



Agency Overview

Dennis Olson, Commissioner

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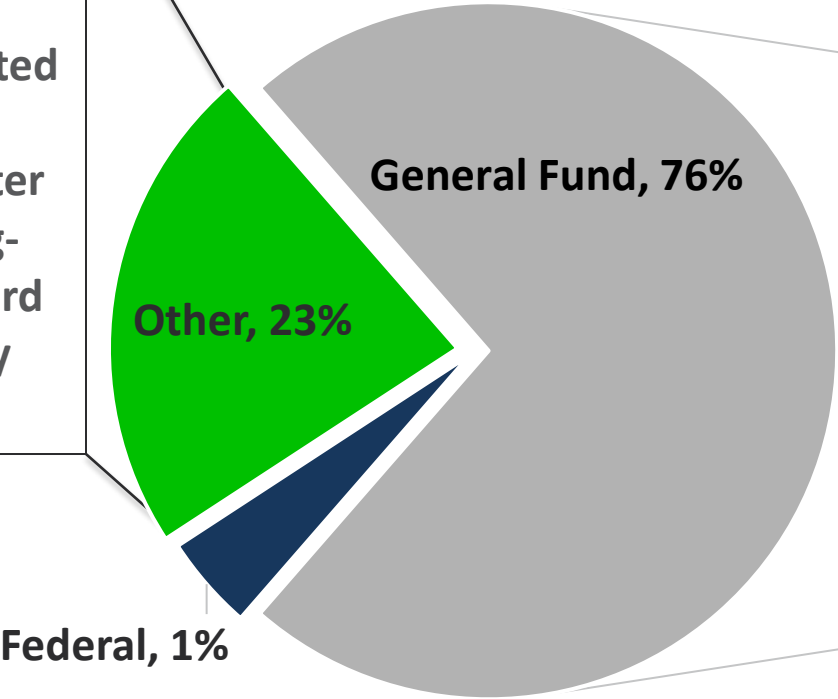
Tuesday, January 21 | Senate Higher Education Committee

Office responsibilities

- Administer state financial aid programs
 - State Grant, Work Study and Childcare Grants, Minnesota Indian Scholarship Program, Tuition Reciprocity and SELF Loans
- Administer competitive and legislatively named grants
- Register degree-granting colleges and license non-degree granting career schools
- Negotiate and administer tuition reciprocity agreements
- Administer federal programs – e.g. Get Ready
- Collect, maintain and report data on students and postsecondary institutions
- Offer technical assistance and training around the intersection of Campus Sexual Misconduct Policy and TIX.
- Research and report on the effectiveness of postsecondary institutions
- Promote postsecondary access and attainment

Agency Funding (FY 2024)

Includes the SELF Loan Program, Licensing & Registration, and general funds OHE has been directed to transfer to the Special Revenue Fund to administer programs that have a long-life span such as Spinal Cord and Traumatic Brain Injury research Grant.



Over 98.3% of General Funds Appropriated to OHE is for students (direct financial aid) or passed to student-serving organizations.

Agency Admin, <1.7%

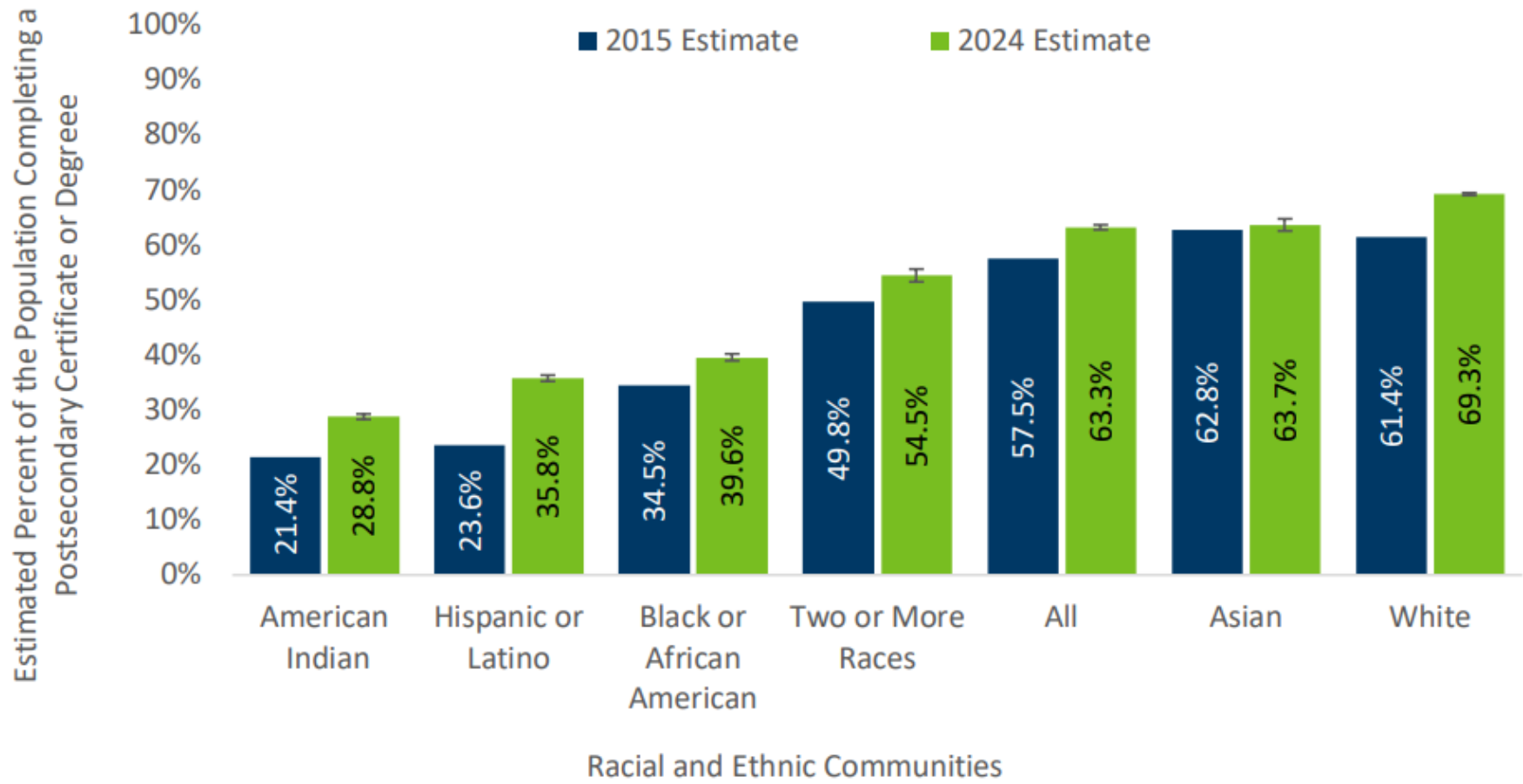
Minnesota's Educational Attainment Goal 2025

