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Minnesota Office of Higher Education

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<http://www.ohe.state.mn.us/>

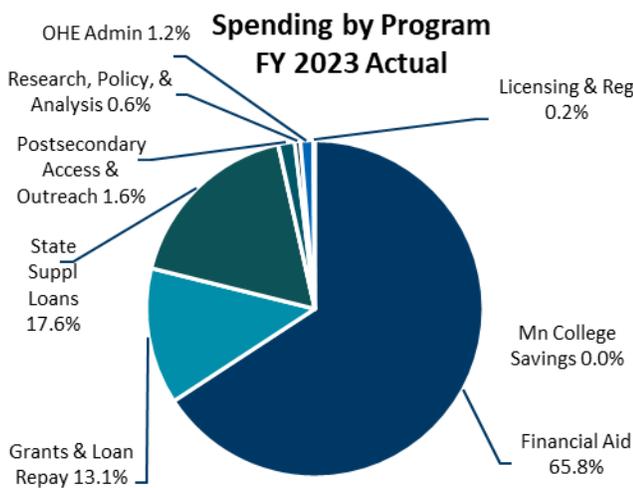
AT A GLANCE

- The Minnesota Office of Higher Education’s (OHE) 84 full-time employees efficiently and effectively administer over 40 financial aid and grant programs, low-interest rate in-school student loan and refinance programs, the licensing and registering postsecondary institutions to ensure consumer protection, and numerous outreach and access programs – all contributing to the agency’s mission of ensuring equitable attainment of higher education for all Minnesotans.
- Administers 13 need-based financial aid programs. Awarded \$215M to 67,854 students through the Minnesota State Grant program in FY23, OHE’s largest financial aid program.
- Provides low-interest student loans regardless of credit score to help students finance their education. In FY23, Student Educational Loan Fund (SELF) disbursed \$57.3M in low-interest SELF student loans to 5,728 students.
- Administers the Minnesota 529 College Savings Plan - a program that allows families to save for future postsecondary education expenses in tax-advantaged accounts. As of March 31, 2024, the plan included 96,938 active accounts, 53,168 account holders, and \$1.96B in assets.
- Provides college readiness programming to 4,758 low-income middle and high school students at 11 schools through the Get Ready program - a federally funded grant program.
- Protects consumers by registering or exempting from registration approximately 145 institutions, licenses or exempts from licensure 243 institutions.

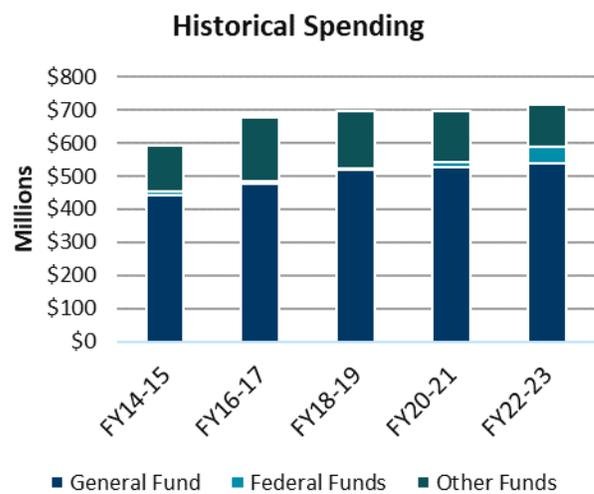
PURPOSE

OHE’s goals are to make postsecondary education accessible and affordable to all Minnesotans and foster best practices to ensure completion. We do this by administering financial aid programs that serve low- to moderate-income students, providing outreach programming to support populations that are historically underrepresented in postsecondary education, and collaborating with higher education institutions who provide high-quality options and are also committed to student success. Data drives our work and is collected and transparently shared to ensure that all stakeholders are clear on the successes and challenges of higher education in Minnesota.

BUDGET



Source: Budget Planning & Analysis System (BPAS)



Source: Consolidated Fund Statement
 "Other Funds" includes the Office of Higher Education Loan Capital fund and Special Revenue Funds.

STRATEGIES

- **Financial Aid Administration:** OHE administers numerous financial aid programs, including the State Grant, North Star Promise, Child Care Grants, Work Study, American Indian Scholarships and Fostering Independence Grants. We work closely with approved postsecondary institutions to manage and disburse funds to students, which allow them to enroll, persist, and complete postsecondary education.
- **Grants Administration:** OHE administers competitive and legislatively-named grant programs that support training, outreach, information and resource sharing, basic needs support, postsecondary institutions' operations and maintenance, and other programs and services offered at postsecondary institutions, middle and high schools, school districts, employers, non-profit organizations, and other organizations.
- **Postsecondary Access and Outreach:** OHE provides a variety of resources to future students, families, community stakeholders, and institutions of higher education to ensure that all Minnesotans are aware of and have access to quality postsecondary education options. The Get Ready program provides targeted college and career preparation support to participating middle school and high schools that is designed to improve academic preparedness, academic tenacity, college knowledge, and college enrollment rates for low-income students. OHE also provides direct support to campuses through our Sexual Violence/Misconduct Prevention and Response program and partners with high schools and postsecondary institutions to increase college access through the Direct Admissions program.
- **Research and Policy Analysis:** OHE conducts original, independent research to provide lawmakers, educators, community stakeholders, and other policy leaders with objective information about postsecondary enrollment, attainment, finance, and accountability. We provide leadership and staffing for the Statewide Longitudinal Education Data System (SLEDS) and facilitate sustainability of the Early Childhood Longitudinal Education Data System (ECLDS), which leverages data from birth/early childhood, K-12 education, postsecondary education, workforce training and employment. SLEDS and ECLDS provide data to inform early care, education, and workforce policy and practice in Minnesota.
- **Consumer Protection:** OHE registers or exempts from registration approximately 145 institutions, licenses or exempts from licensure 243 institutions, and oversees 62 institutions participating in state authorization reciprocity. We fulfilled over 2,500 transcript requests in 2024. The division continues to monitor institutions for financial and administrative capability that may result in a closure of colleges in Minnesota to avoid national trends of abrupt closures.
- **SELF Loans:** OHE offers the Student Educational Loan Fund (SELF) program to help students finance their postsecondary education with low-interest loans. The SELF program contributes to the Agency's mission of supporting students in earning a higher education credential by providing low-cost loan funds to attend a postsecondary institution. SELF Loans are not limited to people with certain income levels, and the interest rates are the same for everyone regardless of credit score.
- **Minnesota 529 College Savings Plan:** OHE works closely with the State Board of Investment and our third-party plan manager, Tuition Financing Inc. (TFI), to administer a program allowing families to save for future postsecondary education expenses in tax-advantaged accounts.

M.S.136A (<https://www.revisor.mn.gov/statutes/cite/136A.01>) provides legal authority for OHE's responsibilities and functions.

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base	
					FY26	FY27
<u>Expenditures by Fund</u>						
1000 - General	260,247	279,200	319,641	325,490	297,122	297,175
2000 - Restrict Misc Special Revenue	2,712	1,149	1,473	2,053	1,466	1,361
2001 - Other Misc Special Revenue	8,015	9,040	11,768	138,053	57,983	57,957
2403 - Gift				3		
3000 - Federal	7,557	3,944	5,321	7,569	4,569	4,569
3015 - ARP-State Fiscal Recovery	8,679	30,193				
8300 - Office Of Higher Education	73,632	69,179	81,404	97,536	89,150	89,150
Total	360,841	392,705	419,608	570,704	450,290	450,212
Biennial Change				236,766		(89,810)
Biennial % Change				31		(9)

Expenditures by Program

Financial Aid	242,534	258,324	288,542	376,102	314,419	314,419
Mn College Savings Program	1,557	80	87	101	45	45
State Supplemental Loans	73,632	69,179	81,404	97,536	89,150	89,150
Research, Policy, and Analysis	1,956	2,182	2,766	3,537	2,790	2,790
Postsecondary Access and Outreach	8,904	6,120	6,477	9,299	5,945	5,945
Grants & Loan Repayment Programs	27,661	51,426	33,742	75,033	30,603	30,630
Licensing & Registration	662	597	753	729	628	655
OHE Administration	3,934	4,796	5,836	8,367	6,710	6,578
Total	360,841	392,705	419,608	570,704	450,290	450,212

Expenditures by Category

Compensation	7,415	8,182	9,781	12,571	12,403	12,405
Operating Expenses	16,578	18,612	22,362	33,945	18,903	18,770
Grants, Aids and Subsidies	273,637	307,158	314,015	448,411	343,819	343,872
Other Financial Transaction	63,210	58,753	73,450	75,777	75,165	75,165
Total	360,841	392,705	419,608	570,704	450,290	450,212

Total Agency Expenditures	360,841	392,705	419,608	570,704	450,290	450,212
Internal Billing Expenditures	346	264	329	201	201	201

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base	
					FY26	FY27
Expenditures Less Internal Billing	360,495	392,441	419,279	570,503	450,089	450,011
<u>Full-Time Equivalents</u>	67.79	75.98	83.75	95.17	94.94	94.44

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base	
					FY26	FY27
1000 - General						
Balance Forward In		17,019	1,409	30,008		
Direct Appropriation	271,702	296,714	371,853	423,890	362,544	362,597
Transfers In	1,375	2,875	5,216	2,125	1,125	1,125
Transfers Out	5,707	9,652	28,826	130,533	66,547	66,547
Cancellations		6,801				
Balance Forward Out	7,123	20,956	30,010			
Expenditures	260,247	279,200	319,641	325,490	297,122	297,175
Biennial Change in Expenditures				105,684		(50,834)
Biennial % Change in Expenditures				20		(8)
Full-Time Equivalents	24.62	31.02	35.98	38.65	38.65	38.65

2000 - Restrict Misc Special Revenue

Balance Forward In	2,447	2,077	1,896	1,724	607	176
Receipts	2,324	856	1,302	936	1,035	1,185
Internal Billing Receipts	346	264	329	350	350	350
Transfers Out	11	13				
Balance Forward Out	2,049	1,772	1,724	607	176	
Expenditures	2,712	1,149	1,473	2,053	1,466	1,361
Biennial Change in Expenditures				(334)		(699)
Biennial % Change in Expenditures				(9)		(20)
Full-Time Equivalents	6.11	6.61	6.76	6.66	6.43	6.43

2001 - Other Misc Special Revenue

Balance Forward In	10,060	11,888	13,095	15,416	249	166
Receipts	129					
Transfers In	5,846	5,846	14,640	122,886	57,900	57,900
Transfers Out	196	196	552			
Balance Forward Out	7,824	8,498	15,415	249	166	109
Expenditures	8,015	9,040	11,768	138,053	57,983	57,957
Biennial Change in Expenditures				132,766		(33,881)
Biennial % Change in Expenditures				778		(23)
Full-Time Equivalents	1.32	1.38	1.75	2.64	2.64	2.14

