



## Agency Implementation Updates

Dennis W. Olson, Commissioner  
&  
OHE Staff

February 15, 2024 | House Higher Education Policy & Finance Committee

# Minnesota's Educational Attainment Goal

Minnesota Laws 2015 Chapter 69, Article 3, Section 25

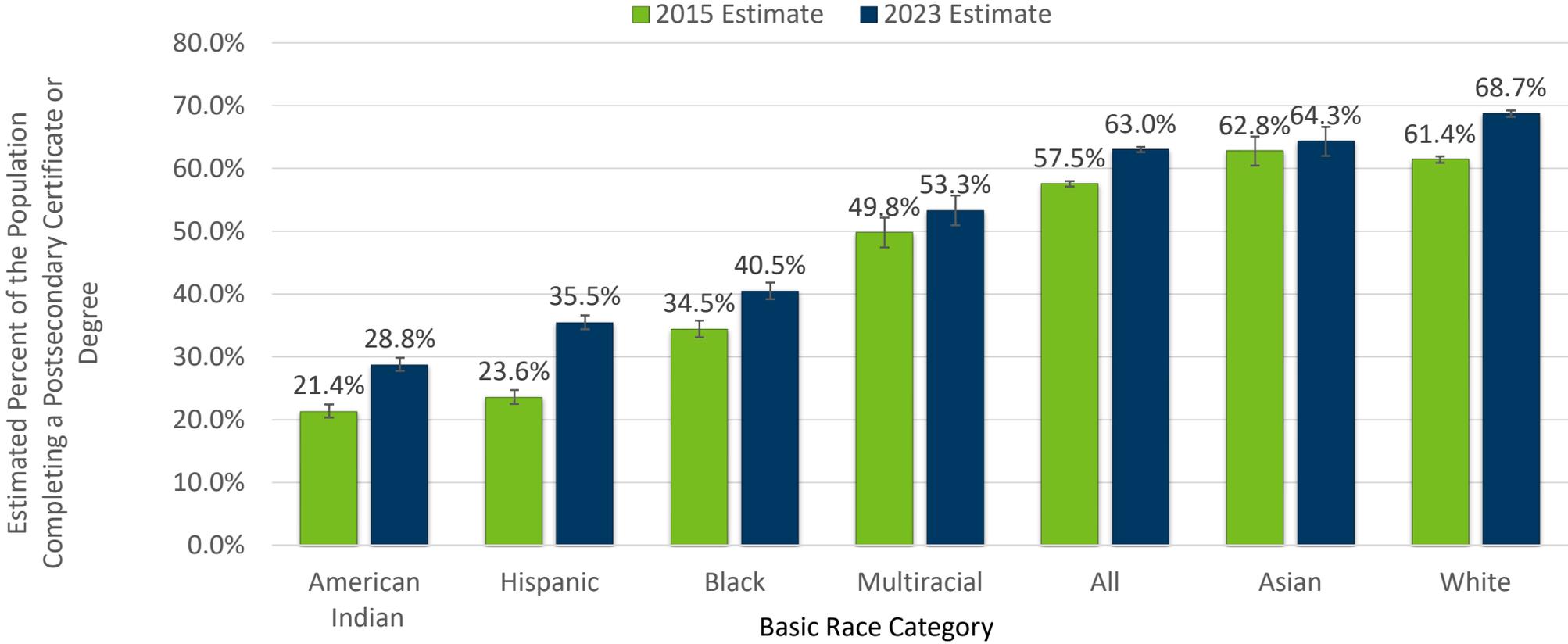
- By 2025 – 70% attainment rates for ages 25-44
  - Included certificate, associate, bachelor degrees
  - 70% attainment rate for each race/ethnic group
  - Interim benchmarks of 30% and 50% by race/ethnic group
- Minnesota estimated to be at 63.0% now (2023)
  - Associate degree or higher – 56.5%
  - Certificate only – 6.7%

## Industry Recognized Credentials added to Ed Att Goal

- Minnesota's attainment goal now includes industry-recognized credentials (also known as workforce credentials).
- Certificates, licenses, and certifications are now included in the attainment goal.
- Minnesota Office of Higher Education has identified a list of industry-recognized credentials that meet the intent of the goal, but data is not yet available.

