OFFICE OF HIGHER EDUCATION

State Financial Aid Manual

Minnesota Student Teacher Grants

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About the Minnesota Office of Higher Education

The Minnesota Office of Higher Education is a cabinet-level state agency providing students with financial aid programs and information to help them gain access to postsecondary education. The agency also serves as the state's clearinghouse for data, research and analysis on postsecondary enrollment, financial aid, finance and trends.

The Minnesota State Grant Program is the largest financial aid program administered by the Office of Higher Education, awarding up to $235 million in need-based grants to Minnesota residents attending accredited institutions in Minnesota. The agency oversees other state grant and scholarship programs, tuition reciprocity programs, a student loan program, Minnesota's 529 Institution Savings Plan, licensing and early college awareness programs for youth.

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Introduction

This manual is written for the Office of Higher Education (OHE) and participating postsecondary institutions for use in administering the Minnesota Student Teacher Grants (STG) which consists of the Student Teachers in Shortage Areas Grant and Underrepresented Student Teacher Grant Programs. It is subject to all subsequent changes in both federal and Minnesota state laws and regulations governing this program. This manual is updated on a regular basis. Institutions are required to read all e-mail and written correspondence from the Office of Higher Education to keep informed of any changes in policy or guidance. Changes announced during the interim have the full force and effect of the State Financial Aid Manual.

Program Objective

To provide postsecondary financial assistance to eligible student teachers, who are enrolled in a Professional Educator Licensing and Standards Board (PELSB) approved Minnesota teacher preparation program, during the term in which the student is completing the required 12-week or more student teaching experience to attain a Tier 3 teaching licensure.

There are two grants available. The **Minnesota Student Teacher Grants in Shortage Areas (STSA)** are available to eligible students who intend to teach in a license shortage area or rural school district after graduating and receiving their teaching license. The **Minnesota Underrepresented Student Teacher Grants (USTG)** are available to eligible students who belong to a racial or ethnic group underrepresented in the Minnesota teacher workforce.

Definitions

Complete Application

Complete application refers to all the forms required from the student and Financial Aid Office to determine a student's eligibility for the grant program. The complete application date will be recorded in the student's STG record in MNAid.

Cost of Attendance

The federal Title IV Cost of Attendance (COA) is the estimated total cost of attending a postsecondary institution during one academic year and includes, but not limited to, tuition and fees, books, supplies, housing and food, transportation, and miscellaneous expenses.

For the Student Teacher Grants program, the COA for one term is required in determining the remaining need for the student teaching term.

Certification

The process where schools confirm a recipient's eligibility to receive an award by verifying enrollment, financial data, and other program requirements. For program funds to be disbursed to the school, the school must first certify awarded students in MNAid.

Financial Data

Refers to the data elements for an applicant to determine eligibility for an award. Financial data required for the Student Teacher Grants program are COA, Student Aid Index (SAI), other financial aid, licensure field, student teaching placement, and confirmation of student teaching experience, SAP status and student loan status.

Financial Need

Financial need is based on a combination of factors including SAI and unmet need. To determine the unmet need, the student's calculated term SAI and the amount of all grants, scholarships, and other gift aid received for the term is subtracted from the student's term federal Title IV Cost of Attendance (COA).

MNAid

The Minnesota's version of the GrantPro technology, developed and supported by Nelnet. MNAid is a full-service, web-based financial aid management system that allows the Office of Higher Education and postsecondary institutions to award, disburse and administer state financial aid programs.

It includes a secure agency and school financial aid staff portal that supports state financial aid program administration. Separately, MNAid provides a student portal, which allows students to apply for state aid programs that require applications separate from the FAFSA.

Priority Application Deadline

The date that is set for each student teaching term as a cut-off for complete applications to be submitted and be considered for an award. The date is annually established by OHE.

Rural school district

Rural school district means a school district with fewer than 30 resident pupil units under Section 126C.05, subdivision 6, per square mile.

Shortage Area

License shortage area means a licensure area that is identified by the Professional Educator Licensing and Standards Board in coordination with the commissioner using data collected for the teacher supply and demand

report under MN Statute 122A.091, subdivision 5, provided that only licensure areas within the following fields may be identified as a license shortage area:

- English as a second language;
- Early childhood;
- Special education;
- Career and technical education;
- Science, technology, engineering, arts, and math, and
- World languages

Student Aid Index

The Student Aid Index (SAI) replaced the Expected Family Contribution (EFC) in fiscal year 2025. The SAI is generated through the completion of the FAFSA or Minnesota Dream Act Application/Minnesota Alternative State Financial Aid Application and is used to determine federal and state aid eligibility, and other need-based aid.