Minnesota Laws 2015 Chapter 69, Article 3, Section 25

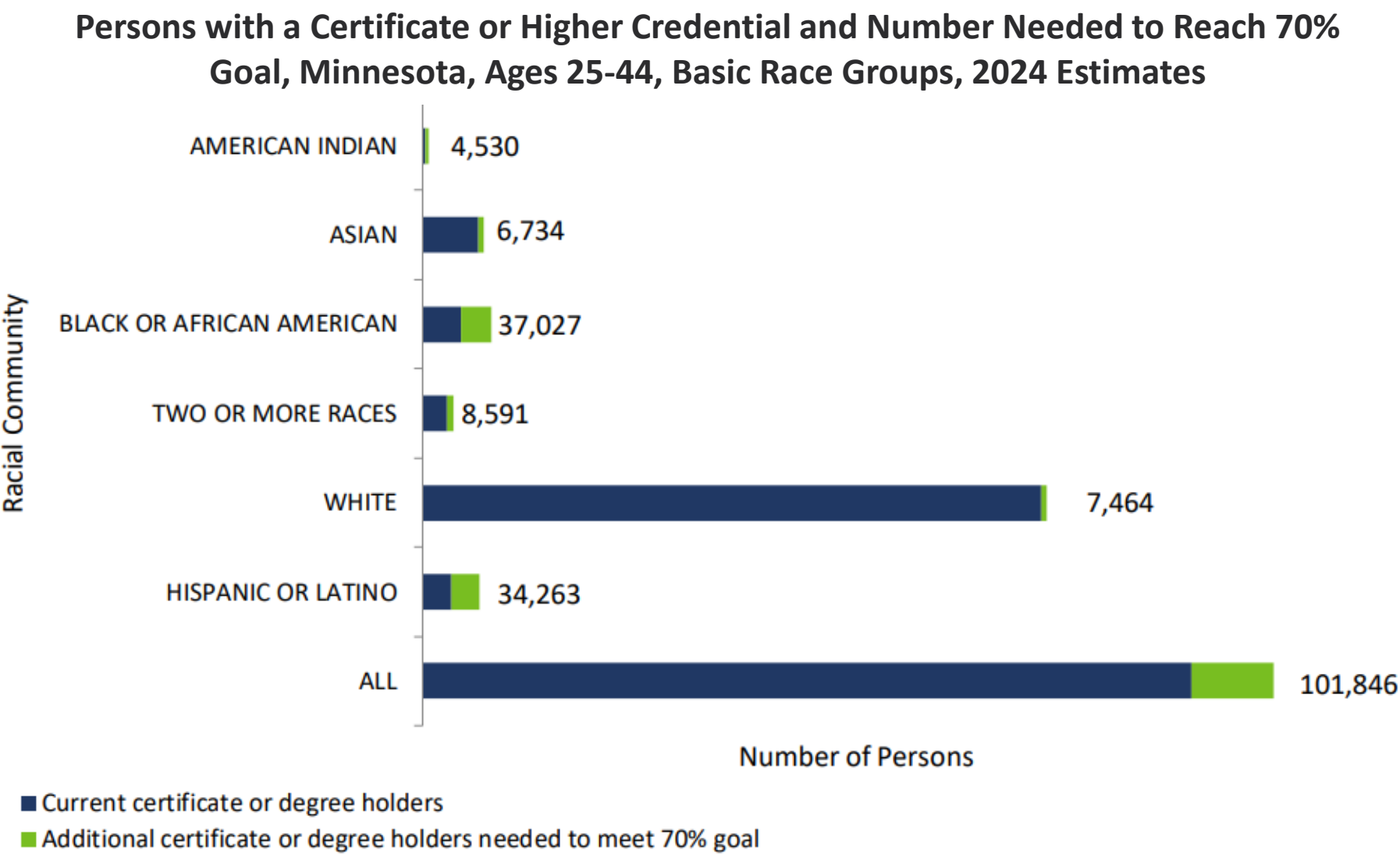
- 2025 – 70% attainment rate for adults ages 25-44
 - Includes certificates, diplomas, associate's degrees, bachelor's degrees, master's degrees, professional degrees, and doctoral degrees.
- 70% attainment rate for each race/ethnic group
- Interim benchmarks of 30% and 50% by race/ethnic group
- Minnesota estimated to be at 63.3% now
 - At least associates – 56.9%
 - Certificates – 6.5%