# All groups saw an increase in attainment, but gaps have not closed

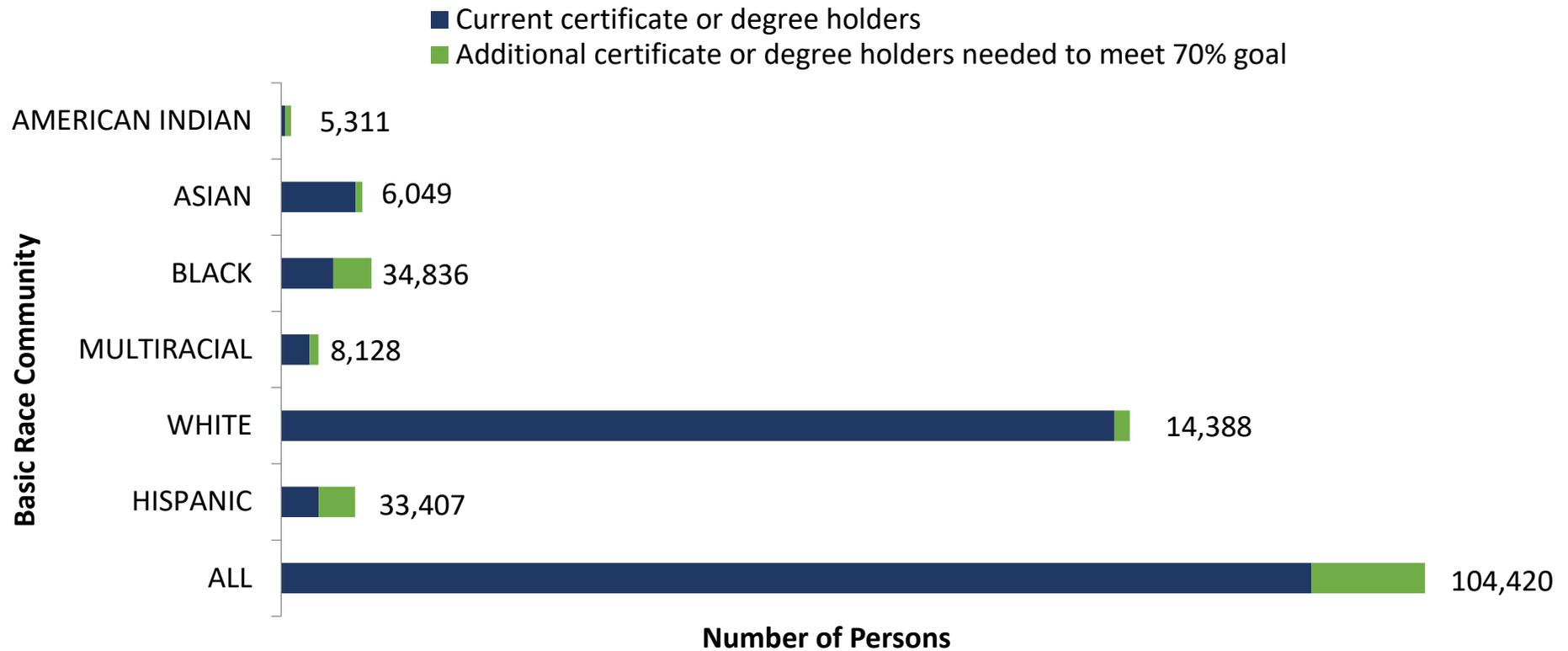
### Percentage of the Population Age 25-44 with a Certificate or Higher Credential, Minnesota, 2015 and 2023 Estimates by Basic Race Groups



Source: IPUMS microdata version of U.S. Census Bureau 2015-2020 American Community Survey, with tabulations and additional analysis by the Minnesota Demographic Center

# To reach the 2025 Goal, 104,420 additional credentials needed with 84% earned by Black, Indigenous, and Persons of Color