Student Teaching Experience

The culmination of the coursework in most teacher preparation programs will be full-time student teaching during the final year in a classroom setting. The student teaching experience is a minimum of 12 continuous weeks but could also be split between two terms and/or placements.

Student Teaching Term

The term in which the student will be completing the required student teaching experience. Students will indicated which term on the application.

Eligibility

Postsecondary Institutions

A postsecondary institution must:

- Be a located in the state of Minnesota; and
- Offer an eligible MN PELSB approved teacher preparation program

Student Eligibility

A student teacher must attend a Minnesota postsecondary institution and:

- Be enrolled in a MN PELSB approved teacher preparation program;

- Completing at least 12 weeks of student teaching for a Tier 3 teaching licensure*;
- Have completed the financial aid process to receive federal and state aid (See "Complete Applications" for clarification);
- Meet Satisfactory Academic Progress (SAP) as defined by the institution;
- Not in default on a federal or state student loan;
- Have not received a grant from the STG program in a previous term;
- Demonstrate financial need; and
- Meet one or more of the following program requirements:
    - Intend to teach in a designated rural school district in Minnesota after acquiring a teaching license
    - Intend to teach in an identified license shortage area after acquiring a teaching license
    - Belong to a racial or ethnic group underrepresented in the Minnesota teacher workforce

**Students seeking additional licensure who are required to complete the traditional 12-week student teaching experience and have not received a STG award in a prior year, can apply and be considered for an award.*

Application and Awarding

Complete Application

A complete application must be on file for an eligible student teacher to be considered for an award. OHE will contact the institution if further information is needed. A complete application includes:

Completed STG application through the MNAid Student Portal. It is preferred to have the application submitted online, however; a PDF application is available upon request.

- PDF applications must be signed and dated by the student. A typed signature is not accepted.
- PDF applications can be mailed or emailed to OHE, or
- PDF applications can be entered in MNAid by the Financial Aid Office at the institution.

FAFSA or Minnesota Dream Act Application/Minnesota Alternative State Financial Aid Application submitted by the student.

- MN Dream Act applicants who are graduate students or are non-Resident Students will not qualify for the state grant through the Dream Act process, therefore will only need to submit the required tax documents for income verification.
- If a MN Dream Act applicant wants to be considered for the in-state resident tuition rate at a public college or university, the applicant must provide the required documents to verify residency.

Submitted financial data and all required information for eligible students in MNAid by the institution.

- Institutions **should not** submit financial data if a student has not completed the financial aid process at their institution. This includes students who have not yet submitted a FAFSA or MN Dream Act Application or have outstanding verification or conflicting information documents.

Exception: Institutions can submit financial data for MN Dream Act applicants who are Graduate students or non-Resident Students once the income has been verified by OHE.

- Institutions **should not** submit financial data if a student selected to only receive the Direct Unsubsidized Loan on the FAFSA. The FAFSA form will be considered incomplete, and the SAI will not be calculated.
- Institutions **should** submit financial data if a student has completed all the necessary steps at the institution to receive financial aid regardless of whether the institution has established tuition and fees for the upcoming year, can provide a complete and final budget sheet or can issue an official award letter.
- Some estimated information may be entered if the institution is unable to obtain the actual information but must be updated with accurate information as soon as possible to ensure awards are calculated accurately for eligible students. For example:
    - If the institution has not established Cost of Attendance for the upcoming year, an estimated amount can be used.
    - If the MN State Grant amount has not been finalized, the estimated amount provided can be entered.

Application Dates and Deadlines

Priority Application Deadline

Complete applications received by the priority deadline are considered on time. Applications will still be accepted after the deadline, but eligible students may be placed on a waitlist. Priority deadlines are determined annually by the OHE Program Administrator and will be posted on the STG website.

Term Cutoff Date

The application deadline for a student teaching term. Applications submitted after the cutoff date will be considered “ineligible”. The date is annually established by OHE will be posted on the STG website and in the STG award rules in MNAid.

Financial Data Cutoff Date

The last day financial data can be entered for a submitted application. The date is annually established by OHE and will be posted on the STG resource webpage and in the STG award rules in MNAid.

