



# State Work Study

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# OHE Website

Welcome to the newly redesigned OHE website! If you have questions or feedback, please email: [communications.ohe@state.mn.us](mailto:communications.ohe@state.mn.us)



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## GUIDING THE FUTURE OF MINNESOTA

The Minnesota Office of Higher Education (OHE) is a cabinet-level state agency that connects students and families with financial aid programs, information, and resources to help make college possible for every Minnesotan.

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# Student SWS Website

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## Work Study

**Work study programs are jobs offered through the college financial aid office** to help you earn money to pay for your education. The financial aid office will determine how many hours you are eligible to work according to your financial need and class load.

Common work study jobs include tutoring other students, or working in the college cafeteria, technology center, fitness center, bookstore or library. Some jobs will be based on your skills or academic program. Your wage depends on the job and your qualifications, but most students average about 15 hours a week and may earn \$3,000 or more per year.

Federal Work study is not considered income on the FAFSA, but State Work Study is. If you don't qualify for work study, check with the school's financial aid administrator about other on-campus jobs, or consider off-campus jobs.

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**Minnesota Work Study** ▾

# Administrative SWS Website

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## Minnesota State Work Study Program Resources

The State Work Study Program is designed to assist students in meeting their financial need, to provide students with valuable work experiences, and to provide non-profit service agencies, handicapped persons, and persons over 65 with low cost student assistance.

### PROGRAM OVERVIEW

Funds are allocated based on the school's total Minnesota resident full year equivalent (FYE) enrollment and the school's use of prior year funds. The institution awards the funds based on financial need. Using the federal need analysis, need is what remains after the Expected Family Contribution, Federal Pell Grant, and State Grant are subtracted from the institutional price of education. The other financial aid programs, including state work study, are awarded according to the institution's financial aid packaging philosophy. Students must be paid at least minimum

### PROGRAM CONTACT

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# Purpose of the Minnesota State Work Study Program

Provides **financial assistance** to Minnesota Students with demonstrated need.

*Estimated COA – Gift Aid – SAI = Need SWS*

Offers **valuable employment experiences** that complement students' academic and career goals.

Supports **non-profit service agencies, individuals with disabilities and persons over 65** with **low-cost student assistance**.

# Program Basics



Administered by the Minnesota Office of Higher Education (OHE)



Funded by Minnesota Legislature—approximately \$11.7 million per year for FY 2026-27 (a 5.5 million reduction over the biennium)



Modeled after Federal Work Study, but includes state-specific eligibility, allocation, and matching requirements

# Student Eligibility

- Must be a **Minnesota resident** enrolled at a **Minnesota postsecondary institution**
- Enrolled at least **half time** in a **degree, diploma, or certificate program**  
*(Minimum 6 credits for undergraduates; school defines half-time for graduates)*
- Must demonstrate **financial need** based on the State Work Study packaging model
- Must be in **good academic standing** and meeting **Satisfactory Academic Progress (SAP)**
- **Not eligible** if receiving **tuition reciprocity benefits** from another state
- May **work one term per aid year** during non-enrollment with a signed **statement of intent to re-enroll**



# Employer Eligibility

- **Eligible employers include:**
  - Minnesota **postsecondary institutions**
  - **Non-profit, non-sectarian agencies** located in Minnesota
  - **Private for-profit employers** only when hiring students as **interns** in positions directly related to the student's field of study
  - **Individuals with disabilities** needing assistance in or about the home
  - **Persons aged 65 or older** needing assistance in or about the home
- Employers must provide **at least 25% of student wages**
- Employers must ensure work does **not displace a permanent employee**

# Employment Conditions

- Students are paid for **hours actually worked**—no pay for sick, holiday, or vacation time  
Must be paid **at least the federal, state, or local minimum wage**, whichever is higher
- **State share: 75%** **Employer share: 25%** (minimum)
- **No limit on weekly hours**, but schools should monitor academic impact
- **Overtime is permitted** when applicable and properly documented
- Students may be paid for **reasonable training** and **travel time** (for community service jobs)
- Students must complete **I-9 and W-4 forms** before beginning employment
- All positions must have **appropriate supervision** and comply with OHE and FWS standards

# Earned Sick and Safe Time (ESST) – Overview

## Effective January 1, 2024:

Minnesota's **Earned Sick and Safe Time (ESST)** law requires *all employers* to provide paid leave to employees who work in Minnesota.