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base	
	FY22	FY23	FY24	FY25	FY26	FY27

2403 - Gift

Balance Forward In	3	3	3	3		
Balance Forward Out	3	3	3			
Expenditures				3		
Biennial Change in Expenditures				3		(3)
Biennial % Change in Expenditures						

3000 - Federal

Balance Forward In	3	17	4			
Receipts	7,558	3,930	5,317	7,569	4,569	4,569
Balance Forward Out	4	4				
Expenditures	7,557	3,944	5,321	7,569	4,569	4,569
Biennial Change in Expenditures				1,390		(3,752)
Biennial % Change in Expenditures				12		(29)
Full-Time Equivalents	20.58	19.33	21.07	21.07	21.07	21.07

3015 - ARP-State Fiscal Recovery

Balance Forward In	1,125	31,144				
Direct Appropriation	39,775					
Cancellations	1,500	951				
Balance Forward Out	30,721					
Expenditures	8,679	30,193				
Biennial Change in Expenditures				(38,872)		0
Biennial % Change in Expenditures				(100)		
Full-Time Equivalents	0.46	1.04	0.03			

8300 - Office Of Higher Education

Balance Forward In	207,788	251,049	257,787	213,491	160,605	172,605
Receipts	116,182	73,948	37,163	44,650	101,150	99,150
Transfers Out	45	50	56			
Balance Forward Out	250,293	255,768	213,490	160,605	172,605	182,605
Expenditures	73,632	69,179	81,404	97,536	89,150	89,150

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base	
					FY26	FY27
Biennial Change in Expenditures				36,129		(640)
Biennial % Change in Expenditures				25		(0)
Full-Time Equivalents	14.70	16.60	18.16	26.15	26.15	26.15

(Dollars in Thousands)

	FY25	FY26	FY27	Biennium 2026-27
Direct				
Fund: 1000 - General				
FY2025 Appropriations	423,963	423,963	423,963	847,926
Base Adjustments				
Current Law Base Change		(62,355)	(62,302)	(124,657)
Transfer Between Agencies		1,000	1,000	2,000
Allocated Reduction	(73)	(73)	(73)	(146)
Minnesota Paid Leave Allocation		9	9	18
Forecast Base	423,890	362,544	362,597	725,141
Dedicated				
Fund: 2000 - Restrict Misc Special Revenue				
Planned Spending	2,053	1,466	1,361	2,827
Forecast Base	2,053	1,466	1,361	2,827
Fund: 2001 - Other Misc Special Revenue				
Planned Spending	25,867	8,483	8,457	16,940
Forecast Base	25,867	8,483	8,457	16,940
Fund: 2403 - Gift				
Planned Spending	3			
Forecast Base	3			
Fund: 3000 - Federal				
Planned Spending	7,569	4,569	4,569	9,138
Forecast Base	7,569	4,569	4,569	9,138
Fund: 8300 - Office Of Higher Education				
Planned Spending	97,536	89,150	89,150	178,300
Forecast Base	97,536	89,150	89,150	178,300
Revenue Change Summary				
Dedicated				
Fund: 2000 - Restrict Misc Special Revenue				
Forecast Revenues	936	1,035	1,185	2,220
Fund: 3000 - Federal				
Forecast Revenues	7,569	4,569	4,569	9,138

(Dollars in Thousands)

	FY25	FY26	FY27	Biennium 2026-27
Fund: 8300 - Office Of Higher Education				
Forecast Revenues	44,650	101,150	99,150	200,300
<i>Non-Dedicated</i>				
Fund: 1000 - General				
Forecast Revenues	175	175	175	350

Program: Financial Aid

<https://www.ohe.state.mn.us/mPg.cfm?pageID=888>

AT A GLANCE

- Administers 13 need-based financial aid programs designed to remove financial barriers for students so they can obtain a postsecondary credential.
- Provided a total of \$215 million in need-based financial assistance to 67,854 Minnesota students in FY2023 through the Minnesota State Grant program.
- Awarded \$50.5 million in other financial aid and grant programs in FY23.

PURPOSE AND CONTEXT

The Office of Higher Education’s Student Financial Aid division supports the agency’s mission to make postsecondary education accessible and affordable for all Minnesotans by offering need-based financial aid to low- and middle-income students. Student financial aid programs further support the agency’s mission by enabling students to access and choose the postsecondary institution and training provider that best meets their educational needs, regardless of their financial circumstances. Student financial aid programs also enable graduates to serve in particular occupations necessary to maintain the state’s economic vitality.

SERVICES PROVIDED

The Student Financial Aid division administers numerous programs that support students pursuing postsecondary education and training. The table below provides the most recent data available on each of the programs administered by Student Financial Aid Services. The information may differ from other documents published by the Minnesota Office of Higher Education due to timing or definitional differences. Unless noted otherwise, a student is counted in the Students column only if the student directly benefited from the program, and the dollars shown in the Amount column represent funds paid or awarded to students, borrowers, participants, and grantees.

Program	Year	Students	Amount	Description
Minnesota State Grant	FY2023	67,854	\$215 million	Need-based grant to MN residents attending MN colleges.
Postsecondary Child Care Grant	FY2023	1,305	\$7.5 million	Need-based grants to student parents using child care services while attending college.
State Work Study	FY2023	7,773	\$11.8 million	Funds allocated to MN colleges to pay 75% of wages for student employment on or off campus.
Interstate Tuition Reciprocity	FY2022	25,735	\$6.6 million	Waives non-resident tuition rates for MN residents attending public colleges in reciprocity states. Amount represents the fiscal year expenditure.
Safety Officers Survivor’s Grant	FY2023	5	\$45,911	Non-need-based college grants to survivors of MN public safety officers killed in the line of duty.

Program	Year	Students	Amount	Description
Minnesota Indian Scholarship	FY2023	829	\$2.9 million	Need-based scholarships to MN resident students who have at least one-quarter American Indian ancestry.
Underrepresented Student Teacher Grants	FY2022	119	\$693,307	Grants to eligible students completing required student teaching experiences who belong to a racial or ethnic group underrepresented in the Minnesota teacher workforce.
Student Teacher Grants in Shortage Areas	FY2023	107	\$685,000	Grants to eligible students completing required student teaching experiences who intend to teach in a license shortage area or rural school district.
Grants for Students with Intellectual and Developmental Disabilities	FY2023	40	\$193,451	Financial assistance to students with intellectual and development disabilities who attend Comprehensive Transition & Postsecondary (CTP) programs at eligible Minnesota postsecondary institutions. In FY2023, OHE transferred surplus funds to this program in order to adequately award all eligible students.
Fostering Independence Higher Education Grants	FY2023	492	\$4.3 million	Grants to eligible Minnesota residents who were in the foster care system at any point after their 13 th birthday to attend any Minnesota public or participating private institution.
Aspiring Teachers of Color Scholarship Pilot	FY2023	205	\$1.5 million	Scholarships to support undergraduate and graduate students who are preparing to become teachers, have demonstrated financial need, and belong to racial or ethnic groups underrepresented in the state's teacher workforce. First awards to students in FY2023 made possible with one-time funds available until FY2025.
Future Together Grant	FY2023	7,590	\$14.3 million	Tuition-free pathway grants to eligible Minnesota residents enrolled at Minnesota public institutions and tribal colleges in programs leading to high-need careers. Program funded with federal ARPA funds through FY2024 or until funds exhausted.
North Star Promise	FY2024	NA	NA	Program launches for the 2024-25 academic year.

RESULTS

The Student Financial Aid division evaluates the outcomes of its strategies and services by determining their impact on student access to, and choice of, higher education institutions by:

- Measuring the number of Minnesota residents that apply for financial aid and the number of Minnesota resident students who receive a Minnesota State Grant (see below)
- Assessing the net price students and families pay for postsecondary attendance and its relation to family income (see OHE’s Minnesota Measures report https://www.ohe.state.mn.us/Documents/Reports/2023/MN%20Measures/MNMeasures_2021_Report_ADA.pdf)
- Monitoring the median cumulative student loan debt of bachelor’s degree completers at Minnesota four-year public and private campuses to determine if cumulative debt amounts are stable and monthly loan payments are reasonable (see OHE’s Cumulative Median Student Loan Debt in Minnesota report https://www.ohe.state.mn.us/Documents/Cumulative%20Debt/Cumulative%20Debt%202021-2022_ADA.pdf)
- Tracking the percentage of students who take out student loans to attend college (see OHE’s Cumulative Median Student Loan Debt in Minnesota report https://www.ohe.state.mn.us/Documents/Cumulative%20Debt/Cumulative%20Debt%202021-2022_ADA.pdf)

Applicants for Financial Aid

Measuring the number of Minnesota resident students who receive a State Grant compared to the number of State Grant applicants helps Student Financial Aid Services evaluate the State Grant award calculation. For fiscal year 2023 (academic year 2022-2023), 110,199 students completed the FAFSA or state aid application and met eligibility requirements outlined in state statute to receive a Minnesota state grant and of those that applied, 71,889 students received a State Grant. These totals include students meeting State Grant eligibility requirements and those who qualified for a State Grant award under the Minnesota Dream Act. The percent of applicants receiving a State Grant has remained stable over the last few years.

Measure name	Measure type	Measure data source	Historical trend	Most recent data
Number of Applications Received	Quantity	FAFSA Applications	Applications have declined from 131,983 in 2019 to 110,199 in 2023.	110,199
Number of State Grant Recipients	Result	MNAid – OHE’s Financial Aid Administration IT Solution.	The number of students receiving a state grant has declined from 79,805 to 67,584 in 2023. The decline in recipients is directly impacted by the decline in applications.	67,854
Percent of Applicants Receiving a State Grant	Result	MNAid – OHE’s Financial Aid Administration IT Solution.	The percentages of applicants receiving a State Grant has slightly increased from 60% in 2019 to 61% in 2023.	61%

M.S. 13A.121 (<https://www.revisor.mn.gov/statutes/cite/136A.121>) provides OHE’s legal authority to administer the Minnesota State Grant Program.

M.S. 136A.125 (<https://www.revisor.mn.gov/statutes/cite/136A.125>) provides OHE’s legal authority to administer the Postsecondary Child Care Grant Program.

M.S. 136A.233 (<https://www.revisor.mn.gov/statutes/cite/136A.233>) provides OHE's legal authority to administer the Minnesota State Work Study Program.

M.S. 136A.08 (<https://www.revisor.mn.gov/statutes/cite/136A.08>) provides OHE's legal authority to administer the Interstate Tuition Reciprocity Program.

M.S. 299A.45 (<https://www.revisor.mn.gov/statutes/cite/299A.45>) provides OHE's legal authority to administer the Survivor's Grant Program.

M.S. 136A.126 (<https://www.revisor.mn.gov/statutes/cite/136A.126>) provides OHE's legal authority to administer the Minnesota Indian Scholarship Program.