Application Report

Institutions can generate a **Student Data Report** in MNAid that will include the applicant’s information, location of student teaching experience, application dates, eligibility status and payment amount. This report can be used for tracking new and current applications, and to identify missing information.

A weekly status email will be sent to MNAid school users. The email will display the number of applicants with the status “pending financial data” and “pending certification”. If there are any pending refunds, the total funds to be returned will be noted.

Selection Process

All eligible students with complete applications received by the priority deadline for the specified term will be considered for one of the two grants: the Underrepresented Student Teacher Grant Program Grants (USTG) or the Student Teachers Grants in Shortage Areas (STSA).

If there are insufficient funds to award all eligible students, the applications will be prioritized based on the following:

1. Financial need
2. Then, based on which program the student qualifies for, a different factor is applied to prioritize applications.

    a. STSA: whether the applicant intends to teach in both a rural school district and a license shortage area.
    b. USTG: ensuring the statewide distribution of funds.

Eligible students who are not selected for an award will be placed on a waitlist.

Award Process

Award Calculation

Award amounts are based on the student’s unmet financial need for the student teaching term as indicated on the application using the following calculation:

Student’s total COA (*set by the institution*) for the indicated student teaching term minus
Student Aid Index (see SAI Guidance)
Federal Pell Grant
Federal Supplemental Educational Opportunity Grant (SEOG)
Minnesota State Grant
Other federal and state aid (see Order of State Aid Calculation)
All other grants and scholarships, and gift aid (institutional, 3rd party, tribal, tuition waiver, etc.)
Equals unmet financial need *(Award grant per Award Amount Guidelines)*

Rounding Rule

Financial data can only be entered as whole dollar amounts in MNAid. Follow the standard rounding rule set at your Financial Aid Office or round up to the nearest dollar.

Excluded Financial Aid from Calculation

Federal Veterans Education Benefits and Federal, State, or private student loans should not be included in the calculation. Federal or State Work Study should not be included unless consulted with OHE beforehand and received approval.

The North Star Promise Scholarship is excluded from the award calculation.

SAI Guidance

For eligible applicants with an enrollment period that includes a Fall and Spring term, divide the SAI between the two terms when entering financial data for the indicated teaching term. For example, an applicant has a SAI of 3000, so the SAI for the student teaching term is 1500.

This is not a proration of the SAI but evenly dividing the SAI by terms included in the enrollment period for administration of Minnesota State Financial Aid programs. *See Appendix A for a full overview.*

For students with an enrollment period of only one term, enter the full SAI on the financial data form; this is due to the elimination of the proration of federal needs analysis.

Order of Aid Calculations

State financial aid programs, specifically last dollar programs that account for other state aid, will be calculated in the order of enactment from oldest to most recent. *See Appendix B for a full overview.*

Program	Year Enacted	Does this Program Account for Other State Aid?
Minnesota Indian Scholarship Program	1959	Yes (remaining need from Cost of Attendance)
Minnesota State Grant	1971	No
Public Safety Officer's Survivor Grant	1973	No
Postsecondary Child Care Grant	1989	No
Student Teacher Grants in Shortage Areas	2016	Yes (remaining need from Cost of Attendance)
Grants for Students w/ Intellectual & Developmental Disabilities	2017	No
Underrepresented Student Teacher Grants	2021 (a)	Yes (remaining need from Cost of Attendance)
Aspiring Teachers of Color Scholarship	2021 (b)	Yes (remaining need from Cost of Attendance)

Program	Year Enacted	Does this Program Account for Other State Aid?
Fostering Independence Higher Education Grants	2021 (c)	Yes (remaining need from Cost of Attendance)
Get Ready Student Success Scholarship	2023	No
North Star Promise Scholarship	2023	Yes (last dollar from tuition and fees)

Example: If a student is eligible for the Minnesota State Grant (SG), Underrepresented Student Teacher Grant (USTG), and North Star Promise Scholarship (NSP).

- Per the order of enactment, the USTG award will be calculated and awarded first, since OHE has determined that USTG was enacted before NSP.
- The USTG award will be calculated accounting for the SG, but without accounting for the NSP award.

Award Amount Guidelines

Eligible students may receive up to the maximum award amount but cannot exceed the calculated unmet financial need as described in the 'Award Calculation' section. **OHE may reduce award amounts based on the availability of funds.**

- The maximum award amount is $7,500
- The minimum award amount is $50

Applicants with a remaining need less than $50 will be considered "ineligible" for an award.