Educational Attainment

Percentage of the Population Age 25-44 with a Certificate or Higher Credential, Minnesota, 2015 and 2024 Estimates by Basic Race Groups

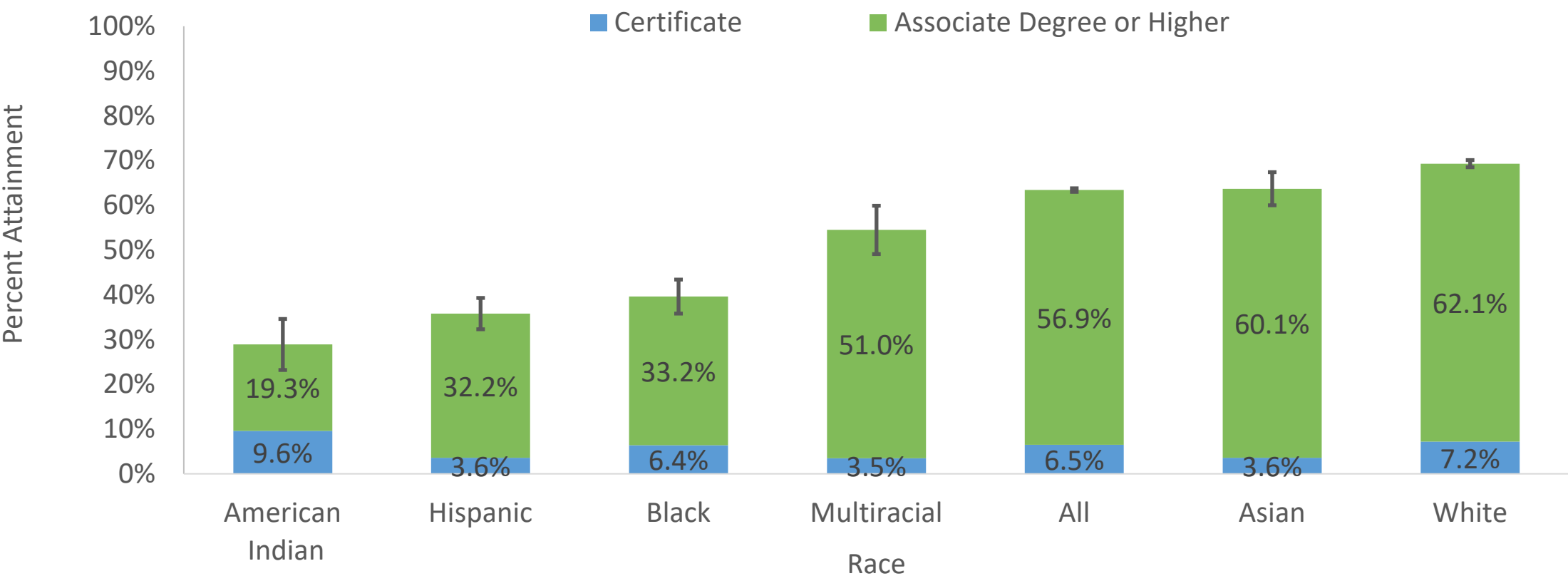


Educational Attainment



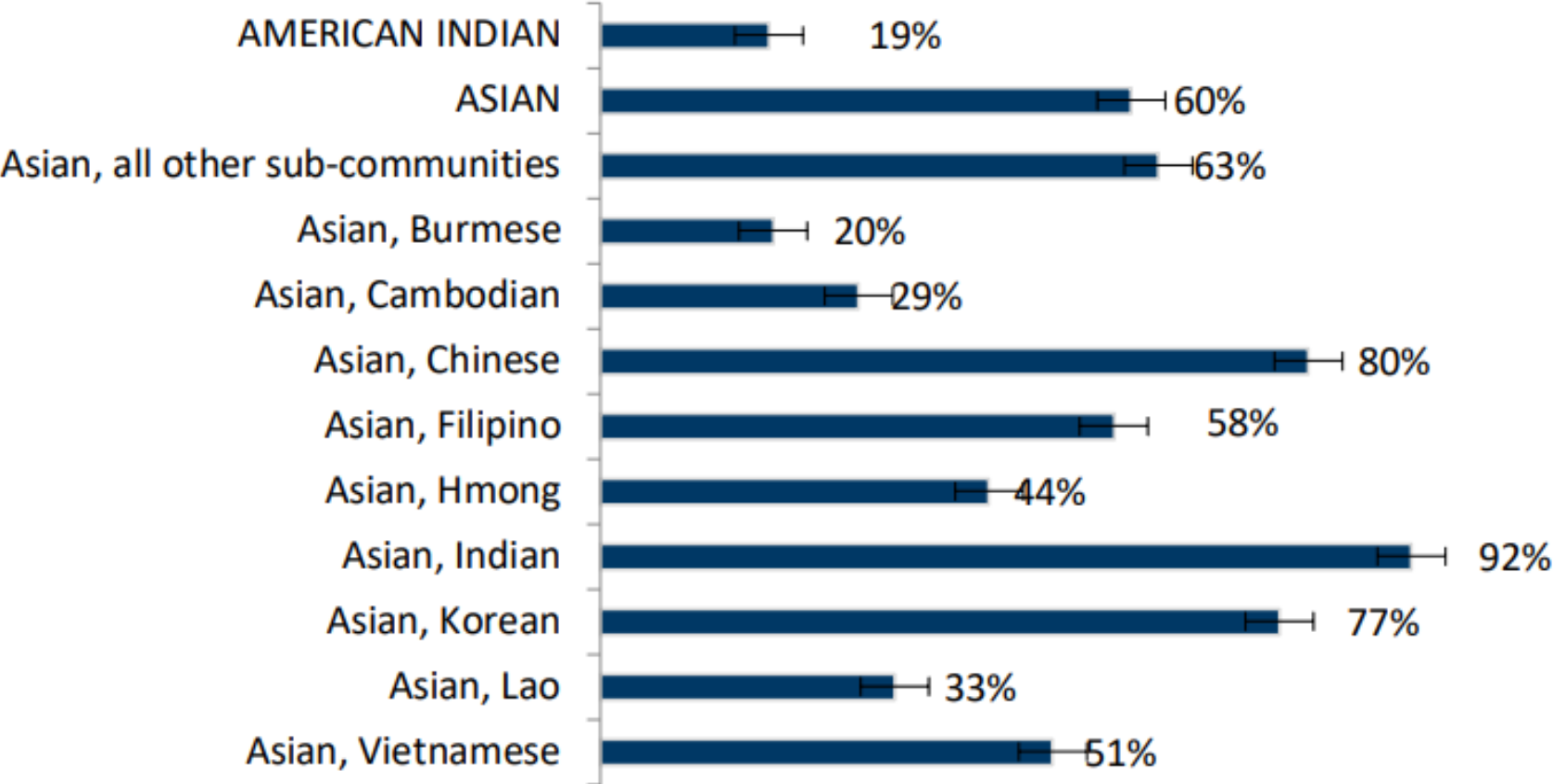
Educational Attainment

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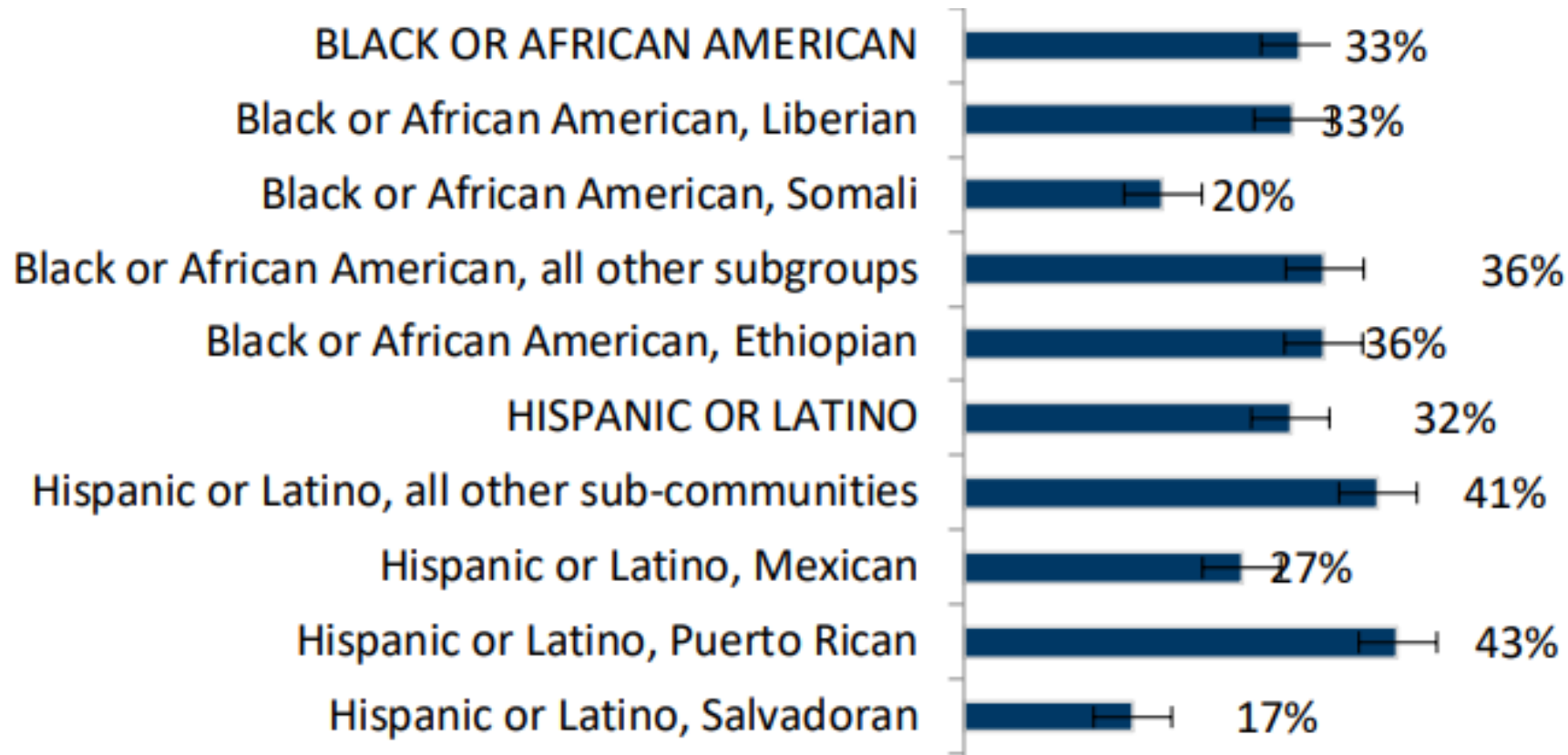
Educational Attainment

Educational Attainment for Associate Degree or Higher Credential Disaggregated by Detailed Race/Ethnicity Groups, 2024 Estimates



Educational Attainment

Educational Attainment for Associate Degree or Higher Credential Disaggregated by Detailed Race/Ethnicity Groups, 2024 Estimates



- Overall, Minnesota still needs an additional 101,846 persons aged 25-44 to complete a postsecondary credential by 2025 to meet our Attainment Goal.
- While we have made progress, achieving that goal in 2025 is unrealistic.
- It's time to reopen this conversation and set a new goal and timeline for completion.