M.S. 136A.1274 (<https://www.revisor.mn.gov/statutes/cite/136A.1274>) provides OHE's legal authority to administer the Underrepresented Student Teacher Grants.

M.S. 136A.1275 (<https://www.revisor.mn.gov/statutes/cite/136A.1275>) provides OHE's legal authority to administer the Student Teacher Grants in Shortage Areas.

M.S. 136A.1215 (<https://www.revisor.mn.gov/statutes/cite/136A.1215>) provides OHE's legal authority to administer the Grants for Students with Intellectual and Developmental Disabilities.

M.S. 136A.1241 (<https://www.revisor.mn.gov/statutes/cite/136A.1241>) provides OHE's legal authority to administer the Fostering Independence Higher Education Grants.

M.S.s 136A.1465 (<https://www.revisor.mn.gov/statutes/cite/136A.1465>) provides OHE's legal authority to administer the North Star Promise.

Financial Aid

Program Expenditure Overview

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base	
					FY26	FY27
<u>Expenditures by Fund</u>						
1000 - General	242,500	258,328	288,503	263,823	264,805	264,805
2001 - Other Misc Special Revenue				112,186	49,500	49,500
3000 - Federal	34	(4)	39	93	114	114
Total	242,534	258,324	288,542	376,102	314,419	314,419
Biennial Change				163,786		(35,806)
Biennial % Change				33		(5)

Expenditures by Activity

Financial Aid	232,541	246,818	276,089	362,733	304,294	304,294
Interstate Tuition Reciprocity	8,500	8,500	8,500	8,500	8,500	8,500
Teacher Programs	1,493	3,006	3,953	4,869	1,625	1,625
Total	242,534	258,324	288,542	376,102	314,419	314,419

Expenditures by Category

Compensation	96	236	327	410	478	485
Operating Expenses	69	85	201	941	53	46
Grants, Aids and Subsidies	240,599	255,134	284,344	374,751	313,888	313,888
Other Financial Transaction	1,770	2,869	3,671			
Total	242,534	258,324	288,542	376,102	314,419	314,419

Full-Time Equivalents

	0.82	2.02	2.49	3.08	3.08	3.08
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Financial Aid

Program Financing by Fund

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base	
					FY26	FY27
1000 - General						
Balance Forward In		12,695	1,372	4,277		
Direct Appropriation	246,771	252,737	302,908	379,232	322,805	322,805
Transfers In		2,000	4,091	1,000		
Transfers Out		2,382	15,591	120,686	58,000	58,000
Cancellations		5,371				
Balance Forward Out	4,271	1,352	4,277			
Expenditures	242,500	258,328	288,503	263,823	264,805	264,805
Biennial Change in Expenditures				51,498		(22,716)
Biennial % Change in Expenditures				10		(4)
Full-Time Equivalents	0.82	2.02	2.49	3.08	3.08	3.08

2001 - Other Misc Special Revenue

Transfers In				112,186	49,500	49,500
Expenditures				112,186	49,500	49,500
Biennial Change in Expenditures				112,186		(13,186)
Biennial % Change in Expenditures						

3000 - Federal

Balance Forward In			4			
Receipts	34		35	93	114	114
Balance Forward Out		4				
Expenditures	34	(4)	39	93	114	114
Biennial Change in Expenditures				102		96
Biennial % Change in Expenditures				332		73

Program: MN College Savings Program<http://mnsaves.org/>**AT A GLANCE**

- Minnesota’s version of a qualified tuition program more commonly known as a 529 plan based on Section 529 of the Internal Revenue Code. Minnesota’s Plan (known as “mnsaves”) opened in 2001.
- The Office of Higher Education (OHE) and the State Board of Investment (SBI) are the two State entities charged with operating the plan. The current plan manager is Tuition Financing, Inc. (TFI).
- The State of Minnesota provides no financial support to operate the plan. The compensation for TFI is determined by applying a contractually agreed upon fee percentage against the assets in the plan.
- As of March 31, 2024, the plan included 96,938 active accounts, 53,168 account holders, and \$1.96B in assets.

PURPOSE AND CONTEXT

The goal of the 529 plan is to allow individuals to save money for postsecondary education expenses in a tax-advantaged way. The plan is open to all persons regardless of income level, and an account can be opened for a child before the child is born. The funds saved in the account may be used at most colleges and universities across the country, not just those in Minnesota. The goal is that saving in a 529 account will reduce the need for student and parent borrowing in the future. In that way, the plan is an early step in preparing for postsecondary education. The account owner controls the account including which investment options offered by the plan they wish to invest in. The investment options have risk levels that range from very conservative to aggressive.

Over time, the Federal government expanded the allowable uses of the 529 plan funds. Originally intended to cover basic expenses of attending college, the funds may now be used to pay K-12 tuition, student loans, apprenticeship expenses, and even to be rolled over into a Roth IRA. There are many requirements and restrictions that a potential account owner must consider, and more information can be found on the mnsaves website (<http://mnsaves.org>).

SERVICES PROVIDED

Mnsaves is a direct sold 529 plan meaning that you do not need to go through a financial advisor to open and manage an account. OHE and SBI have designed the plan to provide a range of investment options while at the same time not overwhelming a potential account owner with too many choices.

TFI staff based in Minnesota will meet with individuals in person or over the phone to answer questions about the plan. TFI staff also reach out to employers across the state to encourage them to allow their employees to use a payroll deduction to automatically deposit funds into their accounts.

OHE has consistently advocated for more outreach to lower income and underserved communities. Studies have shown that even the act of saving something for college can positively impact a child’s actual future enrollment. OHE continues to work with TFI to plan how best to reach these populations of people.

The plan offers multiple ways to make contributions including (from above), payroll deduction, auto-debit from bank accounts, checks, and even a gifting platform so that other family members may easily contribute to someone’s account.

RESULTS

Measure name	Measure type	Measure data source	Historical trend	Most recent data
Total Plan Assets	Quantity	Tuition Financing, Inc. (TFI) Reports	The Plan's assets have continued to increase over time. For this purpose, we are listing the values from March 31, 2019 and March 31, 2024.	<u>March 2019</u> : \$1.445 billion <u>March 2024</u> : \$1.963 billion
Total Number of Accounts	Quantity	Tuition Financing, Inc. (TFI) Reports	The number of accounts has continued to increase on a net basis (new accounts opened fewer existing accounts being closed). As above, these numbers come from March 2019 and March 2024.	<u>March 2019</u> : 71,056 <u>March 2024</u> : 96,938
Usage for Allowable Expenses	Result	Tuition Financing, Inc. (TFI) Reports	The percentages of qualified distributions to total distributions have remained steady. Annual data for calendar year 2021 was 90.5%. The year-to-date data through July 2024 was 90.5%.	In total, since the beginning of the Plan through July 31, 2024, account owners have taken \$1.6 billion of qualified distributions.

M.S.136G.01-136G.14 (<https://www.revisor.mn.gov/statutes/cite/136G>) provides OHE's legal authority for the Minnesota College Savings Plan.

Mn College Savings Program

Program Expenditure Overview

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base	
					FY26	FY27

Expenditures by Fund

2000 - Restrict Misc Special Revenue	1,557	80	87	101	45	45
Total	1,557	80	87	101	45	45
Biennial Change				(1,449)		(98)
Biennial % Change				(88)		(52)

Expenditures by Activity

Mn College Savings Program	1,557	80	87	101	45	45
Total	1,557	80	87	101	45	45

Expenditures by Category

Compensation	43	45	50	67	39	39
Operating Expenses	14	33	37	34	6	6
Grants, Aids and Subsidies	1,500	2				
Total	1,557	80	87	101	45	45

Total Agency Expenditures	1,557	80	87	101	45	45
Internal Billing Expenditures	4	5	5			
Expenditures Less Internal Billing	1,553	75	82	101	45	45

Full-Time Equivalent

	0.40	0.42	0.40	0.30	0.30	0.30
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Mn College Savings Program

Program Financing by Fund

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base	
					FY26	FY27
2000 - Restrict Misc Special Revenue						
Balance Forward In	112	98	100	56		
Receipts	1,543	81	43	45	45	45
Balance Forward Out	98	98	56			
Expenditures	1,557	80	87	101	45	45
Biennial Change in Expenditures				(1,449)		(98)
Biennial % Change in Expenditures				(88)		(52)
Full-Time Equivalents	0.40	0.42	0.40	0.30	0.30	0.30

Program: State Supplemental Loans

<http://www.selfloan.state.mn.us/> and <http://www.selfrefi.state.mn.us/>

AT A GLANCE

- Provide low-interest rate student loans to eligible borrowers to help students finance their postsecondary education and earn their credential. Interest rates are the same for all eligible borrowers regardless of their credit score or income.
 - Over 27,000 borrowers currently have loans through the Student Educational Loan Fund (SELF) program, which offers low-interest loans for Minnesota residents or students enrolled at a Minnesota school and owe over \$415 million.
- Over 350 borrowers currently have student loans refinanced through the SELF Refi program and owe over \$6 million.

PURPOSE AND CONTEXT

The Office of Higher Education offers the Student Educational Loan Fund (SELF) program to help students finance their postsecondary education with low-interest loans. The SELF program contributes to the Agency's mission of supporting students in earning a higher education credential by providing low-cost loan funds to attend a postsecondary institution. SELF Loans are not limited to people with certain income levels. Interest rates are the same for everyone and are not based on credit score. Students are eligible as long as they meet minimum program requirements and have a cosigner. The SELF Refi program is currently on pause for new applications due to a change in the loan servicer.

SERVICES PROVIDED**SELF Program**

The SELF program provides loans to students and families to help pay for college. The SELF Loan is available to Minnesota residents attending a participating college nationwide, or a Minnesota resident or nonresident attending a college in Minnesota. The program provides money to students to cover the cost of attending college beyond what is available through scholarships and grant money. Students can choose a fixed or variable rate and select a repayment term of 10, 15, or 20 years. SELF interest rates as of August 1, 2024, range from 6.35% to 7.80%. Payments for new SELF Loans are currently set at \$15 per month while in school and during a 1-year Transition Period after school.