Persons with a Certificate or Higher Credential and Number Needed to Reach 70% Goal, Minnesota, Ages 25-44, Basic Race Groups, 2022 Estimates



Source: IPUMS microdata version of U.S. Census Bureau 2015-2020 American Community Survey, with tabulations and additional analysis by the Minnesota Demographic Center

# Fall 2023 Enrollment Landscape

- Fall 2023 Enrollment Estimates:
  - Nationally , overall enrollment increased 1.1 percent in fall 2023
    - Undergraduate enrollment increased 1.2 percent
    - Graduate enrollment increased 0.6 percent
    - Growth was highest at community colleges, which gained 118,000 students (+2.6%)
  - Minnesota estimates from the National Student Clearinghouse show
    - Undergraduate enrollment increased 2.0 percent, Minnesota is also seeing strong increases in enrollment in the 2-year sector
    - Graduate enrollment decreased 0.4 percent

If these early estimated hold, Fall 2023 marks the end to a 14-year decline in enrollment in Minnesota

## Direct Admissions: Program design recap

- The program starts with the belief that all students are “college material.” One primary goal is to reduce the anxiety around the “will I get in?” question by leading with the validation of “YES!”.
- In the fall semester of a student's senior year, students at participating high schools get a personalized list of colleges and universities that are committed to admitting them based on their academic performance through the end of their junior year
- Current year (2023-2024)
  - 117 high schools were set to participate by outset of year; 106 are likely to fulfill program outcomes (96 have sent out letters to date, 10 still in progress)

## Direct Admissions: What's next

- Double the number of participating high schools to around 200 in 2024-2025, and explore incorporating private/parochial high schools;
- Continue to standardize student communications and communication timelines with regards to initial prompts for follow-up at specified times from high school staff; initial contact from colleges; and integrated follow-up messaging with FAFSA, Pell Grant, State Grant information;
- Expand upon and create new marketing content;
- Create communities of practice for secondary partners that support the work and allow for organic best practices' sharing. These communities can also serve as a “mentor program” for newly joining high schools to connect with veteran high school participants;
- Establish an outreach plan to increase OHE Direct Admissions' presence and brand-awareness.
- Collaborate with the Minnesota Department of Education in College Knowledge Month/Minnesota Goes to College Efforts throughout October.

# Direct Admissions: Program results

## Current Year (2023-2024)

- 117 high schools were set to participate by outset of year; 106 are likely to fulfill program outcomes (96 have sent out letters to date, 10 still in progress)
- ~22,500 students (32% of HS seniors)
- 31 additional College Possible high schools' participating
- 55 Colleges and Universities participating

## Program Wins:

- Hit diversity targets organically again (46% BIPOC students, 35% FRL eligible, 37 of 87 counties represented)
- Strong working groups for both K-12 and higher education partners continues
- National coverage, great student stories
- Added a full time FTE to the team
- 2 of 5 SIS vendors have the product built-in; 1 is in production mode; and initial meetings were had with the final 2
- Pilot testing eliminating the admissions application

## Data update as of February 8<sup>th</sup>

- Unduplicated count of students: 4,849
- Unduplicated count of students by academic tier:
  - Tier 1 856 students
  - Tier 2 334 students
  - Tier 3 162 students
  - Tier 4 343 students
  - Tier 5 1,183 students
  - Tier 6 1,974 students
- Total admissions inquiries via Direct Admissions: 33,347
- Total inquiries by Institution Type:

• Minnesota State Colleges	14,181
• Minnesota State Universities	6,072
• University of Minnesota	3,254
• Private Colleges	9,558
• Tribal Colleges	520

## Testimonials

- “I was really uncertain about college before this... Seeing all these schools [on my Direct Admissions letter]... I feel a lot more assured about my future.” - Ella, Hmong College Prep Academy
- “Coming from a family where my parents are both from different countries, Direct Admissions really opened a lot of doors for me. My parents didn’t have the experience of applying to colleges here, so this program guided me [as a first-generation college student]. I feel very fortunate to have been part of this.” - Natasha, Jefferson High School