Free Application for Federal Student Aid (FAFSA) and Minnesota Dream Act Application

- The majority of OHE financial aid is awarded through the FAFSA.
- Last year, the new FAFSA form from the U.S. DOE had several technical issues that impacted completion rates.
- OHE partnered with College Possible, Achieve Twin Cities, and ECMC to provide additional support to families.
- As a result of increased efforts:
 - Minnesota's 2024 filing rate was up 11 percent from the previous year, with over 216,700 students completing their FAFSA compared to around 196,700 last year.
 - FAFSA completions for incoming freshman still saw a drop of 5% in 2024 compared to 2023.

Minnesota Dream Act Application

- The MN Dream Act was established in 2013.
- The intent was to ensure Minnesotans who are ineligible for Federal financial aid, can still access State financial aid.
- Minnesota residents who apply for state aid via the MNDAA include:
 - Asylum pending
 - H-4 Visa status
 - Temporary Protective Status (TPS)
 - Deferred Action for Childhood Arrivals (DACA)
 - Dream Act residency definition: 3 years Minnesota high school attendance, GED or high school diploma earned, and, if male as identified at birth, register for U.S. Selective Service.
 - And, other legally present or lawfully residing statuses that are ineligible to file the FAFSA

State Aid via Minnesota Dream Act Application

- FY23 Recipients:
 - 411 students were awarded the Minnesota State grant via the MN Dream Act Application
 - 67,854 students received a State Grant in FY23; MN Dream Act recipients represent 0.6% of total State Grant recipients for the year.
- FY24 Recipients:
 - 506 students were awarded the Minnesota State grant via the MN Dream Act Application
 - 71,530 recipients received a State Grant in 2024; MN Dream Act recipients represent 0.7% of total State Grant recipients for the year.
 - 46,739 students received a North Star Promise award, of those 150 students applied via the MN Dream Act Application. MN Dream Act recipients represent 0.03% of NSP recipients for the year.