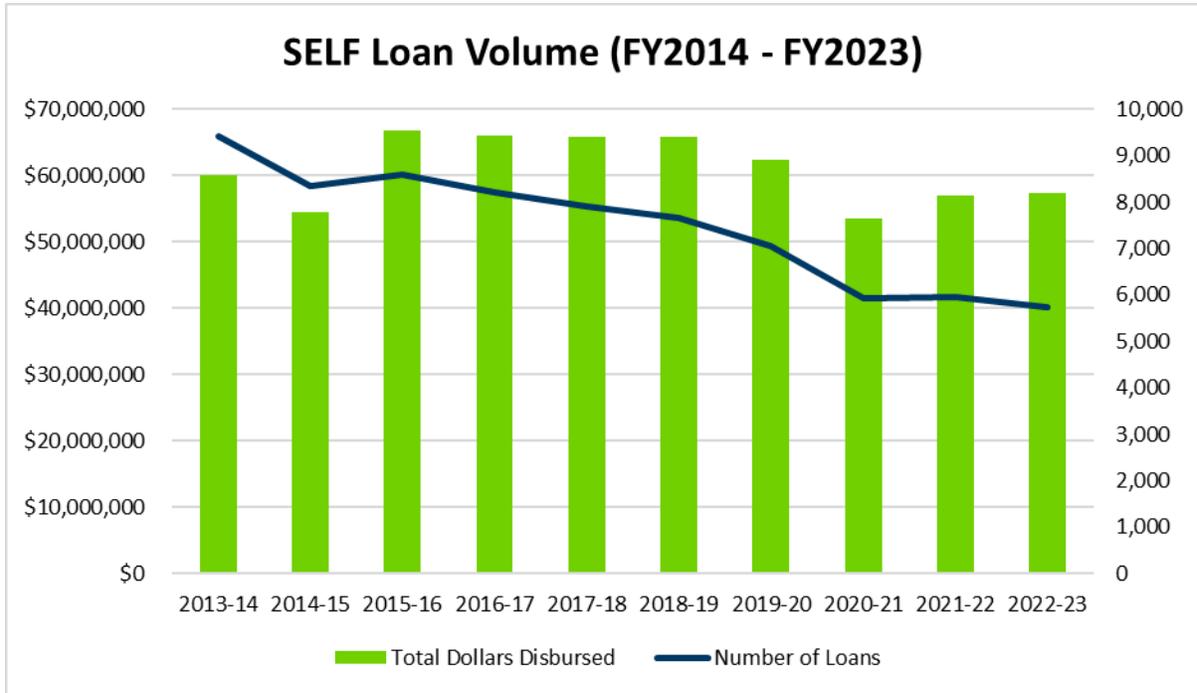
RESULTS**Quantity:**

The chart below shows the number of SELF Loans and total dollars disbursed to students from 2015 to 2023. In 2023, the SELF program provided \$57.3M in loans to 5,728 students. Prior to 2023, the program's volume had decreased due to:

- Declining postsecondary enrollment including enrollment impacted by COVID-19.
- The amount students could borrow through the SELF program did not keep pace with escalating college costs. This meant students would borrow from private financial sources to get all the money they needed from one place, even though it may cost them more in interest and fees.

The Agency increased SELF Loan limits in 2016 from \$10,000 to \$20,000 for students enrolled in 4-year or graduate programs to provide greater access to low-cost funding sources. In February 2024, loan limits increased

from \$20,000 to \$40,000 for students enrolled in 4-year or graduate programs and from \$10,000 to \$20,000 for students enrolled in 1-3-year programs.



Quality:

The gross default (loan balance at the time of default) rate for SELF Loans is fairly low in comparison to other private loan programs. The Agency effectively collects money owed on defaulted loans resulting in a net default (amount owed after collection payments) rate of less than 3%. Low default rates help keep interest rates low for all participating students in the program. Loans that are not repaid are a program expense.

M.S. 136A.1701 (<https://www.revisor.mn.gov/statutes/?id=136A.1701>) provides the legal authority for the SELF program.

M.S. 136A.1704 (<https://www.revisor.mn.gov/statutes/?id=136A.1704>) provides the legal authority for the SELF Refi program.

State Supplemental Loans

Program Expenditure Overview

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base	
					FY26	FY27
<u>Expenditures by Fund</u>						
8300 - Office Of Higher Education	73,632	69,179	81,404	97,536	89,150	89,150
Total	73,632	69,179	81,404	97,536	89,150	89,150
Biennial Change				36,129		(640)
Biennial % Change				25		(0)
<u>Expenditures by Activity</u>						
State Supplemental Loans	73,632	69,179	81,404	97,536	89,150	89,150
Total	73,632	69,179	81,404	97,536	89,150	89,150
<u>Expenditures by Category</u>						
Compensation	1,667	1,904	2,076	3,181	3,181	3,181
Operating Expenses	10,524	11,397	10,231	19,333	10,947	10,947
Grants, Aids and Subsidies	0		1			
Other Financial Transaction	61,441	55,879	69,096	75,022	75,022	75,022
Total	73,632	69,179	81,404	97,536	89,150	89,150
<u>Full-Time Equivalents</u>						
	14.70	16.60	18.16	26.15	26.15	26.15

State Supplemental Loans

Program Financing by Fund

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base	
					FY26	FY27
8300 - Office Of Higher Education						
Balance Forward In	207,788	251,049	257,787	213,491	160,605	172,605
Receipts	116,182	73,948	37,163	44,650	101,150	99,150
Transfers Out	45	50	56			
Balance Forward Out	250,293	255,768	213,490	160,605	172,605	182,605
Expenditures	73,632	69,179	81,404	97,536	89,150	89,150
Biennial Change in Expenditures				36,129		(640)
Biennial % Change in Expenditures				25		(0)
Full-Time Equivalents	14.70	16.60	18.16	26.15	26.15	26.15

Program: Research, Policy, and Analysis

<http://www.ohe.state.mn.us/> and <https://sleds.mn.gov/>

AT A GLANCE

- Provide research and analysis on postsecondary education, college readiness, and postsecondary-workforce alignment for the Governor, the Minnesota Legislature, and the people of the State of Minnesota.
- Use data and projections to guide planning and budgeting for state financial aid programs as well as in planning for future programming, pilots, and initiatives.

PURPOSE AND CONTEXT

The Research, Policy, and Analysis division provides credible, politically neutral, research-based data, information and analysis on higher education. Research provided is used to evaluate programs, inform strategic plans, develop and inform state policy, and assist individuals, colleges, communities, and the state with determining effective practices based on data-informed strategies.

SERVICES PROVIDED

- Provides credible and timely analysis of state higher education enrollment, completions, and funding, including: college preparation and access, financing of higher education (student & state), student outcomes (credentials, debt, employment), and system/institutional performance.
- Leverages data and analysis to guide planning, administering, and budgeting for Minnesota’s state financial aid programs (e.g. Minnesota State Grant, Tuition Reciprocity).
- Leads the Statewide Longitudinal Education Data System (SLEDS) and facilitates interagency work of the Early Childhood Longitudinal Data System (ECLDS). SLEDS and ECLDS leverage data from birth/early childhood, K-12 education, postsecondary education, workforce training, and employment to assist families, communities, and the state in identifying the most viable pathways for individuals to achieve successful outcomes in education and work. SLEDS and ECLDS informs early care, education, and workforce policy and practice in Minnesota.
- Engages in cross-agency, philanthropic, and non-profit collaboration to broaden resources, data, and information available to Minnesotans.
- Manages collection of student enrollment and completion data from over 200 postsecondary institutions and DEED-approved eligible training providers operating in Minnesota. Administers surveys to institutions regarding study abroad health and safety, sexual assault, cumulative debt, financial aid awarded, and dual credit acceptance.

RESULTS

Measure name	Measure type	Measure data source	Historical trend	Most recent data
Unduplicated count of students enrolled for which OHE maintains data	Quantity	Institutional data submitted to OHE	Our office typically receives, cleans, processes, and loads about half a million enrollment records per year.	502,575

Measure name	Measure type	Measure data source	Historical trend	Most recent data
Unduplicated count of students graduating for which OHE maintains data	Quantity	Institutional data submitted to OHE	Our office typically receives, cleans, processes, and loads about 100,000 degrees conferred records per year.	102,029
Count of fiscal notes completed to support fiscal analysis of legislative bills	Results	Fiscal Note Tracking System	During a budget year, our team may complete as many as 15 fiscal notes.	7
Count of data requests fulfilled by SLEDS	Results	Data requests submitted to SLEDS governance	Since 2019, the SLEDS team has fulfilled between five and ten data requests per year.	8
Count of reports on higher education policy issue areas produced	Results	Legislatively-mandated Reports	Our team produces 15-20 reports on higher education policy issues in a typical year.	18

M.S. 136A.01 Subd. 2(a)(6) (<https://www.revisor.mn.gov/statutes/cite/136A.01>) provides authority for OHE to collect and maintain student enrollment and financial aid data, and report data on students and postsecondary institutions to develop and implement a process to measure and report on the effectiveness of postsecondary institutions.

M.S. 135A.012 (<https://www.revisor.mn.gov/statutes/cite/135A.012>) provides statutory authority for the state's attainment goal and monitoring progress to the goal.

M.S. 127A.70 Subd. 2(b) (<https://www.revisor.mn.gov/statutes/cite/127A.70>) provides statutory authority for the management of SLEDS and ECLDS.

Statutory reporting by the Research Department includes, but is not limited to:

- M.S. 136A.121 (<https://www.revisor.mn.gov/statutes/cite/136A.121>) provides statutory responsibility for data collection, analysis and reporting of postsecondary enrollment, completion, and financial aid.
- M.S. 116J.4011 (<https://www.revisor.mn.gov/statutes/cite/116J.4011>) provides statutory responsibility for collaborative reporting with DEED related to postsecondary employment outcomes of college graduates.
- M.S. 124D.09 (<https://www.revisor.mn.gov/statutes/cite/124D.09>) requires OHE to evaluate and report on concurrent enrollment programs.
- M.S. 135A.15 (<https://www.revisor.mn.gov/statutes/cite/135A.15>) requires OHE to annually report statistics on sexual assault.
- M.S. 136A.055 (<https://www.revisor.mn.gov/statutes/cite/136A>) requires OHE to report annually on developmental education enrollment and completion of recent high school graduates.
- M.S. 136A.08 (<https://www.revisor.mn.gov/statutes/cite/136A.08>) requires OHE to report on students receiving tuition reciprocity.