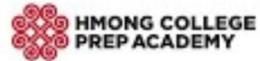


Austin High School Direct Admissions student gathering.  
Photo Credit: Eric Johnson, Austin Daily Herald

# Direct Admissions: Student stories

**m** OFFICE OF  
HIGHER EDUCATION  
DIRECT ADMISSIONS

Ella Khang, Eh Ler Shee, & Sebastian Her | CLASS OF 2024



**m** OFFICE OF  
HIGHER EDUCATION  
DIRECT ADMISSIONS

Lucas Yang | CLASS OF 2024



# State Longitudinal Education Data System (SLEDS) Early Childhood Longitudinal Data System (ECLDS)

- SLEDS is a joint effort across multiple state agencies to track education and workforce outcomes.
- ECLDS is a joint effort across multiple state agencies to track resources and outcomes for young children and families
- Both are governed by the P20 Council and administered and funded through OHE
- Additional funding for the biennium along with ongoing appropriations has funded a Director for each system as well as a research analyst for ECLDS and part time coordinators from lead agencies
- Funding also supports a statewide regional coaching network to support local data users
- MN was awarded a \$4m grant from the Federal Institute for Education Science to expand data collection and reporting over the next 4 years

# Current Workgroups and Future Reports

- Minnesota State Course Placement Practices Review
  - This project seeks to determine if policies, practices, and assessments used by the Minnesota State colleges and Universities system have negatively impacted students via negative costs, decreased participation and completion delays
  - Study focuses on various student communities, including but not limited to Indigenous students, English as a second language (ESL) students, and students of color
  - Project timeline: December 2023 - June 2025
- Post Secondary Basic Needs Workgroup
  - Large cross-sector working group to explore best practices and recommendations for ways the Legislature can support meeting student basic needs to increase retention and completion.
- Higher Education Public Service Feasibility Report
  - Feasibility Study conducted by Iowa Minnesota Campus Compact
  - Goal: Assessing the creation of a civic engagement program for college students
  - Service program would combine two high impact practices: community based learning and internships

# Emergency Assistance for Postsecondary Students Grants (EAPS)

- Legislatively-named and competitive grant program to support campus emergency grant programs
  - \$7.158m legislatively-named grant for 2024-2025 biennium to Minnesota State and University of Minnesota systems
    - Minnesota State: \$4.5m and University of MN: \$1.558m
    - Grant contracts executed in fall 2023
  - \$1m competitive grant for 2024-2025 biennium for tribal colleges and nonprofit institutions
    - RFP Closed in August 2023. All 10 eligible applicants awarded grants up to \$150,000
- Funds used to provide direct emergency grants to students to meet needs that could result in withdrawal if not addressed
  - Examples: emergency housing, food, and transportation needs

## Hunger Free Campus Grants

- Provides awards of up to \$25,000 to institutions that have not yet received a Hunger Free Campus Designation ("Pathway to Designation" grants), and up to \$15,000 that have received a designation ("Sustaining Designation" grants). All public and tribal postsecondary institutions located in Minnesota are eligible to apply.
- One-time funds available in FY2024 for grants up to \$25,000 for equipment necessary to operate an on-campus food pantry
- RFP to open in March/April
- Student Advisory Council (SAC) helps OHE to develop the RFP and selection criteria

# Student Parent Support Initiative

- OHE Competitive Grant of \$5.324m for 2024-2025 biennium for postsecondary institutions, professional organizations, community-based organizations, or other eligible applicants
  - Grants funds to be used for services to support the academic goals, health, and well-being of student parents
    - Program Development Costs, costs related to the start-up of on-campus childcare, evaluation and data collection
    - Direct assistance to student parents including scholarships, basic needs support, expenses related to childcare
  - Interagency agreement with MDH written and signed
  - Necessary support staff positions at OHE and MDH created, interviewed, and hired
  - RFP will be published in April/May

# Intervention for College Attendance Program (ICAP) and ICAP for Formerly Incarcerated Students

- ICAP: In October 2023, awarded over \$2.7m to 26 grantees
  - Fosters postsecondary attendance and retention by providing outreach services to historically underserved students in grades six through 12 and historically underrepresented college students.
  - Max award is \$120,000 (\$60,000 per year)
- ICAP for FIS: One-time expansion (\$300,000) of grant to create or enhance supports for students who were formerly incarcerated
  - RFP is open until February 23, 2024