Financial Aid Programs

Minnesota State Grant

- The Minnesota State Grant program is a need-based financial aid program established in 1969 to assist eligible Minnesotans pursuing an undergraduate degree at both public and private postsecondary institutions in Minnesota.
- Total number of recipients in 2024: 71,530 recipients
 - Two-thirds of recipients are dependent students
- Over 75 institutions participate in the State Grant program
- Annual budget: \$225.066M
- Average award: \$3,406
- 50% of recipients had a family adjusted gross income of less than \$40,000
- Most recipients attend public institutions:
 - 59% at Minnesota State college or universities
 - 17% at the University of Minnesota

North Star Promise

- North Star Promise (NSP) and North Star Promise Plus (NSP+) were established in 2023 and awards started in fall 2024.
- Total Appropriation: \$112.086M (FY25) / \$49.5M (ongoing base starting FY26)
- NSP is a last-dollar program that covers tuition and fees.
 - Available to eligible Minnesotans who are attending a public college in the state and have an AGI of less than \$80,000 a year.
- NSP+ is an additional award for eligible students with the greatest financial need.
- Number of recipients and average award amounts (for Fall 2024):
 - North Star Promise: 14,516 students / Average award: \$1,820
 - North Star Promise Plus: 40,610 students / Average award: \$376
 - 5,700 students received both awards (included in above numbers)

Fostering Independence Higher Education Grants

- Fostering Independence Grants is a last-dollar cost of attendance grant program for eligible Minnesotans who were in the foster care system.
- It is available to Minnesotans who are under the age of 27 and were in the Minnesota foster care system at any point after their thirteenth birthday.
- This grant may cover the cost of attendance at any eligible Minnesota public or participating private college and university.
- Total appropriation: \$3.759M
- Additional \$5M shifted from NSP in 2024
 - Total awards and amount awarded:
 - 2022-23: 492 students / \$4.25M awarded
 - 2023-24: 679 students / \$7.27M awarded

American Indian Scholars Program

- Established in 2023, this is first-dollar program that covers tuition and fees for eligible Minnesotans.
- To be eligible, students must be enrolled members or citizens of any federally recognized tribe or Canadian First Nation.
- The program is only available to students attending a public college or university in Minnesota and is administered at the campus level.
- Data for first year of implementation (2023-2024) is being collected and should be available soon.
- Number of recipients for Fall 2024 (self reported data from systems):
 - Minnesota State system: 400
 - University of Minnesota System: 207

Minnesota Indian Scholarship Program (MISP)

- Established in 1959, MISP provides financial assistance to eligible Minnesotans who are enrolled members or citizens of a federally-recognized American Indian Tribe or Canadian First Nation or who are $\frac{1}{4}$ or more American Indian ancestry.
- Award amount based on need up to \$4,000 per year for undergraduates and up to \$6,000 for graduate students.
- Total awards and amount awarded:
 - FY23: 829 recipients / over \$2.8M awarded
 - FY24: 974 recipients / over \$3.1M awarded
- FY24 awards per institution type: 38% awarded to students in the Minnesota State system, 53% awarded to students at a private institution, and 9% awarded to students in the UMN system.
- FY24 awards per program level: 59% are in a 2-year program, 24% are in a 4-year program, and 17% are in a graduate program.

Student Teacher Grant Programs

- OHE runs two grant programs to support eligible Minnesotans during their required 12-weeks of student teaching: Student Teacher Grants in Shortage Areas and Underrepresented Student Teacher Grants.
- Both programs provide a one-time award of up to \$7,500.
 - Student Teacher Grants in Shortage Areas awards:
 - FY24: 131 recipients / \$850,178 awarded
 - FY25: 114 recipients / \$735,257 awarded
 - Underrepresented Student Teacher Grant awards:
 - FY24: 280 recipients / \$1.7M awarded
 - FY25: 203 recipients / \$1.3M awarded
 - FY25 awards are still being dispersed. Award numbers and amount will change.

Minnesota Aspiring Teachers of Color Scholarship (ATC) Pilot Program

- This pilot program is available to eligible Minnesotans who are preparing to become teachers, have demonstrated financial need, and belong to racial or ethnic groups underrepresented in the state's teacher workforce.
- The annual award is up to \$10,000. Lifetime cap per student is \$25,000.
- Originally intended to sunset in 2024, a one-time investment of \$1M was made to continue the program for one additional year. It will now end at the close of the 2024-25 academic year.
- Total awards and amount awarded:
 - FY24: 180 recipients / \$1.4M awarded
 - FY25: 105 awards / \$861,154 awarded

Minnesota Paramedic Scholarship

- This temporary scholarship program for eligible Minnesotans began in 2024 and is intended to help people completing a paramedic diploma or degree.
- A one-time appropriation of \$3 million was made in 2023 and will provide up to 600 scholarships of \$5,000 each.
- The program will end on June 30, 2026, or when all funds have been expended.
- To date, 298 scholarships have been awarded.

Competitive Grant Programs

Student Parents Support Initiative (SPSI)

- SPSI is a competitive grant that provides support to postsecondary institutions, professional organizations, and community-based organizations, helping them assist college-age pregnant and current parenting students working toward a postsecondary credential.
- Grants are administered in partnership with the Minnesota Department of Health.
- The first round of grants were awarded in 2024. A total of \$5.3M was awarded to 13 organizations across the state.