Research, Policy, and Analysis

Program Expenditure Overview

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base	
					FY26	FY27
<u>Expenditures by Fund</u>						
1000 - General	1,704	2,010	2,660	3,088	2,690	2,690
2000 - Restrict Misc Special Revenue	124	171	106	449	100	100
2001 - Other Misc Special Revenue	129					
Total	1,956	2,182	2,766	3,537	2,790	2,790
Biennial Change				2,165		(723)
Biennial % Change				52		(11)

Expenditures by Activity

Research, Policy, and Analysis	1,956	2,182	2,766	3,537	2,790	2,790
Total	1,956	2,182	2,766	3,537	2,790	2,790

Expenditures by Category

Compensation	180	190	361	341	313	318
Operating Expenses	1,775	1,992	2,405	3,196	2,477	2,472
Grants, Aids and Subsidies	1					
Total	1,956	2,182	2,766	3,537	2,790	2,790

Total Agency Expenditures	1,956	2,182	2,766	3,537	2,790	2,790
Internal Billing Expenditures	5					
Expenditures Less Internal Billing	1,951	2,182	2,766	3,537	2,790	2,790

Full-Time Equivalent

	2.08	1.55	2.10	1.91	1.68	1.68
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Research, Policy, and Analysis

Program Financing by Fund

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base	
					FY26	FY27
1000 - General						
Balance Forward In		329		398		
Direct Appropriation	1,922	1,922	3,059	2,690	2,690	2,690
Transfers Out		185				
Cancellations		56				
Balance Forward Out	218		399			
Expenditures	1,704	2,010	2,660	3,088	2,690	2,690
Biennial Change in Expenditures				2,034		(368)
Biennial % Change in Expenditures				55		(6)
Full-Time Equivalents	1.33	0.77	1.87	1.68	1.68	1.68

2000 - Restrict Misc Special Revenue

Balance Forward In	157	195	39	349		
Receipts	162		415	100	100	100
Balance Forward Out	195	23	349			
Expenditures	124	171	106	449	100	100
Biennial Change in Expenditures				260		(355)
Biennial % Change in Expenditures				88		(64)
Full-Time Equivalents	0.70	0.78	0.23	0.23		

2001 - Other Misc Special Revenue

Receipts	129					
Expenditures	129					
Biennial Change in Expenditures				(129)		0
Biennial % Change in Expenditures						
Full-Time Equivalents	0.05					

Program: Postsecondary Access and Outreach

Direct Admissions: <https://www.ohe.state.mn.us/mPg.cfm?pageID=2484>

Campus Sexual Violence Prevention and Response: <https://www.ohe.state.mn.us/mPg.cfm?pageID=2291>

Get Ready: <https://www.ohe.state.mn.us/mPg.cfm?pageID=2002>

College-bound student resources: <https://www.ohe.state.mn.us/mPg.cfm?pageID=2059>

Summer Academic Enrichment Program: <https://www.ohe.state.mn.us/mPg.cfm?pageID=1958>

AT A GLANCE

- Provide information to students and families regarding postsecondary options, how to access state and federal financial aid programs, and paying for college in order to increase college access.
- Administer multiple programs designed to promote college access and postsecondary degree attainment, including the Get Ready program (serving over 2900 students from 7th to 12th grade) and Direct Admissions (offering proactive admissions to over 22,500 high school seniors).
- Support early college preparation through the Summer Academic Enrichment Program (SAEP) which provided grants to 935 students in grades 3 through 11 in FY23 to attend an academically-enriched summer program.

PURPOSE AND CONTEXT

The Office of Higher Education's postsecondary access and outreach functions support the agency's mission of making postsecondary education accessible to all Minnesotans. This work includes providing summer enrichment opportunities to low-income students through the Summer Academic Enrichment Program, offering a comprehensive college preparation curriculum and college exploration activities through the federally funded Get Ready program, and providing a nationally recognized proactive admissions model through the Direct Admissions program. The Office of Higher Education (OHE) also ensures that all students and families have access to clear and comprehensive information about college exploration, ways to pay for college, how to access state and federal financial aid, and all of Minnesota's postsecondary options through the agency's student and parent information program. These efforts, along with the funding to support the Director of Tribal Relations and the work of the Sexual Violence Prevention and Response program, are all designed to help Minnesota close its postsecondary attainment gap.

SERVICES PROVIDED

Summer Academic Enrichment Program (SAEP) – the SAEP program provides funding of up to \$1,000 per participant for students in grades 3 through 11 to attend an academically-enriched summer program. The program seeks to counter the achievement gap and give children from low-income families' access to high-quality summer enrichment experiences that keep exercising their minds and boosting academic performance through participation in challenging enrichment classes in core curricular areas.

Get Ready serves 6th-12th grade students, their families, and the educators at 11 specifically chosen middle and high schools through the following core interventions:

- **Postsecondary Pathways Curriculum:** Get Ready's research-based, student-led exploration of personal and social identity, individual skills and interests, learning techniques for academic success, career choices, and options for extending the education process beyond high school. Students receive 25 lessons per year.

- **Postsecondary Pathways Counseling:** Students receive one-on-one and small group assistance with academic planning, goal setting, exploring college and career options, financing a postsecondary education, and completing the college application process.
- **Postsecondary Pathways Field Experiences:** Students participate in college visits, job shadowing, internships, service learning, and academic enrichment activities offered in collaboration with Get Ready's community partners.
- **Parent Empowerment Initiatives:** Parents receive the necessary information, tools, and strategies to support their children during the postsecondary planning process via one-to-one advising, seminars, and culturally-specific workshops.
- **Professional Development for Educators:** School staff receive training and technical support related to postsecondary readiness best practices, effective data utilization, equity mindsets, leading change, and resource management.
- **Postsecondary Persistence:** Get Ready program staff receive extensive training and certification in holistic coaching methodology to support students' postsecondary transition, persistence, and attainment.

Direct Admissions is Minnesota's proactive postsecondary admissions program that seeks to increase the number of graduating seniors who enroll in college the fall after high school as well as increasing FAFSA completion rates and enrollment rates at Minnesota's colleges and universities. Students receive a letter/email communication and survey in early fall indicating which colleges will admit them so they can reserve their spot.

Student and Parent Information initiatives provide information to college-bound students and their families through a variety of events, publications, and online resources. This includes publications like *Paying for College: A Guide to Financial Aid and Responsible Borrowing*, *Grants and Scholarships: Financial Aid You Don't Repay*, and *Choosing a College: Find Your Pathway to Success* that give an overview of Minnesota institutions, the programs they offer, the application process for financial aid, and all of the different ways to finance one's postsecondary education. The agency also provides:

- **Financial Aid and College Knowledge Presentations:** The Communications division coordinates outreach presentations to help students and families understand the financial aid process, the Free Application for Federal Student Aid (FAFSA), and the MN Dream Act.
- **Outreach Videos:** These videos are recorded presentations. They are available in long-form (approximately 25 minutes) and short-form, allowing students and their families to choose the exact topic they would like to learn more about.

Minnesota State Fair: Each year, OHE has a booth in the Education Building of the Minnesota State Fair, where we distribute information about our publications, outreach, attainment goal, and other resources to students and their families about postsecondary education.

- **Minnesota Goes to College:** Minnesota Goes to College provides graduating high school seniors with the preparation, opportunity, and support needed to apply and enroll in college. Each school year, participating schools, college access programs, postsecondary institutions, and community organizations plan and host Minnesota Goes to College events for students and families. These events focus on college and career exploration, financial aid and Dream Act information, and application completion.

Sexual Violence Prevention and Response – the Sexual Violence Prevention and Response program serves as a resource to all postsecondary institutions in Minnesota subject to Minnesota statute 135A.15 by providing professional development and trainings, guidance on best practices, hosting community listening sessions, and providing materials to institutions. The program also provides technical assistance to fulfill the requirements delineated in the Campus Sexual Misconduct Policy (Minnesota Statute 135A.15) as well as oversees the statewide campus sexual assault reporting required under Minnesota Statutes 135A.15.

Director Tribal Relations – the Director of Tribal Relations is responsible for maintaining Government-to-Government relationships with each Tribal Nation within the exterior boundaries of the state of Minnesota. On an

annual basis, coordinate the agency's consultation with each Tribal Nation in compliance with MN Statutes 10.65 and with the Tribal Nations Education Committee as outlined in MN Statutes 136A.032. In addition, engage the larger American Indian community through various agencies, organizations, and partners including the Minnesota Chippewa Tribe, the Minnesota Indian Affairs Council, and Urban Indian Community organizations. Attend and participate in Tribal State Relations Training and manage agency staff attendance in compliance with MN Statutes 10.65. Utilize information discussed via consultation and community engagement to direct OHE Senior leadership and staff on development of policy and initiatives that will impact Tribal Nations and American Indian students.

RESULTS

Measure name	Measure type	Measure data source	Historical trend	Most recent data
High school participation in the Direct Admission Program	Quantity	Through the number of executed participation agreements between high schools and Office of Higher Education	<p><u>2022-23 academic year:</u> 46 participating high schools (6,989 students served)</p> <p><u>2023-24 academic year:</u> 120 participating high schools (22,505 students served)</p>	2024-25 academic year: 186 high schools projected to participate (estimated 33,000 students to be served)
Participating Direct Admissions' student requests for proactive admission	Quantity	Internal data from student responses to Direct Admissions communication	For the 2022-23 pilot program year of Direct Admissions, approximately 30% of the students in participating high schools requested admission through the program. In total, 2016 students submitted 12,420 admissions requests through Direct Admissions.	For 2023-24 program year of Direct Admissions, the agency ended with 34,751 total student requests for proactive admissions. The program benefited 4,975 students, or about 22% of overall senior students from participating schools.
Overall comparison of Direct Admissions program participating and non-program participating high schools' college-going behavior	Results	Direct Admissions Agreements and High School lists.	<u>2022-23 Pilot year data:</u> For students participating in Direct Admissions, 50% enrolled in a Minnesota college or university and 77% completed the Free Application for Federal Student Aid (FAFSA). When looking at high school students who did not participate in Direct Admissions, only 26% enrolled in an in-state institution and 51% completed the FAFSA.	<u>2022-23 Pilot year data:</u> For students participating in Direct Admissions, 50% enrolled in a Minnesota college or university and 77% completed the Free Application for Federal Student Aid (FAFSA). When looking at high school students who did not participate in Direct Admissions, only 26% enrolled in an in-state institution and 51% completed the FAFSA.

Measure name	Measure type	Measure data source	Historical trend	Most recent data
Number of Students who received an SAEP Award.	Quantity	SAEP applications awarded	<u>2019</u> : 568 students <u>2020</u> : 133 students <u>2021</u> : 266 students <u>2022</u> : 586 students	<u>2023</u> : 935 students
Number of students receiving Get Ready services	Quantity	Apricot (Get Ready's data base management System)	<u>2020-21</u> : 4,791 <u>2021-22</u> : 6,347* <u>2022-23</u> : 4,758* * The decrease in the number of students who received Get Ready services from 2021-2022 to 2022-2023 was due to program services ending at one high school	<u>2023-24</u> : 2,969 (number declined due to first cohort of students graduating high school)

The following links identify state statutes that provide the Office of Higher Education the legal authority to administer these programs:

M.S. 136A.091 (<https://www.revisor.mn.gov/statutes/cite/136A.091>) provides the legal authority for the Summer Academic Enrichment Program.

M.S. 136A.01 (<https://www.revisor.mn.gov/statutes/cite/136A.01>) provides the legal authority for the Get Ready Federal Grant program.

M.S. 136A.84 (<https://www.revisor.mn.gov/statutes/2023/cite/136A.84>) provides the legal authority for the Direct Admissions Program.

M.S. 136.01 (<https://www.revisor.mn.gov/statutes/cite/136A.01>) provides the legal authority for the Student and Parent Information initiatives.

M.S. 135A.15 (<https://www.revisor.mn.gov/statutes/cite/135A.15>) provides the legal authority for the Sexual Harassment and Violence Policy initiative.

M.S. 136A.032 (<https://www.revisor.mn.gov/statutes/cite/136A.032>) provides the legal authority for the consultation with the Tribal Nations.