## Applicability to Work Study:

- The Minnesota Department of Labor and Industry (DLI) has confirmed that **colleges and universities are responsible** for providing ESST to *all student employees*, including those paid under State Work Study.
- This requirement is **separate from the State Work Study program** and must be funded by the **employer**, not by OHE or state Work Study funds.

# ESST and SWS Program Rules

## Important Clarifications

The **State Work Study Manual and rules** prohibit *Work Study funds* from being used to pay for:

- Sick Leave, Vacation Pay, and Holiday Pay

Employers may still offer those benefits — they just **cannot be charged to State Work Study funds**.

## Employer Responsibilities

- Provide ESST coverage **at their own expense** (outside of the 75% State/25% employer match).
- Continue following all SWS payroll and documentation requirements:
  - Students are paid only for hours **actually worked**
  - **Time sheets** must accurately reflect hours worked and be signed by the supervisor

The ESST law adds a new **employer-funded benefit**, but **does not change how Work Study funds are awarded, matched, or reported**.

# Allocation of Funds

**Calculated annually** by OHE based on:

- Each school's **Minnesota resident FYE (Full Year Equivalent)**
- The school's **prior-year utilization rate** (funds used vs. allocated)

Schools submit **FYE and funds requested** in MNAid by **June 30**

**Initial allocation disbursements:**

- **15%** in **July** (summer term)
- **35%** in **September**
- **50%** in **December**

Reallocations occur in **November, January, March, May, and June**

# 50% December Disbursement

- **In November** – Must complete “Scheduled Amount Requested” and “Additional Funds Requested” fields for December disbursement
  - **Failure to do so will cancel the “Scheduled Amount”**
  - Email reminders will be sent
- School wants less funds than Scheduled Amount: Enter a smaller number than the Scheduled Amount and enter 0 in Additional Funds Requested field
- School wants more funds than Scheduled Amount: Enter the same value as the Scheduled Amount and enter additional amount in the Additional Funds Requested field
- School wants to receive the Scheduled Amount  
Enter the same value as the Scheduled Amount and enter 0 in Additional Funds Requested field
- School has a negative Scheduled Amount but wants funds: Enter 0 in Scheduled Amount Requested and the amount of funds requested in “Additional Funds Requested” field

Update Funding Information	
Academic Year 2025 to 2026	
Initial Allocation Data	
Funds Requested	<input type="text" value="100000"/>
Utilization Rate	<input type="text" value="90.0000"/>
Total Resident FYE	<input type="text" value="9508"/>
Carry Back	<input type="text" value="0"/>
Carry Forward	<input type="text" value="0"/>
November Reallocation Data	
Scheduled Amount	<input type="text" value="500000"/>
Scheduled Amount Requested	<input type="text" value="0"/>
Additional Funds Requested	<input type="text" value="0"/>

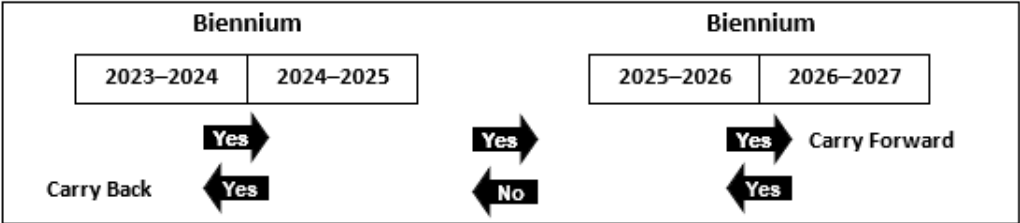
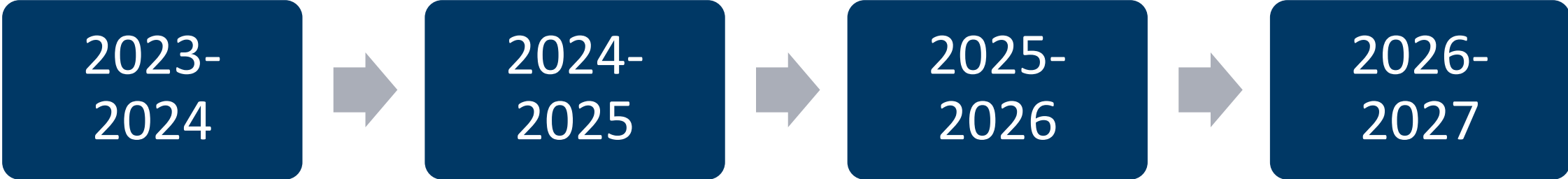
# Additional Relocations