Inclusive Higher Education Grants

- Established in 2023, this program helps college staff develop new or enhance existing initiatives with the purpose of increasing overall enrollment and access for students with an intellectual and developmental disability.
- The first round of grants were awarded in 2024. Lake Superior College received \$200,000 to advance their work.
- In addition to the Inclusive Higher Education Grant program, OHE has partnered with the Institute on Community Integration at the University of Minnesota to establish the Inclusive Higher Education Technical Assistance (TA) Center. The TA Center is focused on increasing access and support for self-sustaining inclusive postsecondary education options across the state.

Dual Training Grants (DTG)

- The Dual Training Grant program provides grants to employers to support the related instruction component of dual-training programs.
- Grant funds can be used to cover the cost of dual trainees' tuition, fees, and required materials for the related instruction training in program occupations.
- Grants are awarded to employers in advanced manufacturing, agriculture, health care services, information technology, child care, transportation, and legal cannabis industries.
- For 2024, a total of \$5.4 million was awarded to 84 Minnesota employers to fund dual training programs for 958 employees in high-demand industries.
- No applications were received from employers in the cannabis industry in 2024.

Hunger Free Campus

- In an effort to address food insecurity on campus, OHE offers three grant opportunities to Minnesota institutions:
 - **Sustaining Designation Grant:** These grants support colleges and universities who have already received a Hunger Free Campus designation and are requesting funds to sustain and continue their work.
 - **Pathways to Designation Grant:** These grants support colleges and universities who have not received a Hunger Free Campus designation and will be seeking designation within the next year.
 - **Equipment Grant:** These grants support colleges and universities in purchasing the equipment necessary to operate an on-campus food pantry. Institutions may apply for this grant alone or in addition to a Sustaining or Pathways grant.
- In 2024, OHE awarded 24 institutions with grants, totaling \$447,251.

Competitive Grant Programs

Emergency Assistance for Postsecondary Students (EAPS) Grant Program

- EAPS competitive grant funding is awarded to Minnesota private, non-profit colleges and tribal colleges with a demonstrable homeless population.
- EAPS legislatively-named grant funding is awarded to the Minnesota State and University of Minnesota systems.
- Grant funds are intended to meet immediate student needs related to housing, food, and transportation that would otherwise prevent students from completing their term.
- As of December 2024:
 - Over 3,300 emergency grants have been issued to students at Minnesota State campuses totaling over \$2.3M.
 - Over 850 emergency grants have been issued to students at University of Minnesota campuses totaling over \$750,000.
 - Over \$900,000 was competitively awarded to 10 private, non-profit colleges and tribal colleges

Competitive Grant Programs

Spinal Cord Injury and Traumatic Brain Injury (SCI-TBI) Research Grant

- SCI-TBI Grants provide funding for research into new and innovative treatments and rehabilitative efforts for the functional improvement of people with spinal cord and traumatic brain injuries.
- OHE received 33 proposals for fiscal year 2024.
- Following a competitive review, the SCI-TBI Advisory Council awarded 19 projects totaling \$3M.

The David J. Tomassoni ALS Research Grant

- This grant provides funding for translational research that leads to the prevention, functional improvement, and curative efforts for people with Amyotrophic Lateral Sclerosis (ALS).
- In fiscal year 2024, OHE awarded \$4.3M to five grantees.

Intervention for College Attendance Program - Formerly Incarcerated Students (ICAP-FIS)

- Established in 2023, this grant is available to institutions and community-based organizations, allowing them to strengthen support services for students who have formerly been incarcerated.
- This includes strategies like mentorship, one-on-one navigation support, career exploration and awareness, and holistic reintegration services to aid formerly incarcerated Minnesotans as they pursue a postsecondary pathway.
- This is a one-time grant that was awarded in FY 2024.
- A total of \$291,000 was awarded to four organizations: Faribault Public Schools Adult Education, Minneapolis College, Minnesota North College and Minnesota State University-Mankato.

Other Competitive Grant Programs:

- **Early Childhood and Family Education Teacher Shortage Grants** is a one-time program that provides funding to postsecondary institutions to address the early childhood and family education teacher shortage. Institutions may use funds to provide tuition relief and other supports for eligible Minnesotans.
 - Three ECFE Teacher Shortage Grants were awarded in 2024
- **Concurrent Enrollment Grants** for development of new concurrent enrollment courses and expansion of existing concurrent enrollment programs.
 - OHE received two applications and awarded two Concurrent Enrollment Grants in 2024.

Loan Repayment Programs

Teacher Shortage Loan Repayment Program

- This program provides student loan repayment assistance to teachers providing classroom instruction in Minnesota.
- The purpose of the program is to encourage teachers, particularly those who belong to a race or ethnicity underrepresented in the state's teacher workforce, to teach in Minnesota, to teach in license shortage areas, or to teach in rural school districts
- The program has a base budget of \$200,000 per year.
- Demand for this program remains high. In FY24, 1,358 eligible applications were received, with only 472 eligible teachers receiving awards.
- The average award is \$997.25.