The grant can only be applied to the student teaching term as indicated on the application. Institutions **cannot** spread funds over more than one term even if the student teaching experience extends over more than one term.

Award Notification

Applicants selected for an award will be notified by OHE per the following dates:

- Fall awards: Recipients will be notified by August 15
- Spring awards: Recipients will be notified by December 1

These deadlines do not apply in cases where grants are awarded to applicants who applied after the priority deadline or were placed on the waitlist. If there are any changes to the amount awarded, the recipient **will not** be notified unless they are no longer eligible.

Students who submit complete applications but do not meet one or more of the eligibility requirements will be notified by OHE.

Eligibility status can be viewed on both the MNAid platform and the student portal.

Award Adjustments

After the submission of financial data, changes can be made through the applicant's **STG Record** in MNAid prior to certification. The remaining need will recalculate, and the award amount may adjust based on the updated financial aid information.

Once the program funds have been paid out to the institution, any adjustments to the financial data must be made in the awarded student's **payment history**. Refer to the MNAid training documents for STG at https://ohe.mn.gov/outreach-professional-resources/campus-resources/campus-financial-aid-administrator-resources/mnaid.

If the adjustments result in an increase in funds, a separate form may be required. All additional payments must be reviewed and approved by the OHE. Due to limited funding, there is no guarantee that additional payments can be made.

A **manual adjustment** may be entered into a student's financial data by the OHE Program Administrator if an award is permitted to remain the same due to insufficient funding or the end of the fiscal year.

Disbursement Process

Payment Rosters

Institutions will be notified via email when a disbursement of funds has been made by the Office of Higher Education. The payment roster can be generated in MNAid and will include the recipient's name, the student teaching term, the amount and the date paid. The payment roster will also include additional payment and refund information.

Disbursement of Funds

Disbursements are made directly to the eligible institution via Electronic Funds Transfer (EFT). Disbursements must be based on the student's enrollment and financial aid status as of the date of disbursement or the add/drop date as stated in the institutions' catalog whichever is later.

Institutions are liable for any program funds that are disbursed if the student failed to begin the enrollment period, or the institution cannot document that the student began their student teaching experience.

All related disbursement guidelines used for the State Grant program apply to the Student Teacher Grant including determination of disbursement date, acceptable methods of disbursement, student authorization for EFT transactions, student account balance requirements and other applicable guidelines described in the 'Disbursement Process' section of the State Grant chapter in the Financial Aid Manual.

Certification

Prior to disbursement, institutions must review the accuracy of the financial data entered for each recipient and make any necessary updates. The institution will certify each recipient in MNAid to request for funding.

- Institutions **should not** certify a recipient for a payment period or term until the student has registered for their student teaching experience.
- Any certification of recipients with missing School/District information will be **rejected**.

Adjustment after Disbursement

Any changes to a recipient's financial data after disbursement must be updated through the recipient's payment history.

- If the changes result in a refund, institutions must return the indicated refund amount.
- If the changes result in an increase of the award amount, OHE will review and notify the institution if approved.

Institutional Refund Process

If a recipient fails to enroll or withdraws from their student teaching experience, the entire grant must be returned to OHE **within 30 days** of the receipt of funds at the institution or when the recipient's ineligibility is determined whichever is later.

Institutions are required to review and make updates to the financial data in MNAid throughout the awarded term for all recipients. If any changes to the financial data results in a refund, institutions will be notified via email and must return the funds to OHE **within 30 days**.

Institutions will need to complete the online **Refund Return Form** provided by OHE separately for each STG program (Student Teacher Grants in Shortage Areas or Underrepresented Student Teacher Grants), but multiple students can be added to the return form for the same STG program.

A copy of the completed Refund Return Form must be attached to the refund check.

End of Year Closeout

There is no formal close out process to complete in MNAid. A final reconciliation should be performed for each recipient at the end of the term to ensure the accuracy of the disbursed funds at the institution and the financial data in MNAid. Any outstanding refunds must be returned to OHE as soon as possible.

If there are significant changes to a recipient's financial data that result in a refund, the institution must complete the online Refund Return Form as instructed in the 'Institutional Refund Process'.

