent Contribution is not Null, use the Parent Contribution value
- If Parent Contribution is Null:
 - If Max Pell Indicator = 1, set the PC = -1500
 - If Max Pell Indicator = 2 or 3, set the PC = SAI (in almost all cases, SAI will be zero)
 - If Max Pell Indicator is NULL = set the PC = 0

If DependencyStatus = I (Independent Students):

We will determine which SC Factor to use in the payment calculation based on the SAI Formula:

- If SAI Formula = B, Independent Students without Dependents Other than a spouse, use SCFactorWithoutDependents
- If SAI Formula = C, Independent Students with Dependents Other than a Spouse, use SCFactorWithDependents
- If SAI Formula is Null:
 - If Max Pell Indicator = 1, use the SAI (it will be -1500). Since SAI is negative, do not multiply by the SC Factor.
 - If Max Pell Indicator = 2 or 3, use the SAI (it will be between -1500 and 0 inclusive). If SAI is negative, do not multiply by SAI factor and if SAI is zero, multiplying by any SC factor will result in zero.
 - If Max Pell Indicator is NULL, set the SAI = 0. If SAI is zero, zero multiplied by either SC Factor is still zero.

If you have questions or concerns about the 2025-2026 State Grant award parameters, please contact Meghan Flores at Meghan.Flores@state.mn.us. If you have questions or concerns about the 2025-2026 State Grant logic for null values, the file layout, or sending test files, please contact Shawn Reynolds at Shawn.Reynolds@state.mn.us.