Other Student Loan Repayment Programs

- The **John R. Justice Student Loan Repayment Program** is a federal program administered by OHE that encourages lawyers to become and remain full-time public defenders and public criminal prosecutors. Selected recipients receive student loan repayments in exchange for agreeing to serve full-time as a public prosecutor or public defender in Minnesota for an initial three years.
- The **Minnesota Agricultural Education Loan Repayment Program** provides student loan repayment assistance to agricultural education teachers (grades 5-12) at a Minnesota school during the current year. Recipients must work in the state for 5 years.
- The **Minnesota Aviation Degree Loan Repayment Program** provides student loan repayment assistance to eligible pilots and aircraft technicians residing in Minnesota. Recipients must work in the state for 5 years.
- The **Minnesota Rural Veterinarian Loan Repayment Program** provides student loan repayment assistance to eligible veterinarians serving in designated rural areas in Minnesota. Recipients must work in the state for 5 years.

OHE Initiatives

Tribal Relations

- In 2024, OHE hired a Director of Tribal Relations.
- Since starting, he has connected with the state's Tribal Nations, the Tribal Nations Education Committee (TNEC), the Minnesota Indian Affairs Council (MIAC), Tribal-State Relations Training, Minnesota Department of Education - Indian Educators Training, and the Minnesota Urban Advisory Board:
- These collaborations resulted in 24 engagement opportunities, 16 of which were held at Tribal Nations, and include consultations and Tribal hosted college fairs.
- In addition:
 - He has assisted on grant review process for MPCA Tribal climate and environmental professional and technical assistance, reviewing and scoring 5 proposals .
 - Served as an interview panelist for four (4) MIAC Cultural Resource Manager interviews

Basic Needs Working Group

- Per the 2023 legislative mandate, OHE convened a working group to review, assess, and make specific recommendations on strategies to meet the basic needs of higher education students.
- The working group included representatives from OHE, the University of Minnesota, Minnesota State system, the Minnesota Private College Council, community organizations, as well as students, faculty, and staff from campuses around the state.
- The working group submitted their report in September 2024
- Work on student basic needs continues, including:
 - SHEEO basic needs academy
 - Survey on current emergency food resources/food pantries recently completed
 - Continued work on FAFSA completion initiatives

Direct Admissions

- Now in its third year, Direct Admissions is a pilot program where Minnesota colleges offer admission to graduating high school seniors based on their academic records and their projected graduation date.
- Student can decide which school they want to attend based on those offers of admissions and then apply for free through waived application fees.
- There are 55 Minnesota colleges and universities participating, both public and private.
- The program continues to work toward full scale implementation.
 - Year 1: 46 high schools participating, representing 28 counties
 - Year 2: 120 high schools participating, representing 42 counties
 - Year 3: 182 high schools participating, representing 56 counties
- The program will benefit up to 32,224 high school seniors.
 - 45% of whom are students of color, and
 - 37% of whom are eligible for Free or Reduced Price Meals

Get Ready

- Get Ready is a federally funded initiative housed in OHE that provides middle and high school students with programming designed to improve postsecondary outcomes, particularly for students from low-income backgrounds, Indigenous Communities, and Communities of Color.
- In 2024, Get Ready successfully renewed their grant. They were awarded \$31M to support operations for the next seven years.
- In 2024:
 - Get Ready staff delivered postsecondary support services to 6,380 students in our capacity-building schools and 2,555 to partner outreach schools.
 - They awarded 225 qualifying Minnesota high school graduates with a total of \$683,762 in scholarships. Recipients also benefited from supplemental coaching to support first-semester success.

State Longitudinal Education Data System (SLEDs) and Early Childhood Longitudinal Data System (ECLDS)

- SLEDs and ECLDS exist to monitor, evaluate and improve the delivery of education services to Minnesota families and students. These systems are the basis of reports around Minnesota educational attainment goals, including disaggregated by gender, race ethnicity and other demographics.
 - The legislatively mandated Getting Prepared report which tracks students from High School to Higher Education developmental courses.
 - Information used by MDE for its federally mandated Report Card and by DEED for WIOA reporting and for the Dual Training Grant.
 - ECLDS combines data collected by MDE, DHS and MDH into one online, interactive database. The system shows population results on children's growth and achievement in relation to their participation in a variety of educational and social programs over time.
 - IN 2024, ECLDS was moved under the purview of the Department of Children, Youth, and Families.

SELF Loan Program

- SELF Loan started in 1984
- Available for Minnesotans attending a participating Minnesota or out-of-state school and non-residents attending participating MN schools
- Loan amounts limited to cost of attendance less other financial aid (as certified by institutions):
 - \$20,000 per year for bachelor's and graduate programs
 - \$10,000 per year for programs of 1-3 years in length
 - \$3,500 for programs less than 1 year
- SELF Loan volume for FY24
 - \$60.5 million
 - 5,741 loans

Questions??