State Audit Requirements

Records Available for Auditors

State auditors will periodically visit each participating institution to perform an audit. The institution also has the option of hiring an outside auditing firm to conduct its state audits in conjunction with its audits of federal aid programs. (See 'Audits' under the Common Definitions chapter of the Financial Aid Manual for further information.)

Each participating institution must establish a procedure by which an audit can be conducted by going to no more than three administrative offices within the institution. In most cases, these will be the financial aid office, the business office and the registrar's office, but that choice is made by the institution.

Each institution must maintain and make available to auditors the financial aid files for USTG and STSA recipients.

Historical records and documentation must be kept on file for three years after the last day of the fiscal year or until all audit exceptions for the period are resolved.

Documentation of Student Eligibility

The MNAid platform will contain information from the student application and the financial data submitted by institutions.

The institution must provide valid documentation to verify that the student has met the following eligibility requirements (*as described in the 'Student Eligibility' section in this chapter*).

1. Enrolled in the teacher preparation program as indicated on the application
2. Completed the required student teaching experience during the term as indicated on application
3. Completed the financial aid process to receive federal and state aid – *see 'Complete Applications' for clarification*
4. Met satisfactory academic progress (SAP) as defined by the institution
5. Does not a have a default on a federal or state student loan
6. Demonstrated financial need as established in MNAid

Exception: Racial and ethnic identification are self-reported on the student application and maintained by OHE in MNAid.

Documentation of Disbursement

Institutions must provide valid documentation confirming the amount and date the funds were disbursed to recipients.

The placement of the student teaching experience must be verified before disbursement. If the name of the School/District was not reported in MNAid, the institution must provide written confirmation of the student teaching placement.

Documentation of Refunds

Written documentation supporting individual student refunds must be retained by the institution (i.e., a copy of the OHE Refund Return Form) and be available if requested.

Appendices

Appendix A: SAI Guidance for MN State Financial Aid Programs

Impacted Programs

Minnesota Indian Scholarship (MISP), Student Teacher Grants (STG), Aspiring Teachers of Color Scholarship (ATC), Fostering Independence Grant (FIG)

These programs have a Financial Data screen or budget that is completed within MNAid, which distinguishes these programs from other State Financial Aid Program not listed.

Student Aid Index (SAI)

The FAFSA Simplification Act (Act) was enacted into law as part of the Consolidated Appropriations Act, 2021, and amended by the Consolidated Appropriations Act, 2022. The Act further amends the Higher Education Act of 1965, as amended (HEA), and impacts the Free Application for Federal Student Aid (FAFSA).

Included in the Act was a switch from the Expected Family Contribution (EFC) to the Student Aid Index (SAI) to determine need. This change eliminated the ability to prorate the federal needs analysis. From the 2024-2025 Federal Student Aid Handbook, Volume 3, Chapter 3:

No Alternate SAIs for Periods Other Than Nine Months

Prior to the 2024-2025 award year, the HEA allowed schools to use alternate expected family contributions (EFCs) when packaging aid for periods other than nine months. The FAFSA Simplification Act eliminated this provision. Beginning with the 2024-2025 award year, when packaging aid for any period that is not nine months, schools must use a student's calculated 9-month SAI in the formula to determine eligibility for need-based aid, as described above (that is, COA – SAI – OFA = need). As a result of this change, students who are enrolled for periods shorter than nine months will have less financial need than would have been the case in the past when using an alternate (smaller) EFC for such periods. See Volume 8 for more information on how this change may affect Direct Subsidized Loan eligibility for students receiving loans for periods of enrollment (loan periods) shorter than nine months.

SAI Program Impact

The impacted programs listed above require the SAI when calculating award amounts. All four programs are administered in MNAid and are calculated by term. Use the following guidance to report the SAI in MNAid:

- Zero SAI: A zero SAI will be entered as zero when requested.
- Negative SAI: A negative SAI will be entered as zero when requested. A negative SAI will not increase the amount of need-based aid a student can receive for the impacted programs in this guidance. A negative SAI also does not increase the amount of non-need-based aid a student can receive. A negative SAI will not increase the student's cost of attendance.
- Positive SAI: A positive SAI will be entered based the on the enrollment period length. A student enrolled and packaged for a 9-month period, will have more than one term of enrollment. To calculate state programs that require individual term awards that use the SAI in the calculation, the SAI will be divided by the number of terms in the 9-month enrollment period.