Postsecondary Access and Outreach

Program Expenditure Overview

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base	
					FY26	FY27
<u>Expenditures by Fund</u>						
1000 - General	261	1,765	1,195	1,785	1,495	1,495
2000 - Restrict Misc Special Revenue				43		
3000 - Federal	7,523	3,943	5,282	7,471	4,450	4,450
3015 - ARP-State Fiscal Recovery	1,120	412				
Total	8,904	6,120	6,477	9,299	5,945	5,945
Biennial Change				752		(3,886)
Biennial % Change				5		(25)

Expenditures by Activity

Access Programs	8,744	5,797	6,220	8,693	5,530	5,530
Outreach Programs	160	228	220	543	365	365
Training		95	37	63	50	50
Total	8,904	6,120	6,477	9,299	5,945	5,945

Expenditures by Category

Compensation	2,234	2,053	2,435	2,837	2,848	2,853
Operating Expenses	2,262	2,998	3,115	5,469	2,716	2,711
Grants, Aids and Subsidies	4,408	1,069	244	243	243	243
Other Financial Transaction			683	750	138	138
Total	8,904	6,120	6,477	9,299	5,945	5,945

Total Agency Expenditures	8,904	6,120	6,477	9,299	5,945	5,945
Internal Billing Expenditures	296	220	280	201	201	201
Expenditures Less Internal Billing	8,607	5,900	6,197	9,098	5,744	5,744

Full-Time Equivalent

	22.57	21.46	23.08	23.05	23.05	23.05
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Postsecondary Access and Outreach

Program Financing by Fund

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base	
					FY26	FY27
1000 - General						
Balance Forward In		1,406		290		
Direct Appropriation	1,627	777	1,486	1,495	1,495	1,495
Transfers In		250				
Transfers Out		3				
Cancellations		664				
Balance Forward Out	1,366		291			
Expenditures	261	1,765	1,195	1,785	1,495	1,495
Biennial Change in Expenditures				953		10
Biennial % Change in Expenditures				47		0
Full-Time Equivalents	1.99	2.13	2.01	1.98	1.98	1.98

2000 - Restrict Misc Special Revenue

Balance Forward In	43	43	43	43		
Balance Forward Out	43	43	43			
Expenditures				43		
Biennial Change in Expenditures				43		(43)
Biennial % Change in Expenditures						

3000 - Federal

Balance Forward In	2	13	1			
Receipts	7,521	3,930	5,282	7,471	4,450	4,450
Expenditures	7,523	3,943	5,282	7,471	4,450	4,450
Biennial Change in Expenditures				1,287		(3,853)
Biennial % Change in Expenditures				11		(30)
Full-Time Equivalents	20.58	19.33	21.07	21.07	21.07	21.07

3015 - ARP-State Fiscal Recovery

Balance Forward In	1,125	417				
Cancellations		5				
Balance Forward Out	5					
Expenditures	1,120	412				
Biennial Change in Expenditures				(1,531)		0
Biennial % Change in Expenditures				(100)		

Program: Grants and Loan Repayment Programs

<https://www.ohe.state.mn.us/>

AT A GLANCE

- Annually operates 12 competitive grants, 13 legislatively-named and formula-funded grants, and 5 student loan repayment programs.
- Administers the innovative Dual Training Grant, a funding source that generates collaborative and strategic educational solutions between employers and related instruction training providers across Minnesota in collaboration with the Department of Labor and Industry Pipeline Program.
- Supports cutting-edge research through the Spinal Cord & Traumatic Brain Injury (SCI/TBI) grant and David J. Tomassoni ALS Research Grant programs.
- Works, in partnership with the Inclusive Higher Education Technical Assistance Center, to administer Inclusive Higher Education Grants to provide grants to enhance existing or develop new inclusive higher education pathways for students with intellectual and developmental disabilities (IDD).
- Supports statewide information and resource sharing programs and services through Minitex and MNLink.

The programs and services within the Office of Higher Education's Grants and Workforce Initiatives Division support the agency's mission by:

- Providing grants to postsecondary institutions and other organizations that support outreach, information sharing, and other support services thus enabling students to access and choose among postsecondary education options
- Providing financial assistance to enable trainees, participants, graduates, and student loan borrowers to serve in particular occupations necessary to maintain the state's economic vitality; and
- Providing financial assistance to postsecondary institutions and other organizations to provide direct support to students to achieve student financial access to postsecondary education.

SERVICES PROVIDED

Addiction Medicine Graduate Medical Education Fellowship provides funds to Hennepin Healthcare for up to six physicians enrolled in an addiction medicine fellowship program.

Agricultural Educator Loan Repayment Program provides student loan repayment assistance to teachers providing agricultural education who agree to serve full-time for 5 years at a Minnesota school.

Aviation Degree Loan Repayment Program provides student loan repayment assistance to eligible pilots and aircraft technicians residing in Minnesota who agree to serve full-time for five years in Minnesota.

College Possible provides funds to support college access and success programming for low-income students who are residents of Minnesota attending high schools and postsecondary institutions within Minnesota.

Concurrent Enrollment Program provides grants to postsecondary institutions for the development of new Career and Technical Education concurrent enrollment courses and the expansion of existing concurrent enrollment programs.

David J. Tomassoni ALS Research Grant provides grants to support clinical and translational research related to Amyotrophic Lateral Sclerosis (ALS).

Dual Training Grant provides grants to employers to train employees through dual training programs in identified occupations in the advanced manufacturing, agriculture, childcare, health care services, information technology, legal cannabis, and transportation industries.

Emergency Assistance for Postsecondary Students (EAPS) for Minnesota State and the University of Minnesota provides funds to provide emergency grants to Minnesota State and University of Minnesota students to meet immediate student needs that could result in students not completing the term or their program including, but not limited to, emergency housing, food, and transportation.

Emergency Assistance for Postsecondary Students (EAPS) Grants for Private, Non-profit Postsecondary Institutions and Tribal Colleges provides grants to private, non-profit postsecondary institutions and tribal colleges to provide emergency grants to students to meet immediate student needs that could result in students not completing the term or their program including, but not limited to, emergency housing, food, and transportation.

Foster Care Grant provides funds to Foster Advocates to provide education support and wraparound services for individuals who are transitioning from foster care to adulthood.

Hennepin Healthcare Family Residency provides funds for resident physicians in graduate family medical education programs in order to address the shortage of Family Medicine physicians in underserved rural and urban areas of the state.

Hunger Free Campus Grants and Distinctions provides funds to postsecondary institutions to achieve and/or sustain the Hunger Free Campus Distinction.

Inclusive Higher Education Grants provides grants to postsecondary institutions to enhance existing or develop new inclusive higher education pathways established to enable students with intellectual and developmental disabilities (IDD) to have all the rights, responsibilities, privileges, benefits, and outcomes that result from higher education, including academic growth, career advancement, and improved self-determined living.

Inclusive Higher Education Technical Assistance Center provides funds to the U of M Institute on Community Integration to support a center to increase access to self-sustaining postsecondary education options across Minnesota for students with an intellectual disability to earn meaningful credentials through degree, certificate, and nondegree initiatives.

Intervention for College Attendance Program (ICAP) provides grants to postsecondary institutions, middle and high schools, school districts, and other organizations to provide direct services to students from underserved communities in 6th-12th grade and their first year of college to foster postsecondary attendance and retention.

Intervention for College Attendance Program (ICAP) Formerly Incarcerated Students Pilot provides grants to postsecondary institutions, non-profit organizations, and local government organizations to provide direct services to students who have formerly been incarcerated so they have the available resources, skills, and guidance to enter and succeed in postsecondary education.

Federal John R Justice Student Loan Repayment Program provides student loan repayment assistance to public defenders and prosecutors serving in Minnesota who agree to a service obligation of one to three years. This program is funded through a federal grant from the Department of Justice Bureau of Justice Programs.

Loan Repayment Assistance Program provides funds to the Loan Repayment Assistance Program of Minnesota to provide education debt relief to attorneys with full-time employment providing legal advice or representation to low-income clients or support services for this work.

MNLINK and Minitex provides funds to support library resource sharing and interlibrary loan, support for digital library collections, cooperative library services, and other services.

Minnesota Education Equity Partnership (MNEEP) provides funds for outreach services to historically underserved groups of Minnesota elementary and secondary students through research, planning, and implementation of initiatives to increase the access of Minnesota students of color to Minnesota colleges and universities.

MN Independence College and Community (MICC) provides funds for need-based scholarships and tuition reduction at MN Independence College and Community for Minnesota residents participating in vocational and life skills training programs for young adults with learning differences and autism spectrum disorders.

Rural Veterinarian Loan Repayment Program (Large Animal Veterinarian Loan Repayment Program) provides student loan repayment assistance to eligible large animal veterinarians who agree to serve full time in rural areas of the state for five years.

Spinal Cord Injury and Traumatic Brain Injury Program provides grants for research into new and innovative treatments and rehabilitative efforts for the functional improvement of people with spinal cord and traumatic brain injuries. The Office coordinates the administration of this competitive grant program with the Spinal Cord Injury and Traumatic Brain Injury Program Advisory Council.

Student Loan Debt Counseling Grant Program provides grants to support individual student loan repayment counseling to borrowers who are Minnesota residents.

Student Parent Support Initiatives provides grants to Minnesota postsecondary institutions, Tribal Nations, and other organizations to address the needs and support the educational goals of pregnant and parenting college students across Minnesota. In addition, the Office, in partnership with the Minnesota Department of Health, provides health-related supports for community health care providers and other organizations serving pregnant and parenting students as well as technical assistance for postsecondary institutions.

Teacher Shortage Loan Repayment Program provides student loan repayment assistance to eligible 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.

Tribal College Supplemental Grant Assistance provides funds to tribally controlled colleges that are not part of Minnesota State, to support the education of students enrolled at the colleges who are Minnesota resident students but not enrolled members of a federally recognized Indian tribe.

Tribal College Supplemental Grant Assistance Operations and Maintenance provides grants to three Minnesota tribal colleges to be used for general operations and maintenance expenses.

United Family Practice provides funds for resident physicians in graduate family medical education programs in order to address the shortage of Family Medicine physicians in underserved rural and urban areas of the state.

RESULTS PERFORMANCE DATA

Measure name	Measure type	Measure data source	Historical trend	Most recent data
Number of organizations funded through ICAP Grants	Quantity	Applications awarded by OHE	Increasing (20 grantees in FY2022)	26 grantees in FY 2024
Number of SCI-TBI Grantees	Quantity	Applications awarded by OHE	Increasing (16 awardees in FY24)	16 grantees in FY 2023
Number of Dual Training Grant Grantees and Trainees	Quantity	Applications awarded by OHE	Increasing (59 grantees to train 664 employees in FY2023)	84 grantees expected to train 958 employees in FY 2024

The following links are to statutes or laws providing legal authority to the Office of Higher Education to administer the programs:

M.S. 136A.1794 (<https://www.revisor.mn.gov/statutes/cite/136A.1794>) provides OHE’s legal authority to administer the Agricultural Educator Loan Repayment Program.