- Additional reallocations are requested here
- Reminder emails will be sent
- Typically: January, March, May, and June

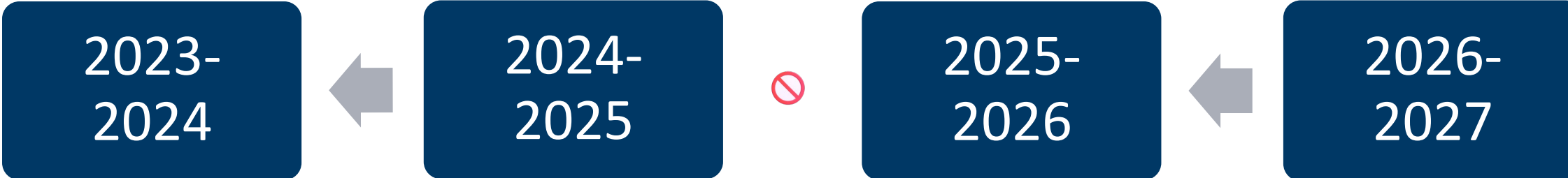
Funding Information			
Initial Allocation Data			
Funds Requested	1000000	Total Resident FYE	9508
Utilization Rate	90	Initial Allocation Amount	500000
		Carry Back	0
		Carry Forward	0
November Reallocation Data			
Scheduled Amount	500000	Additional Funds Requested	0
Scheduled Amount Requested	0		
Additional Reallocation Data			
Additional Funds Requested	0	Additional Funds Requested	0
Additional Funds Requested	0	Additional Funds Requested	0
Additional Funds Requested	0	Additional Funds Requested	0
Additional Funds Requested	0	Additional Funds Requested	0
Additional Funds Requested	0	Additional Funds Requested	0
<a href="#">UPDATE FUNDING INFORMATION</a>			

# Carry Forward/Carry Back

Carry Forward



Carry Back





# MNAid Overview & Transition

- Beginning **Academic Year 2025—26**, the **State Work Study Program** is fully administered in **MNAid**
- Centralizes reporting and fund management with other OHE programs
- **No prior-year data** will transfer into MNAid (2024-25 and earlier remain in spreadsheets)
- No Student data will be housed in MNAid
- Schools enter and view:
  - **Resident FYE and Funds Requested**
  - **Allocations, Reallocations, and Refunds**
  - **Work Study Contacts and Comments**
- **Access:** 1<sup>st</sup> and 2<sup>nd</sup> institutional contacts from Participation Survey receive login credentials
- Provides **visibility** of payments, balances, and utilization rates

# Overaward Tolerance

- Allows a small *unintentional overaward* of up to **\$300 per academic year**
- Designed to reduce administrative burden for **minor adjustments or timing issues**
- **Cannot** be built into initial packaging or used intentionally
- Applies only when total aid exceeds need **after disbursement**
- Schools must still **monitor student earnings** to prevent larger overawards

Example: A student receives a late outside scholarship that causes a **\$175 overaward**.

→ No adjustment is required under the \$300 tolerance.

# Reporting & Close-Out

- **End of Year Reports and Refunds** due the **first working day after August 9**
  - **August 11, 2025** for Academic Year 2024-25
- **Final Report and Student Data Sheets** submitted via OHE site (2024-25)
- **Refunds received on or after March 1** are considered **late**
  - Late refunds negatively affect future **utilization rates and allocations**
- OHE verifies:
  - Final report accuracy
  - Receipt of all refunds
  - School's program status ("Closed Out" in MNAid)
- Missing the deadline **delays disbursements for all schools**

# Audit & Compliance Requirements

- Schools must maintain complete documentation for every Work Study student:
  - **Eligibility** (MN residency, SAP, enrollment level, financial need)
  - **Award calculation and funding source**
  - **Signed contracts** (on- or off-campus)
  - **Time sheets** signed by supervisors
  - **Payroll records, W-2s, and general ledger reconciliation**
- Must document **reasonable effort** to secure **off-campus employment**
- **Records retained for 3 years** after fiscal year end (or until audit exceptions are resolved)
- **Audits** may be conducted by the State Auditor or an approved external firm
- OHE may **withhold future allocations** for late or missing reports

