

MONTANA BOARD OF REGENTS OF HIGHER EDUCATION
Policy and Procedures Manual

SUBJECT: FINANCIAL AFFAIRS

Policy 940.30 – Montana Tuition Assistance Program Eligibility Requirements; Montana University System (Baker Grant Program)

Approved: May 21, 1998; Revised: September 21, 2000

Background

The Montana Tuition Assistance Program (MTAP) was created by the Board of Regents in 1997 as a result of the Task Force on Financial Aid Reform report, *Meeting the Challenge, Helping Montana Students Finance College*, dated April 1996. MTAP has been classified by the U.S. Department of Education as an eligible program under the Leveraging Educational Assistance Partnership Program, formerly known as the State Student Incentive Grant program. To facilitate administration, MTAP funds are provided to students through the institution in which they are enrolled.

The goal of MTAP is to provide Montana students with financial assistance that will allow access to, and choice of, Montana's public and private institutions of higher education.

I. Board Policy

The MTAP shall be implemented according to the following procedures. Grants distributed under this program shall be known as Baker grants*, and that designation shall appear on documents used to award the grants.

II. Procedures

A. Definition

1. **Eligible Institutions.** To be eligible to have its students participate in MTAP, the educational institution must be located in Montana and be a public or private not-for-profit postsecondary educational institution that is accredited by a regional accrediting board, such as the Northwest Association of Colleges and Universities. Eligible institutions shall be classified as follows:

Category A: A campus of the Montana University System;

Category B: A public community college formed pursuant to MCA 20-15-101ff;

Category C: A public two-year or four-year tribal college; or

Category D: A public or private not-for-profit four-year college or university other than one classified in Category A.

2. **Eligible Student.** To be eligible to receive an MTAP/Baker grant, a student must be a resident of Montana, attend an eligible public or private postsecondary educational institution located in Montana, and meet established criteria.

3. **Specified Funds.** Specified funds consist of two categories:

Category 1: Funds derived from the Montana University System through interest earnings from student fees in excess of the amount earmarked by the Board for university system operations or funds designated by the Board from the university system budget solely for units of the Montana University System.

* Named to posthumously honor Dr. Jeffrey D. Baker, 1941-1999, Commissioner of Higher Education, 1993-1996.

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Category 2: Funds appropriated by the state of Montana for designated purposes.

4 Unspecified Funds. Unspecified funds are (1) those derived from non-public sources or (2) those authorized or allowed for such purposes by the U.S. Congress.

B. Allocation of funds:

Funds will be allocated to eligible students through eligible institutions. The amount of MTAP funds to be awarded through each eligible institution will be based on the number of full-time undergraduate students classified as residents for fee purposes at each participating institution for the fall term of the prior year as reported to the Office of the Commissioner of Higher Education (Policy 940.1). Funds may have specific restrictions placed on them by the Department of Education, the donor, or the endowment that could limit the allocation to specific institutions.

C. Eligible Institutions:

1. To be eligible to receive MTAP funds, the institution must meet the criteria of one of the categories in Item I.A.
 - a. Students attending **Category A** institutions may receive *specified* and *unspecified* funds as authorized and allocated through the institution.
 - b. Students attending **Category B and C** institutions may receive **Category 2 specified funds and unspecified** funds as authorized and allocated through the institution.
 - c. Students attending **Category D** institutions may receive *unspecified* funds as authorized and allocated through the institutions.

D. Program Criteria:

1. The financial aid administrator of the eligible institution will award Baker Grants to eligible students based on the following criteria. The student must:
 - a. Meet the federal student eligibility requirements in CFR 668.32.
 - b. Meet the Montana residency requirements of the Montana University System as defined in Board of Regents' Policy 940.1.
 - c. Submit a federal need analysis application (currently the Free Application for Federal Student Aid).
 - d. Have a minimum student income earned from work during the prior calendar year that shall be at least equal to 500 times the federal hourly minimum wage in effect as of January 1 of the calendar year immediately preceding the award year.¹

¹ A financial aid administrator may waive these requirements in special circumstances. No more than 10% of the amount authorized to each eligible institution may be awarded to students not satisfying these requirements.