This is not a proration of the SAI, but evenly dividing the SAI by terms included in the enrollment period for administration of Minnesota State Financial Aid programs.

For students with an enrollment period of only one term, the campus aid administrator must enter the full SAI in MNAID; this is due to the elimination of the proration of federal needs analysis. This includes students enrolled in a summer term.

Examples: Assume a student with a SAI of 3000.

1. The student is packaged for the Fall and Spring semester. Enter a SAI of 1500 for Fall and a SAI of 1500 for Spring.
2. The student is packaged for Spring only. Enter a SAI of 3000 for Spring.
3. A student is packaged for Summer only. Enter a SAI of 3000 for Summer 2.

Withdrawals or No Shows for Subsequent Terms

When the awarded student withdraws between the fall and spring terms, the entered COA and SAI in MNAid does not need to be adjusted. Refer to each state aid program manual for further guidance on how to indicate that the awarded student is no longer enrolled in the subsequent term.

What about the SAI and other State Financial Aid Programs not listed above?

Minnesota Postsecondary Child Care Grant

The Child Care Grant (CCG) program uses a look up table for the SAI and based on the SAI range, the award amount is determined. The CCG does not use a prorated SAI. The award amount is calculated on a per term basis. The SAI is used to calculate the maximum term award amount using an SAI start and SAI end range for enrollment levels. With the Child Care Grant calculator now built into MNAid, the needs analysis look-up will happen within the tables built into the calculator.

Minnesota State Grant/Minnesota Dream Act

The MN State Grant formula which is used in awarding both MN state Grant and MN Dream, uses an independent student's SAI and a dependent's parent contribution (PC) as part of the calculation. It is important to note that the MN State Grant formula does consider negative values for SAI and PC, resulting in larger MN State Grant awards for students with negative values, as opposed to Zero SAI. Neither the SAI or PC are prorated as part of the State Grant Formula.

Appendix B: Order of Aid Calculations for MN State Aid Programs

Over the past several legislative sessions, the legislature has created multiple state "last dollar" financial aid programs. Last dollar financial aid programs are programs that account for or take into consideration other financial aid when calculate the amount of aid a student is eligible for from the program.

In order to address the challenge of the existence of multiple state financial aid programs with a last dollar component, the Minnesota Revisor's Office suggested Order of Aid Calculation language. The suggested language was included in the Higher Education Omnibus Bill, HF4024, Ch.124 that passed in the 2024 legislative session.

What does the Order of Aid Calculation language mean?

The language that passed instructs state financial aid programs to be calculated in the order of their original enactment from oldest to most recent.

Order of Enactment for OHE State Financial Aid Programs

Program	Year Enacted	Does this Program Account for Other State Aid?
Minnesota Indian Scholarship Program	1959	Yes (remaining need from Cost of Attendance)
Minnesota State Grant	1971	No
Public Safety Officer's Survivor Grant	1973	No
Postsecondary Child Care Grant	1989	No
Student Teacher Grants in Shortage Areas	2016	Yes (remaining need from Cost of Attendance)
Grants for Students w/ Intellectual & Developmental Disabilities	2017	No
Underrepresented Student Teacher Grants	2021 (a)	Yes (remaining need from Cost of Attendance)
Aspiring Teachers of Color Scholarship	2021 (b)	Yes (remaining need from Cost of Attendance)
Fostering Independence Higher Education Grants	2021 (c)	Yes (remaining need from Cost of Attendance)
Get Ready Student Success Scholarship	2023	No

Program	Year Enacted	Does this Program Account for Other State Aid?
North Star Promise Scholarship	2023	Yes (last dollar from tuition and fees)

The language further instructs that when a student is:

- eligible for multiple state financial aid programs; and
- two or more of those programs calculate the award amount after accounting for other state aid,
- then the Commissioner of the Office of Higher Education can determine the order of calculating the state aid.

Unless the Office of Higher Education issues guidance that directs a particular order, the default will be the order of enactment from oldest to most recent.

OHE State Financial Aid Programs that Account for Other State Aid (Last Dollar or Remaining Need):

Program	Year Enacted
Minnesota Indian Scholarship Program	1959
Student Teacher Grants in Shortage Areas	2016
Underrepresented Student Teacher Grants	2021 (a)
Aspiring Teachers of Color Scholarship	2021 (b)
Fostering Independence Higher Education Grants	2021 (c)
North Star Promise Scholarship	2023

Example 1: Student is eligible for Minnesota State Grant (SG) and Minnesota Indian Scholarship Program (MISP)

In this example, the student is eligible for aid under only one last dollar program, so there is nothing to be resolved. Minnesota State Grant is not a last dollar aid program, so both programs are awarded as they have been in previous award cycles.