# Healthcare Workforce Initiatives

- Next Gen CNA Initiative
  - As directed in law, funds were transferred in fall 2023 to Minnesota State for HealthForce Minnesota to coordinate and implement the Next Generation Nursing Assistant Training Program
- Paramedic Scholarship
  - Application is available. Program will award 600 paramedics in training with scholarships of \$5000 each starting Fall 2024
  - We developed a toolkit for stakeholders: one-pager, postcard, email marketing content, social media visual assets and editorial content, and digital banners. We are running paid, targeted social media ads
- Addiction Medicine Fellows
  - \$540,000/biennium to support up to 6 physicians
  - Grant Contract Agreement executed in August 2023
  - Four fellows currently in program with 2 additional fellows in FY2025
- Minitex Online Library Health and Nursing Resources
  - Additional IT support and funding support nursing programs and increase access to educational resources

## Dual Training Grants

- Nearly \$6.4m one-time increase plus \$2m ongoing increase for the biennium
- Additional \$2m for the biennium ongoing appropriation for separate competition for grants to Legal Cannabis Industry employers
- New for 2024:
  - Eligible industries expanded to include Child Care, Transportation, and Legal Cannabis
  - Eligible expenditures expanded to include recommended books and supplies
  - Additional funding available for trainee support costs up to \$15,000 (10% of grant amount for training)
  - Dual trainee maximum changed from 4 years to \$24,000 (\$6,000 annual max remains)
- 2024 RFP will open in mid-March
- DTG for Legal Cannabis Industry employers expected to open this spring

# Minnesota Student Teacher Grants

- Provide financial assistance to eligible students during **one** term in which the student is student teaching (12-week or longer)
- Awards of up to \$7,500 in one term
- Students apply once but are considered for two different grant programs (can only receive aid from one)
  - Student Teachers in Shortage Areas Grant
    - Intend to teach in a Rural School District or in identified license shortage area
  - Underrepresented Student Teacher Grant
    - Belong to a racial or ethnic group underrepresented in the Minnesota teacher workforce
- OHE has the authority to transfer funds if a projected surplus exists in either program to meet demand

## Minnesota Student Teacher Grants Cont.

- Student Teachers in Shortage Areas Grant
  - FY24-25 Appropriation available for grants: \$2.522m (\$1.261m/year)
  - FY22-23 Appropriation available for grants: \$970,000 (\$485,000/year)
    - FY2023 Awards: 107 students received total of \$685,000 (\$200,000 transferred in)
    - FY2022 Awards: 72 students received total of \$485,000
- Underrepresented Student Teacher Grant
  - FY24-25 Appropriation available for grants: \$3.735m (\$1.867m/year)
  - FY22-23 Appropriation available for grants: \$1.94m (\$970,000/year)
    - FY2023 Awards: 119 students received total of \$693,307 (\$200,000 transferred out)
    - FY2022 Awards: 140 students received total of \$946,726

# Inclusive Higher Education Grants and Tech Assistance Center

- The Minnesota Office of Higher Education and the [Institute on Community Integration](#), at the University of Minnesota, partnered through a legislatively-named grant of \$250,000 per year to establish the [Inclusive Higher Education Technical Assistance \(TA\) Center](#), with the purpose of creating access and support for self-sustaining inclusive postsecondary education options across the state.
- Competitive grant for Minnesota postsecondary institutions to develop new or enhance existing initiatives with the purpose of increasing overall enrollment and access for students with an intellectual disability.
  - RFP for \$750,000/year is expected to open in May 2024
- More information at: [Inclusive Higher Education Grants \(state.mn.us\)](#) and [Minnesota Inclusive Higher Education Consortium | Minnesota Inclusive Higher Education Consortium \(umn.edu\)](#)

