

CHAPTER 27  
IOWA GRANT PROGRAM

**283—27.1(261) State-supported grants.** The Iowa grant program is a state-supported and administered grant based on financial need for Iowa residents enrolled at approved institutions of postsecondary education in Iowa.

**27.1(1) Definitions.** As used in this chapter:

*“Accredited higher education institution”* means any public institution of higher learning or accredited private institution defined in Iowa Code section 261.9 that is located in Iowa and accredited by the Higher Learning Commission of the North Central Association of Colleges and Schools (NCA).

*“Financial need”* means the difference between the student’s financial resources, including resources available from the student’s parents and the student, as determined by a parent’s or student’s completed financial statement, and the student’s anticipated expenses while attending the accredited higher education institution. Any federal, state, institutional, or private aid, other than work-study, shall also be considered an available resource. Financial need shall be determined at least annually on the basis of a confidential financial statement filed on a form designated by the commission. The commission has adopted the use of the Free Application for Federal Student Aid (FAFSA), a federal form used to calculate a formula developed by the U.S. Department of Education, the results of which are used to determine expected family contribution. Relative need will be ranked based on the applicant’s expected family contribution (EFC) as determined by the U.S. Department of Education. The application form must be received by the needs analysis processor by the deadline date specified by the commission.

*“Full-time resident student”* means an individual resident of Iowa who is enrolled at an accredited higher education institution in a course of study including at least 12 semester hours or the equivalent. “Course of study” does not include correspondence courses.

*“Located in Iowa”* means a college or university that is accredited by the Higher Learning Commission of the North Central Association of Colleges and Schools, that has made a substantial investment in a permanent Iowa campus and staff, and that offers a full range of courses leading to the degrees offered by the institution as well as a full range of student services.

*“Part-time resident student”* means an individual resident of Iowa who is enrolled at an accredited higher education institution in a course of study including at least three semester hours or the equivalent. “Course of study” does not include correspondence courses.

*“Qualified student”* means a resident student who has established financial need and who is making satisfactory progress toward graduation at an eligible Iowa institution.

*“Tuition and mandatory fees”* means those college costs paid annually by all students enrolled on a full-time basis, as reported annually to the commission by each participating institution.

**27.1(2) Student eligibility.** A recipient must be an Iowa resident enrolled for at least three semester hours or the equivalent in a program leading to a degree from an eligible Iowa institution. The criteria used by the state board of regents to determine residency for tuition purposes, 681—1.4(262), are adopted for this program.

**27.1(3) Award limits and eligibility requirements.**

*a.* A grant may be awarded to any qualified person who is accepted for admission or is enrolled for at least three semester hours, or the equivalent, in a program leading to a degree from an approved, accredited higher education institution and who demonstrates financial need.

*b.* The annual amount of the grant to a full-time student shall not exceed the amount specified by Iowa law or the amount of the student’s financial need, whichever is less.

*c.* The maximum amount of a grant to a part-time student shall be prorated by dividing the maximum annual grant amount by 24 semester hours or the equivalent and multiplying that amount by the number of hours the student is enrolled.

*d.* Grants shall be awarded on an annual basis and shall be credited by the institution against the student’s tuition, fees, and room and board charges at the beginning of each term in equal installments upon certification that the eligible student is enrolled.

*e.* If a credit balance remains after crediting the amount of the grant to the student's tuition, fees, and, if applicable, room and board charges, the institution may distribute the grant balance to the student who may use the proceeds for other bona fide education expenses such as books, equipment, and transportation.

*f.* If a student receiving a grant under the program discontinues attendance before the end of any academic period but after receiving payment of grant funds for the academic period, the entire amount of any refund due the student, up to the amount of any payments made by the state, shall be distributed as follows:

(1) If an initial institutional allocation was made and funds are available due to the refund, the institution may offer additional awards, but in no case may an institution exceed its annual allocation.

(2) If institutional allocations are not made, then any refunds must be returned to the commission.

**27.1(4) *Extent of grant.*** A qualified full-time student may receive grants for not more than eight semesters of undergraduate study or the equivalent. A qualified part-time resident student may receive grants for not more than 16 semesters of undergraduate study or the equivalent.