Example 2: Student is eligible for Minnesota State Grant (SG), Minnesota Indian Scholarship Program (MISP) and Fostering Independence Higher Education Grant (FIG)

In this example, the student is eligible for two last dollar programs, MISP and FIG. The order of enactment from oldest to most recent must be applied when determining state financial aid eligibility. The MISP award will be calculated and awarded first, since MISP was enacted before FIG. The MISP award will be calculated accounting for the SG award, but without accounting for the amount of the FIG award. Then, the FIG award will be calculated. The FIG award calculation will account for the amount of both the SG and MISP awards.

Example 3: Student is eligible for Minnesota State Grant (SG), Fostering Independence Higher Education Grant (FIG), and North Star Promise (NSP)

In this example, the student is eligible for two last dollar programs, FIG and NSP. The order of enactment from oldest to most recent must be applied when determining state financial aid eligibility. The FIG award will be calculated and awarded first, since FIG was enacted before NSP. The FIG award will be calculated accounting for the Minnesota State Grant, but without accounting for the amount of the NSP award. When it comes to calculating the NSP award, the student will not be eligible because the FIG program will award up to the Cost of Attendance, so there will not be any remaining tuition and fees to be covered by NSP. While not eligible for NSP, FIG recipients could receive a North Star Promise Plus award if they also receive the Education Training Voucher and/or Extended Foster Care benefits.

Example 4: Student is eligible for Minnesota State Grant (SG), Underrepresented Student Teacher Grant (USTG), and North Star Promise Scholarship (NSP)

In this example, the student is eligible for two last dollar programs, USTG and NSP. The order of enactment from oldest to most recent must be applied when determining state financial aid eligibility. The USTG award will be calculated and awarded first, since OHE has determined that USTG was enacted before NSP. The USTG award will be calculated accounting for the Minnesota State Grant, but without accounting for the NSP award.

Example 5: Student is awarded NSP. Student later applies for MISP

In this example, the student is eligible for two last dollar programs, NSP and MISP. The order of enactment from oldest to most recent must be applied when determining state financial aid eligibility. Although the NSP award was originally calculated first by the school, the MISP award now must be calculated and awarded prior to NSP. This is due to the order of enactment language; MISP was enacted before NSP. The MISP award must be calculated without accounting for NSP. Then, once the MISP award is determined, the school would recalculate the NSP award, accounting for the MISP award.

Example 6: Student is eligible for the Fostering Independence Grant (FIG) and the North Star Promise (NSP)

In this example, the student has a SAI close to the student's cost of attendance or is higher than the student's cost of attendance and has an Adjusted Gross Income (AGI) under $80,000. FIG is a need-based program that includes SAI in the calculation of awards. If the FIG award is not enough to cover tuition and fees, NSP will pay any remaining balance.

Things to Consider

- When awarding Postsecondary Child Care Grant, the Cost of Attendance may be increased to account for the amount of the child care expense.
- When awarding Grants for Students with Intellectual and Developmental Disabilities, the Cost of Attendance may be increased to account for expenses related to the student's disability.

Appendix C: MN Statutes Governing Minnesota Student Teacher Grants Program

136A.1275 STUDENT TEACHER GRANTS IN SHORTAGE AREAS.

Subdivision 1. **Establishment.** (a) The commissioner of the Office of Higher Education must establish a grant program for student teaching stipends for low-income students who intend to teach in a license shortage area or rural school district after graduating and receiving their teaching license.

(b) "License shortage area" means a licensure area that is identified as a shortage area by the Professional Educator Licensing and Standards Board in coordination with the commissioner using data collected for the teacher supply and demand report under section 122A.091, subdivision 5, provided that only licensure areas within the following fields may be identified as a license shortage area for purposes of this section:

(1) English as a second language;

(2) early childhood;

(3) special education;

(4) career and technical education;

(5) science, technology, engineering, arts, and math; and

(6) world languages.

(c) "Rural school district" means a school district with fewer than 30 resident pupil units under section 126C.05, subdivision 6, per square mile.