# Key Dates & Annual Timeline

## July

- **New state fiscal year begins (FY26)**
- **15% disbursement** sent to schools
- Final report spreadsheets released for prior year

## August

- **Final reports and refunds due**—first working day after **August 9**

## September

- **35% disbursement** sent to schools

## November

- Schools submit **December disbursement request** in MNAid  
*\*Failure to do so results in forfeiture of December allocation.*

## December

- **Final 50% disbursement** sent to schools

## January—June

- **Reallocations and refunds processed** (typically Jan, Mar, May, June)
- **FYE & Participation data entered** in MNAid (by **May 31**)
- **Estimated allocations for next year** released in **June**

# Key Differences: State vs. Federal Work Study

## Federal Work Study

Federal funds

Must be U.S. citizen or eligible non-citizen

No reciprocity restrictions

75/25 federal–employer match

May fund 100% for tutoring/literacy

National focus

## Minnesota State Work Study

State funds (appropriated by Legislature)

Must be MN resident

Reciprocity students not eligible

75/25 state–employer match

No 100% funding provision

Minnesota workforce & community service focus

# Top 10 Audit Findings

## **Enrollment Issues:**

- Student enrolled less than part time (whether from the start or allowed to continue working after a drop in enrollment).
- Student not enrolled when paid SWS and no intention received (registration for future term or otherwise) for re-enrollment for a future term. Most commonly found when a student continues to work after they graduate.

## **Award Issues:**

- Student paid SWS over COA or need, and the school did not cut the student off from SWS wages or change to institutional aid once they exceeded need.
- COA used to calculate need does not match correct enrollment level.

## **Payroll Issues:**

- Student paid incorrect minimum wage rate for their local minimum wage rates.
- Student paid a salary – or a lump sum stipend instead of an hourly wage based on actual hours worked.

# Top 10 Audit Findings Continued...

## **Residency:**

- SWS paid to student not meeting state residency requirement.

## **Reconciliation and Closeout Issues:**

- Excess funds not returned to OHE in a timely manner at end of year or throughout year when applicable.
- Paid SWS outside of the correct fiscal year.
- End of year report does not match what was paid at the school, and/or was completed after OHE due date.

**Please Remember:** Provide documentation as part of the audit to show proof that students completed the necessary documentation required to work and be paid (I-9, W-4, etc.). These documents are requested as part of the sample documentation, even if they are collected and held with another department, i.e. payroll or business office.



# Best Practices and Tips

- Reconcile Work Study monthly with business office reports
- Notify students when nearing award limits
- Conduct mid-year utilization checks
- Keep audit-ready files: contracts, payroll, FYE data
- Build cross-campus relationships (financial aid, payroll, supervisors)
- Respond promptly to OHE reallocation and refund requests

# Looking Ahead

Updated State Work Study Manual coming **later this academic year**

Continued MNAid enhancements

Annual training sessions

**Recorded** training sessions online

Ongoing feedback loop from campuses to improve tools & guidance

**Thank you for your partnership in supporting Minnesota students!**

# Resources and Contacts

## Program Resources

- **State Work Study Manual (2023–24):**  
[ohe.mn.gov/sites/default/files/2025-04/2023-2024%20State%20Work%20Study%20Manual\\_Final\\_ADA.pdf](https://ohe.mn.gov/sites/default/files/2025-04/2023-2024%20State%20Work%20Study%20Manual_Final_ADA.pdf)
- **Campus Financial Aid Administrator Resources:**  
[ohe.mn.gov/outreach-professional-resources/campus-resources/campus-financial-aid-administrator-resources-2](https://ohe.mn.gov/outreach-professional-resources/campus-resources/campus-financial-aid-administrator-resources-2)
- **Refund Return Form:**  
[ohe.mn.gov/refund-form](https://ohe.mn.gov/refund-form)
- **MNAid Login:**  
[ohe.state.mn.us/mnaid](https://ohe.state.mn.us/mnaid)

## OHE Contacts

- **Nichole Andersen** – State Program Administrator  
 [Nichole.Andersen@state.mn.us](mailto:Nichole.Andersen@state.mn.us)  
 (651) 355-0612
- **Jennifer Skluzacek** – State Program Associate  
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Thank you!

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