# American Indian Scholars

- First-dollar tuition and fee-free pathway for Minnesota State and University of Minnesota students who are:
  - Eligible for resident tuition and an enrolled member or citizen of any federally recognized tribe or Canadian First Nation; or
  - Not eligible for resident tuition and an enrolled member or citizen of a Minnesota Tribal Nation
- Not earned a bachelor's degree and attended fewer than 180 credits
- \$17 million appropriated for the 2024-2025 biennium to support implementation
  - Transferred to systems in fall semester
- Administered at the system and campus level
  - Campuses have applications available and eligible students are benefiting from waiver
- Campuses that use funds are required to annually report to OHE
- More info available at: [American Indian Scholars Program \(state.mn.us\)](https://state.mn.us/american-indian-scholars-program)

# Tribal College Supplemental Assistance Grants for Operations and Maintenance

- All three eligible tribal colleges sent materials needed to facilitate execution of grant contract agreements in November 2023
  - Work Plan and Budget Questionnaire: Establishes planned budget categories, plans for tracking funds usage and reporting, and identifies authorized officials for grant administration
  - Draft Grant Contract Agreement
- As of February 1, one tribal college had contacted the agency asking for a meeting to clarify some things and get answers to some questions

- Legislatively-named grant to Foster Advocates Nonprofit Organization (\$500,000/yr)
  - To provide education support and wraparound services
  - OHE working on work plan and budget with Foster Advocates for the grant and plans to execute Grant Contract Agreement in the coming weeks

# Fostering Independence Higher Education Grants (FIG)

- For the Fall 2022 semester, 396 students received FIG at 54 different institutions.
- For the Fall 2023 semester, 551 students received FIG at 61 different institutions.
- Two new schools began participating for 2023-2024. Both are private 4-year institutions, which tend to have higher average FIG awards.
- Award calculation starts with a student's Cost of Attendance (COA) and any changes to the COA directly impact the FIG award amount. COA is an annual amount calculated by each school. Schools must determine their COA based on current market surveys for housing, food, and transportation. Increased inflation a year ago likely caused COAs to increase more than prior years.
- Students who previously took a lower credit load in Fall 2022 without knowledge of the program may have increased the amount of credits attempted in Fall 2023. Students who take fewer than 6 credits a semester, have a significantly lower COA that results in lower FIG awards.

# Fostering Independence Higher Education Grants (FIG)

There was an increase of students receiving FIG in all 5 sectors. However, there was a greater increase at all 4-year institutions, which tend to have higher average FIG awards than 2-year institutions.

	Fall 2022	Fall 2023	Increase Yr1 to Yr2
Minnesota State 2-year	251	330	31%
Minnesota State 4-year	70	92	31%
U of MN 4-year	20	41	105%
Private 4-year	44	74	68%
Private 2-year	11	14	27%

# Federal FAFSA Changes

## 2020 FAFSA Simplification Act (Changes to the FAFSA and Pell eligibility/awards)

*Changes began in the 2021-2022 award year with full implementation by 2024-2025*

1. Eliminates FAFSA questions about drug offense convictions and Selective Service
2. Replaces Expect Family Contribution (EFC) with Student Aid Index (SAI)  
Note: the SAI will allow for a negative number (down to -\$1,500)
3. Makes incarcerated students eligible for Pell Grants
4. Restores Pell Grant lifetime eligibility for students from closed and fraudulent schools
5. No longer considers the number of household members in college for SAI or Pell
6. Students with divorced parents: change from reporting income and assets from parent who student lived with the most, to parent that provided majority of financial support

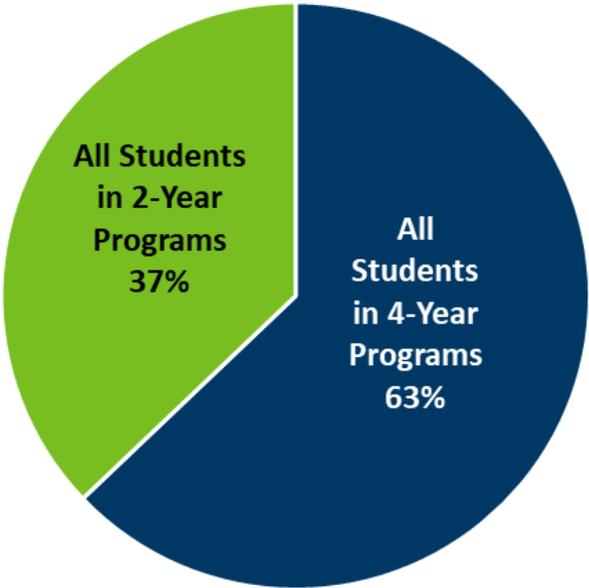
The Minnesota State Grant uses the FAFSA in lieu of requiring a separate application, thus changes in MN Law are needed to be consistent with implementation and intent for both state and federal programs