**27.1(5) *Application process.***

*a.* Eligible students shall apply for this grant through the use of an approved financial aid form which uses the federally accepted method of needs analysis. For the purpose of determining financial need, the commission has adopted the use of the Free Application for Federal Student Aid (FAFSA), a federal form used to calculate a formula developed by the U.S. Department of Education, the results of which are used to determine relative need. Priority applicants, as described in Iowa Code section 261.93 as amended by 2012 Iowa Acts, House File 2465, section 26, must complete an additional application if required by the commission.

*b.* Institutions shall coordinate aid packages to ensure that this grant program supplements rather than supplants federal and institutional gift aid awards and shall report need figures to the commission.

*c.* The institution shall clearly identify the Iowa grant on the student's aid award notice.

**27.1(6) *Full year of study.*** For purposes of this program, the commission has defined full year of study as two semesters or the equivalent. Grant payments are prorated according to this definition.

**27.1(7) *Priority for grants.***

*a.* Applicants are ranked in order of the estimated amount which the family reasonably can be expected to contribute toward college expenses; and awards are granted to those who demonstrate need in order of family contribution, from lowest to highest, insofar as funds permit.

*b.* Priority will be given to a qualified student who is a resident of Iowa; who is under the age of 26, or the age of 30 if the student is a veteran who is eligible for benefits, or has exhausted the benefits, under the federal Post-9/11 Veterans Educational Assistance Act of 2009; who is not a convicted felon as defined in Iowa Code section 910.15; and who meets at least one of the following criteria and agrees to allow the commission to verify the criteria:

(1) Is the child of a peace officer, as defined in Iowa Code section 97A.1, who was killed in the line of duty as determined by the board of trustees of the Iowa department of public safety peace officers' retirement, accident, and disability system in accordance with Iowa Code section 97A.6, subsection 16.

(2) Is the child of a police officer or a fire fighter, as defined in Iowa Code section 411.1, who was killed in the line of duty as determined by the statewide fire and police retirement system in accordance with Iowa Code section 411.6, subsection 15.

(3) Is the child of a sheriff or deputy sheriff, as defined in Iowa Code section 97B.49C, who was killed in the line of duty as determined by the Iowa public employees' retirement system in accordance with Iowa Code section 97B.52, subsection 2.

(4) Is the child of a fire fighter or police officer included under Iowa Code section 97B.49B who was killed in the line of duty as determined by the Iowa public employees' retirement system in accordance with Iowa Code section 97B.52, subsection 2.

*c.* Remaining funds will be allocated to the sectors according to the appropriations language.

*d.* If funds are insufficient to help all students with no means of contribution to their educational expenses, institutional aid administrators will select students to receive grants.

**27.1(8) Award notification.** A grant recipient is notified of the award by the educational institution to which application is made. Any award notification provided by an institution on probation with the accrediting agency must be made contingent upon the institution's maintaining affiliation with the accrediting agency. The institution is responsible for completing necessary verification and for coordinating other aid to ensure compliance with student eligibility requirements and allowable award amounts. The institution shall report changes of student eligibility to the commission.

**27.1(9) Award transfers and adjustments.**

*a.* Awards may be transferred among eligible institutions unless funding limitations require institutional allocations.

*b.* Recipients are responsible for promptly notifying the appropriate institution of any change in enrollment or financial situation. The educational institution will make necessary changes and notify the commission.

**27.1(10) Restrictions.** A student who is in default on a Stafford Loan, SLS Loan, or a Perkins/National Direct/National Defense Student Loan or who owes a repayment on any Title IV grant assistance or state award shall be ineligible for assistance under the Iowa grant program. Eligibility for state aid may be reinstated upon payment in full of the delinquent obligation or by commission ruling on the basis of adequate extenuating evidence presented in appeal under the procedure set forth in 283—Chapters 4 and 5, Iowa Administrative Code.

**27.1(11) Institutional reporting.** The commission will monitor the program according to this chapter and will require participating postsecondary institutions that receive funds for enrolled students to furnish any information necessary for the implementation or administration of the program.

This rule is intended to implement Iowa Code section 261.93 as amended by 2012 Iowa Acts, House File 2465, section 26, and section 261.97.

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