

Child Care Grant Program for Postsecondary Students

November 2021

The Child Care Grant Program provides financial assistance to resident postsecondary students to reduce the costs of child care. The program is administered by the Office of Higher Education (OHE).

Who is eligible for the child care assistance grant?

To receive a grant, a student must meet all of the following conditions:

- be a Minnesota resident or the spouse of a Minnesota resident;
- have one or more children age 12 or under (14 or under if disabled) who receive regular care from a licensed or legal nonlicensed child care provider;
- have family income below the thresholds established in statute, but not receive assistance from the Minnesota Family Investment Program (MFIP);
- have not already received a child care grant for a period of ten semesters (or the equivalent);
- be enrolled in at least one credit in a nonsectarian program leading to an undergraduate, graduate, or professional degree, diploma, or certificate; and
- be in good academic standing and making satisfactory academic progress.

Which postsecondary institutions are eligible for child care grants?

State law and rules limit participation to Minnesota institutions in one of the following categories:

- public postsecondary colleges and universities;
- private, baccalaureate degree-granting colleges and universities;
- nonprofit, two-year, degree-granting vocational-technical institutions; and
- Minnesota postsecondary institutions offering only graduate or professional degrees.

OHE maintains a list of all participating institutions on its [website](#).

How does OHE determine the size of a student's grant?

The maximum award per child is set in statute at \$6,500. The maximum award amount may be increased by up to 10 percent for areas with higher market rates for infant care. Also, if appropriations for the first year of the biennium are unspent, OHE may use unspent funds to increase the maximum award in the second year of the biennium. Students with more than one eligible child receive a grant equal to the per child amount times the number of eligible children.

A student's grant amount depends on the student's expected family contribution (EFC) determined by the U.S. Department of Education based upon the student's federal financial aid application (FAFSA). If a student's EFC is low enough to qualify for a federal Pell Grant (\$5,846 or less for the 2021-2022 academic year), the student is eligible for the maximum child care grant award. Students with higher

EFC amounts will qualify for proportionally smaller grant amounts. Students with EFC amounts exceeding 200 percent of the Pell-qualifying EFC amount will not receive a grant.

Award amounts will be prorated based upon a student’s enrollment. Students enrolled full-time (i.e., 12 or more semester credits or equivalent for undergraduates; six or more semester credits or equivalent for postgraduates) will receive their full award amounts. Students enrolled for three-quarters time, half-time, or less than half-time will receive 75, 50, or 25 percent of their full award amounts, respectively.

What are the trends in funding and participation for the grant program?

In recent years, appropriations have not changed, while participation has fallen.

Child Care Grant Program Trends

Award Year	Appropriations	Total Grants Awarded	Students Awarded	Average Award	Maximum Award
11-12	\$6,684,000	\$5,828,199	2,863	\$2,036	\$2,600
12-13	\$6,684,000	\$5,649,041	2,666	\$2,119	\$2,800
13-14	\$6,684,000	\$4,927,539	2,241	\$2,035	\$2,800
14-15	\$6,684,000	\$5,768,437	2,186	\$2,644	\$3,800*
15-16	\$6,684,000	\$4,468,319	1,985	\$2,251	\$2,800
16-17	\$6,684,000	\$6,011,162	1,693	\$3,387	\$5,125*
17-18	\$6,694,000	\$4,699,700	1,884	\$2,495	\$3,000
18-19	\$6,694,000	\$7,367,283	1,669	\$4,414	\$5,200*
19-20	\$6,694,000	\$4,124,794	1,517	\$2,719	\$3,000
20-21	\$6,694,000	\$5,489,484	1,136	\$4,832	\$5,500*

*In these years, the commissioner used unspent appropriations from the previous year to increase the maximum award from its statutory level. This increase does not carry forward.

How is the program administered?

OHE allocates funds to postsecondary institutions based on the number of students with dependent children at each institution. OHE estimates the number of students with dependent children based on applications to the State Grant Program. Students apply for grants through their school’s financial aid office. Postsecondary institutions may disburse funds to a child care provider or directly to a student.

Are postsecondary students eligible for other types of child care assistance?

Higher education students with children may be eligible for the Basic Sliding Fee (BSF) child care assistance program administered by the Department of Human Services. Students who meet the income and other criteria are eligible, on a space-available basis, in the county where they live. Typically, more families are eligible for BSF assistance than can be served with the state and federal appropriations. Postsecondary students tend to be a lower priority for assistance than working families.



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