M.S. 136A.1789 (<https://www.revisor.mn.gov/statutes/cite/136A.1789>) provides OHE’s legal authority to administer the Aviation Loan Repayment Program.

M.S. 136A.91 (<https://www.revisor.mn.gov/statutes/cite/136A.91>) provides OHE’s legal authority to administer the Concurrent Enrollment Program.

M.S. 124 (<https://www.revisor.mn.gov/laws/2024/0/Session+Law/Chapter/124/>) provides OHE’s legal authority to administer the David J. Tomassoni ALS Research Grant.

M.S. 136A.246 (<https://www.revisor.mn.gov/statutes/cite/136A.246>) provides OHE’s legal authority to administer the Dual Training Grant.

M.S. 63 (<https://www.revisor.mn.gov/laws/2023/0/Session+Law/Chapter/63/>) and M.S. 136A.246 (<https://www.revisor.mn.gov/statutes/cite/136A.246>) provide OHE’s legal authority to administer the Dual Training Grant - Legal Cannabis Industry.

M.S. 135A.137 (<https://www.revisor.mn.gov/statutes/cite/135A.137>) provides OHE’s legal authority to administer the Hunger Free Campus Grants and Distinctions.

M.S. 135A.162 (<https://www.revisor.mn.gov/statutes/cite/135A.162>) provides OHE’s legal authority to administer the Inclusive Higher Education Grants.

M.S. 41 (<https://www.revisor.mn.gov/laws/2023/0/Session+Law/Chapter/41/>) and M.S. 135A.161 (<https://www.revisor.mn.gov/statutes/cite/135A.161>) provide OHE’s legal authority to administer the Inclusive Higher Education Grants and Inclusive Higher Education Technical Assistance Center.

M.S. 136A.861 (<https://www.revisor.mn.gov/statutes/cite/136A.861>) provides OHE’s legal authority to administer the Intervention for College Attendance Program (ICAP).

M.S. 136A.1795 (<https://www.revisor.mn.gov/statutes/cite/136A.1795>) provides OHE’s legal authority to administer the Rural Veterinarian Loan Repayment Program.

M.S. 136A.901 (<https://www.revisor.mn.gov/statutes/cite/136A.901>) provides OHE’s legal authority to administer the Spinal Cord Injury and Traumatic Brain Injury Program.

M.S. 136A.1788 (<https://www.revisor.mn.gov/statutes/cite/136A.1788>) provides OHE’s legal authority to administer the Student Loan Debt Counseling Grant Program.

M.S. 136A.1251 (<https://www.revisor.mn.gov/statutes/cite/136A.1251>) provides OHE's legal authority to administer the Student Parent Support Initiatives.

M.S. 136A.1791 (<https://www.revisor.mn.gov/statutes/cite/136A.1791>) provides OHE's legal authority to administer the Teacher Shortage Loan Repayment Program.

M.S. 136A.1796 (<https://www.revisor.mn.gov/statutes/cite/136A.1796>) provides OHE's legal authority to administer the Tribal College Supplemental Grant Assistance (TCSGA).

2023 Minn. Session Law Serv. Ch. 41 (<https://www.revisor.mn.gov/laws/2023/0/Session+Law/Chapter/41/>) provides OHE's legal authority to administer the TCSGA for Operations and Maintenance.

2023 Minn. Session Law Serv. Ch. 41 (<https://www.revisor.mn.gov/laws/2023/0/Session+Law/Chapter/41/>) provides OHE's legal authority to administer the United Family Practice program.

2023 Minn. Session Law Serv. Ch. 41 (<https://www.revisor.mn.gov/laws/2023/0/Session+Law/Chapter/41/>) provides OHE's legal authority to administer the College Possible program.

2023 Minn. Session Law Serv. Ch. 41 (<https://www.revisor.mn.gov/laws/2023/0/Session+Law/Chapter/41/>) provides OHE's legal authority to administer the ICAP for Formerly Incarcerated Students Pilot program.

2023 Minn. Session Law Serv. Ch. 41 (<https://www.revisor.mn.gov/laws/2023/0/Session+Law/Chapter/41/>) provides OHE's legal authority to administer the Loan Repayment Assistance Program.

2023 Minn. Session Law Serv. Ch. 41 (<https://www.revisor.mn.gov/laws/2023/0/Session+Law/Chapter/41/>) provides OHE's legal authority to administer the MNLINK and Minitex programs.

2023 Minn. Session Law Serv. Ch. 41 (<https://www.revisor.mn.gov/laws/2023/0/Session+Law/Chapter/41/>) provides OHE's legal authority to administer the Minnesota Education Equity Partnership (MNEEP) program.

2023 Minn. Session Law Serv. Ch. 41 (<https://www.revisor.mn.gov/laws/2023/0/Session+Law/Chapter/41/>) provides OHE's legal authority to administer the MN Independence College and Community (MICC) program.

2023 Minn. Session Law Serv. Ch. 41 (<https://www.revisor.mn.gov/laws/2023/0/Session+Law/Chapter/41/>) provides OHE's legal authority to administer the Foster Care Grant program.

2023 Minn. Session Law Serv. Ch. 41 (<https://www.revisor.mn.gov/laws/2023/0/Session+Law/Chapter/41/>) OHE's legal authority to administer the Hennepin Healthcare Family Residency program.

2023 Minn. Session Law Serv. Ch. 41 (<https://www.revisor.mn.gov/laws/2023/0/Session+Law/Chapter/41/>) provides OHE's legal authority to administer the EAPS for Minnesota State and the University of MN program.

2023 Minn. Session Law Serv. Ch. 41 (<https://www.revisor.mn.gov/laws/2023/0/Session+Law/Chapter/41/>) provides OHE's legal authority to administer the EAPS Grants for Private, Non-profit Postsecondary Institutions and Tribal Colleges program.

2023 Minn. Session Law Serv. Ch. 41 (<https://www.revisor.mn.gov/laws/2023/0/Session+Law/Chapter/41/>) provides OHE's legal authority to administer the Addiction Medicine Graduate Medical Education Fellowship program.

Grants & Loan Repayment Programs

Program Expenditure Overview

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base	
					FY26	FY27
<u>Expenditures by Fund</u>						
1000 - General	12,102	12,600	21,974	49,146	22,115	22,168
2000 - Restrict Misc Special Revenue	115			12		
2001 - Other Misc Special Revenue	7,885	9,040	11,768	25,867	8,483	8,457
2403 - Gift				3		
3000 - Federal		4		5	5	5
3015 - ARP-State Fiscal Recovery	7,559	29,782				
Total	27,661	51,426	33,742	75,033	30,603	30,630
Biennial Change				29,688		(47,542)
Biennial % Change				38		(44)
<u>Expenditures by Activity</u>						
Grants	26,340	50,890	32,844	71,866	29,918	29,975
Loan Repayment Programs	1,321	536	898	3,167	685	655
Total	27,661	51,426	33,742	75,033	30,603	30,630
<u>Expenditures by Category</u>						
Compensation	225	292	377	594	481	461
Operating Expenses	334	253	3,967	1,017	429	423
Grants, Aids and Subsidies	27,102	50,877	29,397	73,417	29,688	29,741
Other Financial Transaction		4		5	5	5
Total	27,661	51,426	33,742	75,033	30,603	30,630
<u>Full-Time Equivalent</u>	1.97	2.84	2.56	4.49	4.49	3.99

Grants & Loan Repayment Programs

Program Financing by Fund

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base	
					FY26	FY27
1000 - General						
Balance Forward In		1,415	37	24,031		
Direct Appropriation	16,878	36,774	58,064	33,822	29,522	29,575
Transfers In	1,375	625	1,125	1,125	1,125	1,125
Transfers Out	5,650	5,950	13,220	9,832	8,532	8,532
Cancellations		660				
Balance Forward Out	501	19,604	24,032			
Expenditures	12,102	12,600	21,974	49,146	22,115	22,168
Biennial Change in Expenditures				46,418		(26,837)
Biennial % Change in Expenditures				188		(38)
Full-Time Equivalents	0.24	0.42	0.78	1.85	1.85	1.85

2000 - Restrict Misc Special Revenue

Balance Forward In	115	12	12	12		
Balance Forward Out	0	12	12			
Expenditures	115			12		
Biennial Change in Expenditures				(103)		(12)
Biennial % Change in Expenditures						

2001 - Other Misc Special Revenue

Balance Forward In	10,060	11,888	13,095	15,416	249	166
Transfers In	5,846	5,846	14,640	10,700	8,400	8,400
Transfers Out	196	196	552			
Balance Forward Out	7,824	8,498	15,415	249	166	109
Expenditures	7,885	9,040	11,768	25,867	8,483	8,457
Biennial Change in Expenditures				20,709		(20,695)
Biennial % Change in Expenditures				122		(55)
Full-Time Equivalents	1.27	1.38	1.75	2.64	2.64	2.14

2403 - Gift

Balance Forward In	3	3	3	3		
Balance Forward Out	3	3	3			
Expenditures				3		
Biennial Change in Expenditures				3		(3)

Grants & Loan Repayment Programs

Program Financing by Fund

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26 FY27	
Biennial % Change in Expenditures						

3000 - Federal

Balance Forward In	1	4				
Receipts	3	0		5	5	5
Balance Forward Out	4					
Expenditures		4		5	5	5
Biennial Change in Expenditures				1		5
Biennial % Change in Expenditures						

3015 - ARP-State Fiscal Recovery

Balance Forward In		30,728				
Direct Appropriation	39,775					
Cancellations	1,500	946				
Balance Forward Out	30,716					
Expenditures	7,559	29,782				
Biennial Change in Expenditures				(37,341)		0
Biennial % Change in Expenditures				(100)		
Full-Time Equivalents	0.46	1.04	0.03			

Program: Licensing and Registration<https://www.ohe.state.mn.us/mPg.cfm?pageID=197>**AT A GLANCE**

- Register or exempt from registration 145 postsecondary providers to operate in Minnesota – providing consumer protections for students and their families.
- License or exempt from licensure 243 postsecondary providers to operate in Minnesota – providing consumer protections for students and their families.
- Administer state authorization reciprocity for 62 Minnesota postsecondary institutions to offer distance education in other states- increasing student choice and access without minimal reductions of consumer protections for students and families and reduces enrollment costs for out-of-state students.

PURPOSE AND CONTEXT

OHE's Licensing & Registration division protects consumers (students) by licensing and registering private degree and non-degree institutions. These services contribute to OHE's mission to support Minnesotans pursue and complete higher education by protecting and informing educational consumers and increasing access to quality credentials that will improve individual quality of life.