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- e. Have an expected family contribution under the maximum Federal Pell Grant Payment plus \$2,500.
 - f. Be enrolled as a full-time student who has not yet earned his or her first bachelor's degree.
 - g. Be making satisfactory academic progress.
 - h. Not have exceeded the maximum number of attempted credit hours consistent with limits established for state subsidy.
2. An MTAP/Baker grant provided to a student through one eligible institution does not transfer to another eligible institution; however, the acquiring eligible institution may provide an MTAP/Baker grant if funds are available.
 3. Administration: The Commissioner of Higher Education shall be responsible for the administration of MTAP and establishing the maximum award amount, taking into consideration increases in tuition, fees, and books. Each postsecondary educational institution will be responsible for administration of the MTAP funds allocated to eligible students through its own school. There must be no discrimination against any individual applicant or participant because of race, creed, color, sex, national origin, age, or physical handicap. The financial aid administrator in the college or university who is responsible for administration of other forms of financial aid will be designated as the institution's representative with responsibility for the general conduct of the program.

In addition, the financial aid administrator at the postsecondary educational institution, or its president's designee, shall have the following responsibilities:

- a. Determine which students are eligible to participate in MTAP. The financial aid administrator may classify as full-time any student who is enrolled for remedial instruction when such enrollment, in addition to other courses taken, represents the equivalent of full-time enrollment.
- b. Return funds that have not been awarded to a student by April 30 of the award year to the Commissioner of Higher Education, who may allocate the funds to students through another eligible institution.
- c. File annual reports with the chief administrative officer of the educational institution and the Commissioner of Higher Education.

E. Determination of Financial Need and the Making of Awards:

The following process will be used to determine the dollar amount of eligibility for each student:

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1. Determine the MTAP/Baker Grant eligibility of the student. The student must meet each of the following criteria:
 - a. The expected family contribution (EFC) cannot exceed the maximum Federal Pell Grant award plus 2,500. The minimum EFC for eligibility is 0.
 - b. The student's earned income must equal or exceed the minimum wage by 500 times the federal hourly minimum wage in effect as of January 1 of the calendar year immediately preceding the award year.
 - c. The student must be enrolled full-time (12 semester credits or its equivalent).
 - d. The student must be a Montana resident and be enrolled as a full-time student who has not yet received his or her first bachelor's degree.
2. MTAP/Baker Grants will be considered for *Base Costs*, which is determined by using the maximum Federal Pell Grant plus the maximum grant amount.²
3. The MTAP/Baker Grant combined with the Federal Pell Grant, Federal Supplemental Education Opportunity Grant, and the Leveraging Educational Assistance Partnership Program (LEAPP, formerly known as the State Student Incentive Grant awards, must not exceed the *Base Cost* determined in Step B.
4. The financial aid office may include other gift assistance in determining eligibility.
5. The minimum award for the Baker Grant is \$100. The maximum award is set by the Commissioner of Higher Education and should reflect increases in tuition, fees, and books.

History:

Item 98-002-R0398, Montana Tuition Assistance Program Eligibility Requirements; Montana University System (NEW), approved by the Board of Regents on May 21, 1998; as revised on March 25, 1999, November 18, 1999 (Item 104-103-R0999), and on September 21, 2000 (Item 108-102-R0900).

² If the Board of Regents or the governing body of the institution has not made a final determination by March 15 of the maximum fees and tuition to be charged to students for the award year, the fees and tuition in effect at the time of the award shall be used. If the U. S. Department of Education has not made a final determination of the maximum Federal Pell Grant for the award year by March 15, the maximum Federal Pell Grant in effect on March 15 will be used.