Subd. 2. **Eligibility.** To be eligible for a grant under this section, a student teacher must:

(1) be enrolled in a Professional Educator Licensing and Standards Board-approved teacher preparation program that requires at least 12 weeks of student teaching;

(2) demonstrate financial need based on criteria established by the commissioner under subdivision 3;

(3) be meeting satisfactory academic progress as defined under section 136A.101, subdivision 10; and

(4) intend to teach in a rural school district or intend to teach in a license shortage area. Intent to teach in a license shortage area must be verified based on the teacher license field the student is pursuing. To verify intent to teach in a rural school district, the student must submit to the commissioner a completed affidavit, prescribed by the commissioner, affirming the student's intent to teach in a rural district following graduation. Upon obtaining employment after graduating, the teacher shall report to the office the name of the school district in which the teacher is teaching.

Subd. 3. **Administration.** (a) The commissioner must establish an application process and other guidelines for implementing this program. The commissioner must notify grant recipients of their award amounts by the following dates:

(1) for fall student teaching placements, recipients must be notified by August 15;

(2) for spring student teaching placements, recipients must be notified by December 1; and

(3) for summer student teaching placements, recipients must be notified by May 1.

These notification deadlines do not apply in cases where grants are awarded to student teachers who applied after application deadlines and funds remained after the initial round of grants were awarded.

(b) The commissioner must determine each academic year the stipend amount up to $7,500 based on the amount of available funding, the number of eligible applicants, and the financial need of the applicants.

(c) The commissioner must give equal consideration to all eligible applicants regardless of the order the application was received before the application deadline.

(d) If there are insufficient funds to provide an award to all eligible applicants, the commissioner shall prioritize the awards to eligible participants based on:

(1) the financial need of an applicant; and

(2) whether the applicant intends to teach in both a rural school district and a license shortage area.

Subd. 4. **Reporting.** Annually, the office must submit a report in accordance with section 136A.053. Additionally, the report must include the licensure areas and school districts in which the student teachers taught; and must be submitted to the chairs and ranking minority members of the legislative committees with jurisdiction over E-12 finance and policy.

History: 2016 c 189 art 25 s 59; 2017 c 89 art 2 s 11; 1Sp2017 c 5 art 12 s 22; 2019 c 64 art 2 s 8,9; 2020 c 109 art 1 s 9; 1Sp2021 c 2 art 2 s 13

136A.1274 UNDERREPRESENTED STUDENT TEACHER GRANTS.

Subdivision 1. **Establishment.** The commissioner of the Office of Higher Education must establish a grant program for student teaching stipends for low-income students who belong to an underrepresented racial or ethnic group.

Subd. 2. **Eligibility.** To be eligible for a grant under this section, a student teacher must:

(1) be enrolled in a Professional Educator Licensing and Standards Board-approved teacher preparation program that requires at least 12 weeks of student teaching in order to be recommended for any Tier 3 teaching license;

(2) demonstrate financial need based on criteria established by the commissioner under subdivision 3;

(3) be meeting satisfactory academic progress as defined under section 136A.101, subdivision 10; and

(4) belong to a racial or ethnic group underrepresented in the Minnesota teacher workforce.

Subd. 3. **Administration.** (a) The commissioner must establish an application process and other guidelines for implementing this program. The commissioner must notify grant recipients of their award amounts by the following dates:

(1) for fall student teaching placements, recipients must be notified by August 15;

(2) for spring student teaching placements, recipients must be notified by December 1; and

(3) for summer student teaching placements, recipients must be notified by May 1.

These notification deadlines do not apply in cases where grants are awarded to student teachers who applied after application deadlines and funds remained after the initial round of grants were awarded.

(b) The commissioner must determine each academic year the stipend amount up to $7,500 based on the amount of available funding, the number of eligible applicants, and the financial need of the applicants.

(c) The commissioner must give equal consideration to all eligible applicants regardless of the order the application was received before the application deadline.

(d) If there are insufficient funds to provide an award to all eligible applicants, the commissioner shall prioritize the awards to eligible applicants based on:

(1) the financial need of an applicant; and

(2) the statewide distribution of funds.

Subd. 4. **Reporting.** Annually, the office must submit a report in accordance with section 136A.053. Additionally, the report must be submitted to the chairs and ranking minority members of the legislative committees with jurisdiction over E-12 finance and policy.

History: 1Sp2021 c 2 art 2 s 12