

Budget Unit Brief

FY 2017



For-Profit Tuition Grant Program

Eligibility

Iowa Tuition Grants (ITGs) are awarded to Iowa residents enrolled at eligible private colleges and universities in Iowa. Priority is given to applicants demonstrating the greatest need, as reported on the Free Application for Federal Student Aid (FAFSA). Grants are available for up to four years of full-time undergraduate study. Part-time students may be eligible for adjusted amounts.

For-Profit Colleges and Universities

Students attending Kaplan University and Waldorf College are eligible to receive Iowa Tuition Grants. Ashford University is no longer eligible to participate in the program due to changes in accreditation. The for-profit grants are funded through a separate State appropriation, and the annual maximum award differs from the nonprofit grants as a result.

Kaplan University, formerly Hamilton College, was specifically affected by a statutory provision that allowed any for-profit school to participate if it could prove that its credits would transfer to another eligible school. In 2004, the General Assembly provided in statute for ongoing eligibility for any school with students who were eligible to receive Iowa Tuition Grants in FY 2004. Kaplan was the only school affected by this provision.

Waldorf College was originally a nonprofit institution that was purchased and converted to a for-profit entity. The General Assembly has provided in statute for ongoing ITG eligibility for Waldorf students.

State Funding

The for-profit Tuition Grant became a separate standing appropriation in FY 2007; prior to that, it was funded for several years as an allocation from the nonprofit Tuition Grant appropriation. The standing appropriation was funded in the range of \$5.0-\$5.5 million for several years, then \$4.0-\$4.7 million for several years. In FY 2013 and FY 2014, the appropriation was reduced to \$2.5 million. Since FY 2015, it has been funded at \$2.0 million.

Related Statutes and Administrative Rules

Iowa Code chapter [261](#), sections 9 through 16

Iowa Code section [261.25](#)

[283](#) Iowa Administrative Code chapter [12](#)

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More Information

Iowa Tuition Grant: www.iowacollegeaid.gov/content/iowa-tuition-grant

College Student Aid Commission: www.iowacollegeaid.gov/

Iowa General Assembly: <https://www.legis.iowa.gov/>

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