Consumer protections include minimum standards, monitoring for abrupt closures, ensuring the maintenance of student transcripts of closed schools, and requiring remediation of inaccurate advertising and marketing material. The division is also responsible for administering Minnesota's participation in a national State Authorization Reciprocity Agreement (SARA). The reciprocity agreement allows Minnesota-based participating institutions to enroll students in 49 states and several territories without licensing or registration requirements and increases student choice to an additional 2,600 colleges and universities that offer distance education programs.

In addition, the division is responsible for responding to transcript requests from former students of closed schools. Transcripts are important to the economic mobility of students as prior credits can be transferred to new programs, employers can require transcripts for employment verification, prior credit information is required for some Minnesota financial aid programs under Chapter 136A, and transcripts are necessary to apply for a ladder credential, graduate school, or a professional license or certification. OHE fulfills approximately 2,500 transcript requests from students of closed schools in Minnesota.

SERVICES PROVIDED

Regulatory Services protects consumers by licensing and registering private degree and non-degree institutions by:

- Ensuring that schools operating in Minnesota, or providing education to Minnesotans, meet quality standards
- Monitoring school compliance to Minnesota statutes and degree standards
- Monitoring school compliance with the requirements of the national state authorization reciprocity agreement
- Providing information and assist students to resolve disputes with schools
- Consumer complaints are accepted, reviewed, and investigated by division staff
- When necessary, OHE assists schools with revision of programs, revisions to, or the closing of, an entire school

By carrying out the statutory requirements of state authorization, the division is able to track institutions that are at risk of closure and mitigate potential harms to a student that is attending a school at risk of closure, reduce the economic costs and negative outcomes for students when marketing materials include inaccurate or misleading information, and requiring remediation of a school’s policy and procedures to correct for actions that were causing harm to students.

RESULTS

Measure name	Measure type	Measure data source	Historical trend	Most recent data
Number of postsecondary institutions registered annually	Quantity	Applications approved by OHE	The number of registered institutions fluctuates based on membership to the national reciprocity agreement. If institutions lose their reciprocity status, they must individually apply for state authorization. Some institutions become authorized under SARA and drop their state authorization status.	<u>Registered Institutions</u> - 121 <u>Registered Exempt Institutions</u> – 24 <u>SARA Institutions</u> - 62
Number of postsecondary institutions licensed annually	Quantity	Applications approved by OHE	The number of licensed institutions fluctuates based pipeline gaps for technical and trade programs. OHE also sees small-licensed schools opening and closing depending on economic conditions of the state and workforce shortages.	<u>Licensed Institutions</u> - 139 <u>Licensed Exempt Institutions</u> - 104
Number of transcript requests for closed schools	Quantity	Transcript requests submitted to OHE	OHE continues to see an increased number of transcript requests from students. School closures result in increased transcript requests.	2,500

M.S.136A.01 (<https://www.revisor.mn.gov/statutes/cite/136A.01>) provides OHE’s legal authority to license and register private collegiate and career schools.

M.S. 136A.61 to 136A.71 (<https://www.revisor.mn.gov/statutes/cite/136A>) – Minnesota Private and Out-of-State Public Postsecondary Education Act provides the legal authority for the registration of private degree granting institutions in Minnesota, out-of-state private institutions and out-of-state public institutions that provide classes, programs or degrees to Minnesota residents. This includes programs offered by distance education/online institutions.

M.S. 136A.82 to 136A.834 (<https://www.revisor.mn.gov/statutes/cite/136A>) – Minnesota Private Career School Act provides the legal authority for the Licensure of non-degree- granting private career schools in Minnesota.

Licensing & Registration

Program Expenditure Overview

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base	
					FY26	FY27

Expenditures by Fund

2000 - Restrict Misc Special Revenue	662	597	753	729	628	655
Total	662	597	753	729	628	655
Biennial Change				223		(199)
Biennial % Change				18		(13)

Expenditures by Activity

PIR/PCS Licensure	662	597	753	729	628	655
Total	662	597	753	729	628	655

Expenditures by Category

Compensation	405	431	448	492	492	492
Operating Expenses	258	166	305	237	136	163
Other Financial Transaction		0				
Total	662	597	753	729	628	655

Total Agency Expenditures	662	597	753	729	628	655
Internal Billing Expenditures	40	38	44			
Expenditures Less Internal Billing	622	559	709	729	628	655

Full-Time Equivalent

	3.54	3.74	3.60	3.60	3.60	3.60
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Licensing & Registration

Program Financing by Fund

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26 FY27	
2000 - Restrict Misc Special Revenue						
Balance Forward In	1,068	674	685	446	123	
Receipts	266	510	514	406	505	655
Balance Forward Out	672	587	446	123		
Expenditures	662	597	753	729	628	655
Biennial Change in Expenditures				223		(199)
Biennial % Change in Expenditures				18		(13)
Full-Time Equivalents	3.54	3.74	3.60	3.60	3.60	3.60

Program: OHE Administration

Financial Reports: <http://www.ohe.state.mn.us/investors/financialStatements.cfm>

Audit Reports: Campus Financial Aid Administrator Resources

(<https://www.ohe.state.mn.us/mPg.cfm?pageID=891>)

AT A GLANCE

- Provide strategic fiscal leadership, oversight, and support for agency leadership and programs, while managing processes and transactions related to OHE's \$392 million annual budget.
- Manage all litigation for the agency, strategize legal services for each agency unit, train program managers and staff on the code of conduct and data practices policies, and provide direction to program units to ensure the agency is meeting all statutory and regulatory obligations in implementation of its work.
- Support an equitable workforce and inclusive culture for the agency's 84 full time staff through reviewing and updating policies and procedures, promoting training and professional development opportunities, and internal communication and events.
- Audit postsecondary schools that participate in OHE-administered financial aid programs with the goal of ensuring students receive the correct amount of eligible aid.

PURPOSE AND CONTEXT

Agency Administration encompasses several internal operations/divisions of OHE, including Financial Services, Human Resources, General Counsel, and Audit. Financial Services empowers leadership and program staff to achieve agency goals by promoting sound fiscal policy in decision-making while maintaining compliance with state, federal, and grant policies and procedures. Human Resources seeks to recruit and retain an equitable workforce to more effectively serve OHE's customers, employees, and the communities that we serve. General Counsel provides guidance to agency leadership and programming staff regarding legal and compliance issues. The Audit division helps to ensure the appropriate use of state resources by providing training and conducting audits for program recipients.

SERVICES PROVIDED

- Oversee and support the agency's financial operations (accounting, budgeting, and purchasing services) to efficiently and effectively utilize public funds while maintaining compliance with policies and procedures.
- Responsible for debt management and compliance for the SELF and SELF REFI student loan programs. Specifically, Financial Services works with financial advisors, legal counsel, rating agencies, underwriters and investors to bring student loan revenue bonds to market and obtain the most favorable interest rates for the programs in order to offer low-cost student loans to Minnesota students and residents.
- Support and manage OHE's employees by promoting an equitable and inclusive workplace and enforcing statewide and departmental human resources, policies, and procedures.
- Support and represent the agency in legal and compliance matters including direct litigation and acting as the agency's key point of contact with the Minnesota Attorney Generals Office.
- Ensure the appropriate use of state resources by providing training and audits for program recipients and reviewing internal controls and perform/assist in risk assessments, both formal and informal.

RESULTS

Measure name	Measure type	Measure data source	Historical trend	Most recent data
Material findings in Certified Audited Financial Statements.	Result	Annual Certified Audited Financial Statements for 2017-2023, prepared in accordance with Generally Accepted Auditing Standards (GAAS) and Government Auditing Standards (GAS).	OHE continues to have strong internal controls in place to address accounting standards per the Governmental Accounting Standards Board (GASB). This has resulted in consistent audits with no material findings.	2017 – No findings 2018 – No findings 2019 – No findings 2020 – No findings 2021 – No findings 2022 – No findings 2023 – No findings
Number of student files audited from postsecondary institutions participating in state aid.	Quantity	OHE Audit records	OHE has seen significant increases in the number of audits performed going from 1,087 in FY22 to 1,645 in FY23	1,645
SELF Program bond ratings. 2018 Issuance (2018 Senior Series) 2020 Issuance (2020 Senior Series) 2023 Issuance (2023 Senior Series)	Quality	S&P Global Ratings	OHE’s bond ratings have remained stable over time.	AA (sf) AA (sf) AA (sf)
Completion Rate of employee Individual Development Plans	Result	OHE HR records	N/A	95%

M.S 136A.01 (<https://www.revisor.mn.gov/statutes/?id=136A.01>) provides the legal authority for OHE’s Administration Services

M.S. 136A.171 to 136A.187 (<https://www.revisor.mn.gov/statutes/cite/136A>) provide the legal authority for the issuance of student loan revenue bonds.

M.S. 136A.01, Subd. 2. (a)(1) and 136A.1313 (<https://www.revisor.mn.gov/statutes/cite/136A>) provide the legal authority for OHE’s audit functions.

OHE Administration

Program Expenditure Overview

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base	
					FY26	FY27

Expenditures by Fund

1000 - General	3,680	4,496	5,309	7,648	6,017	6,017
2000 - Restrict Misc Special Revenue	254	300	527	719	693	561
Total	3,934	4,796	5,836	8,367	6,710	6,578
Biennial Change				5,473		(915)
Biennial % Change				63		(6)

Expenditures by Activity

OHE Administration Activities	3,934	4,796	5,836	8,367	6,710	6,578
Total	3,934	4,796	5,836	8,367	6,710	6,578

Expenditures by Category

Compensation	2,566	3,031	3,706	4,649	4,571	4,576
Operating Expenses	1,342	1,688	2,100	3,718	2,139	2,002
Grants, Aids and Subsidies	26	77	30			
Total	3,934	4,796	5,836	8,367	6,710	6,578

Full-Time Equivalents

	21.71	27.35	31.36	32.59	32.59	32.59
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OHE Administration

Program Financing by Fund

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base	
					FY26	FY27
1000 - General						
Balance Forward In		1,175		1,012		
Direct Appropriation	4,504	4,504	6,336	6,651	6,032	6,032
Transfers Out	57	1,132	15	15	15	15
Cancellations		50				
Balance Forward Out	766		1,012			
Expenditures	3,680	4,496	5,309	7,648	6,017	6,017
Biennial Change in Expenditures				4,781		(923)
Biennial % Change in Expenditures				58		(7)
Full-Time Equivalents	20.24	25.68	28.83	30.06	30.06	30.06

2000 - Restrict Misc Special Revenue

Balance Forward In	953	1,055	1,016	818	484	176
Receipts	353	265	329	385	385	385
Internal Billing Receipts	346	264	329	350	350	350
Transfers Out	11	13				
Balance Forward Out	1,041	1,008	818	484	176	
Expenditures	254	300	527	719	693	561
Biennial Change in Expenditures				692		8
Biennial % Change in Expenditures				125		1
Full-Time Equivalents	1.47	1.67	2.53	2.53	2.53	2.53