## New Investments in State Grant

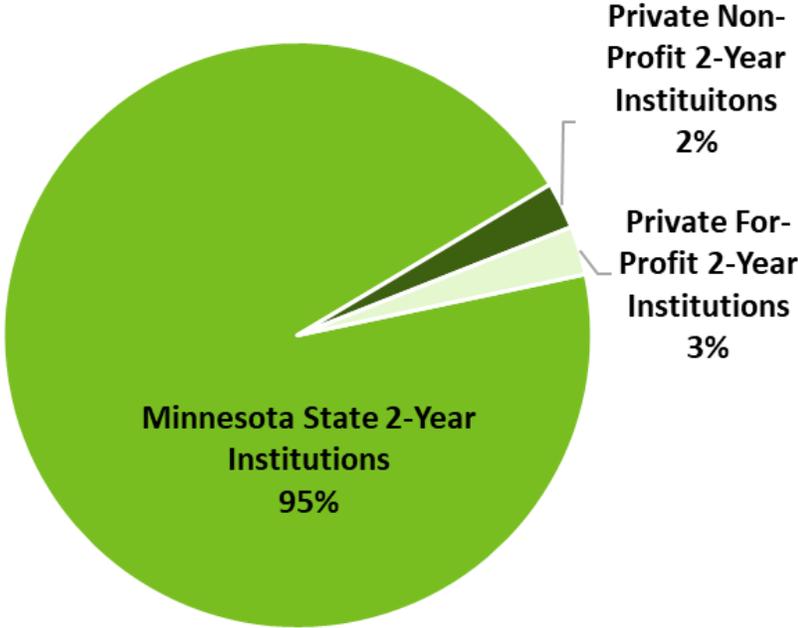
- Increased Living and Miscellaneous Expense allowance (LME) to 115% of the federal poverty guideline (\$12,576)
  - Anticipated impact: Full-time students see an average grant increase of \$330
- Changed State Grant deadline to end of the fiscal year in which the student is seeking aid
- Other federal conformity items will be implemented for the next aid year.

# New Investments in State Grant: LME

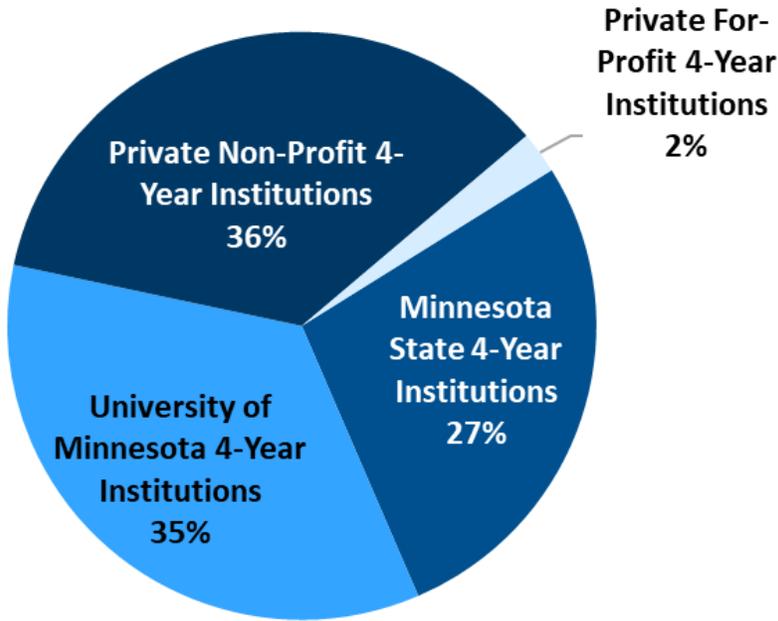
Total Increase in State Grant Awards, by Institution Type (in millions)



