

Cash Grant

BOARD OF HIGHER EDUCATION

Massachusetts Office of Student Financial Assistance

PURPOSE

A founding principle of the Tuition Policy adopted by the Board of Higher Education is the belief that the benefits of higher education must be available to all citizens. The Board of Higher Education has developed a system of financial aid policy designed to assure and maintain access to the Commonwealth's public colleges and universities. An underlying goal of the policy is that future public sector tuition increases be matched with a concomitant increase in the maximum award for the financially neediest students. Further, financial aid provides an important tool for improving student quality and collaborations that enhance the efficiency and effectiveness of the system.

The Cash Grant Program was designed to assist needy students in meeting institutionally held charges such as mandatory fees and non-state-supported tuition. It is a complementary program to the Need-Based Tuition Waiver Program. The Cash Grant is designed as an offset of the Tuition Waiver Program for the purpose of providing financial support to those individuals who would be denied the opportunity for higher education, without such assistance. Since its inception, the Cash Grant has been utilized as supplemental grants in campus-based financial aid packaging strategies, representing an important mechanism for public institutions to assist needy students.

DEFINITIONS

- **Eligible Institution:**
An institution within the system of public institutions of higher education under Section 5 of Chapter 15A of the General Laws
- **Eligible Program:**
Any state supported undergraduate degree or certificate program offered by an institution. Institutions are encouraged, where appropriate, to extend grant eligibility to students enrolled in non-state supported degree or certificate programs. The institutional definition of "certificate" program shall apply.

Guidelines Effective August 1, 2026 (BHE 27-05)

ELIGIBILITY REQUIREMENTS

To be eligible for the Cash Grant, the student must:

- a) be enrolled at an eligible institution, as defined;
- b) (1) be a U.S. Citizen, permanent legal resident, or non-citizen eligible under Title IV regulations and physically reside in Massachusetts for at least one year, as of the start of the enrolled term with an intent to remain in Massachusetts consistent with Board of Higher Education policy; or (2) have an approved eligibility status designated by the Board of Higher Education pursuant to Section 9 of Chapter 15A, as amended by Section 11 of Chapter 28 of the Acts of 2023;
- c) complete the Free Application for Federal Student Aid (FAFSA) or, if ineligible to complete the FAFSA, then complete the Massachusetts Application for State Financial Aid (MASFA) annually;
- d) comply with financial aid verification requirements;
- e) not be in default on any federal or state student loans or owe a refund for any previous state financial aid programs;
- f) enroll for at least three undergraduate credits per semester in an eligible program;
- g) not have earned a bachelor's degree (or the equivalent); and
- h) meet satisfactory Academic Progress (SAP) according to institution's requirements and federal standards.

INSTITUTIONAL ALLOCATIONS

- **Base Allocation:** The base allocation of Cash Grant is calculated using the same methodology as the Need-Based Tuition Waivers. Allocations are determined by a formula which utilizes three-year average enrollment and financial aid data.
- **De-obligation/Reallocation:** On or before November 1 of each year, institutions may request the Commissioner to reallocate any unused/uncommitted Cash Grant funds that are released by other institutions. Subject to the availability of deobligated resources, the Commissioner may reallocate Cash Grant resources on

Guidelines Effective August 1, 2026 (BHE 27-05)

or before December 31.

STUDENT ELIGIBILITY BY ENROLLMENT INTENSITY AND DEGREE TYPE

A student may receive a Cash Grant award if enrolled full or part-time (minimum of three credits) while enrolled in an approved certificate, associate or bachelor's degree at a public college or university.

AWARD VALUE

- a) Unless otherwise designated, an individual student Cash Grant award for an academic period may not exceed the combined institutional tuition and fees charged for the award period.
- b) Cash Grants, in combination with other resources in the student's financial aid package, may not exceed the student's demonstrated financial need.
- c) Students qualifying for the Cash Grant may be granted full or partial grants to cover direct charges, according to the institution's financial aid packaging policies.
- d) Cash Grants should generally be awarded during the financial aid process as a component of the student's financial aid package. Therefore, students should be notified of Cash Grant awards via the financial aid award letter.

AWARD CALCULATION

Unless otherwise designated, all Cash Grants must be awarded based on demonstrated financial need as follows:

- a) Students qualifying for the Cash Grant must complete the institution's required application process for financial aid.
- b) Students selected by the U.S. Department of Education for verification must complete all required documentation prior to receipt of a Cash Grant.
- c) Awards made for Cash Grant Programs must be clearly documented in the student record for auditing purposes.

Financial Need = Cost of Attendance (COA) minus Student Aid Index (SAI) = Cash Grant award (award cannot exceed direct cost of tuition and fees)

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ANNUAL REVIEW

The Department of Higher Education is responsible for evaluating the effectiveness of the Cash Grant program. Institutions that have signed an agreement to participate in the Massachusetts State financial aid programs are required to share data for all students with the Massachusetts Department of Higher Education (DHE) or its designee, and the Office of Student Financial Assistance for this purpose. The program may be evaluated annually to determine any immediate impact or to determine if adjustments are required for various processes, such as disbursement of funds.

PARTICIPATION AGREEMENT

All institutions receiving funds under the Cash Grant program must have an active Massachusetts State Financial Aid Participation Agreement on file with the Massachusetts Office of Student Financial Assistance (OSFA).

AUDIT REQUIREMENT

- a) It shall be the responsibility of each college to maintain documentation of a recipient student's eligibility for the Cash Grant.
- b) The Commissioner shall require each college to furnish annually to the BHE a report detailing specific information regarding recipients of the Cash Grant. OSFA will establish the timeline, specifications, and procedures for this report.
- c) All financial books, records and documents pertaining to this Program shall, at all times, be open to inspection, review and audit by the Commissioner, the State Auditor or their authorized representatives who shall have access to the premises wherever such books, records, and documents are for seven years. An institution may retain such records for a period of five years, if approval is received from the Records Conservation Board in accordance with General Laws, Chapter 30, Section 42.