Total Increase in State Grant Awards, by 2-Year Institution Type (in millions)



Total Increase in State Grant Awards, by 4-Year Institution Type (in millions)



# Current State Grant Projections

Table 2 Spending Projections vs. Available Resources (in millions)	FY2024	FY2025	Biennium
Base resources	\$231.944 <sup>i</sup>	\$224.167	\$456.111
Spending projection	+(229.502)	+(244.924)	+(474.426)
<b>Difference between resources and spending</b>	\$2.442	\$(20.757)	\$(18.315) 4% above available resources

<sup>i</sup> Base resources for fiscal year 2025 include transfers of \$2.8M to other financial aid programs.

Note: Estimates for fiscal year 2025 include estimated changes to the federal Pell Grant award formula, per current federal guidance. These estimates are subject to change, pending further federal guidance, and assumes the current implementation of FY2025.

## Spending projected to increase for the biennium due to:

1. Enrollment increases
2. Last-minute changes to fiscal year 2025 federal need analysis
3. Data changes due to end of year closeout

## Overall goals of the program

- By making college accessible and affordable, NSP is intended to have a positive impact on multiple fronts:
  - Help stabilize enrollment at Minnesota public institutions of higher education.
  - Serve as an economic driver for Minnesota by educating qualified workers who are much needed to fill vacancies in the state's labor force.
  - Create a viable higher education path for Minnesotans who may have previously thought education was not a possibility for them.
  - We estimate this program will impact 15,000-20,000 students in the first academic year.
  - Simplify application process: No additional application. Students apply by completing the 2024-25 FAFSA or MN Dream Act application.

## Who is eligible for the North Star Promise?

- Any [Minnesota resident](#) who has a family Adjusted Gross Income (AGI) less than \$80,000 (as reported on the FAFSA or MN Dream Act).
- New, returning and current college students.
- Students who are attending a Minnesota public higher education institution or tribal college.
- Students who are taking at least one credit, enrolled in any program or course of study, working toward a degree, diploma or certificate.
- Students who are meeting Satisfactory Academic Program (SAP) standards.
- Students who have NOT already earned a baccalaureate degree and are NOT in default of a state or federal student loan.

## What does the North Star Promise cover?

- As a “last-dollar” scholarship program, the North Star Promise will cover the remaining balance of tuition and fees after other scholarships, grants, stipends and tuition waivers have been applied.
- The North Star Promise will fully cover the remaining balance of a student’s tuition and fees, but students should still budget for books and supplies, food and housing, and transportation.

## North Star Promise Award Amounts

- There is not a limit on the maximum term, yearly, or lifetime dollar amount of an award.
- The amount received is based on the "last-dollar" calculation of eligibility on a term-by-term basis. Students may receive up to 100% of the amount charged in tuition and required fees per term, minus all other sources of gift aid.
- There are credit limits. For students pursuing certificate or associate degrees, NSP is limited to receipt of the award for 4 full time semesters, or the equivalent. For students pursuing 4-year degrees, NSP is limited to receipt of the award for 8 full time semesters, or the equivalent.
- If funds are available, the highest need students may also receive North Star Promise Plus funds. The details on this provision of the program are still being determined.

## Program Projections, FY25

<b>System</b>	<b>Projected Student Count</b>	<b>Projected Average Award</b>	<b>Projected Total Awards (in millions)</b>
<b>Minnesota State Colleges</b>	3,800	\$1,260	\$4,779,000
<b>Minnesota State Universities</b>	2,900	\$2,120	\$6,149,500
<b>University of Minnesota</b>	4,400	\$2,790	\$12,273,900
<b>Tribal Institutions</b>	10	\$1,660	\$16,600
<b>Total</b>	11,000	\$2,110	\$23,218,800

Questions?