

Chapter 15 – Future Ready Iowa Last Dollar Scholarship (Iowa Last-Dollar Scholarship)

Established in 2018, the Iowa Last-Dollar Scholarship (LDS) provides financial assistance to Iowa residents enrolled in certain career and technical education (CTE) programs leading to certificate, diploma and associate degrees at Iowa community colleges and eligible private colleges and universities. Scholarships for students amount to the remaining tuition and institution-wide mandatory fees charged after other federal and state scholarships and grant aid have been awarded. A [Historical Appropriations Summary](#) can be found on the Iowa Department of Education’s Higher Ed and Postsecondary Readiness Reports site.

A. Eligibility

1. College/University

To be eligible to participate in the LDS, institutions must be an Iowa-supported community college defined in Iowa Code Section 260C.2 or a private college/university defined in Iowa Code Section 256.183, which offers an eligible program of study aligned with a high-demand job.

An eligible institution must:

- Require students to attend an orientation session, in-person or virtually, for the eligible institution.
- Require students to register for courses with the assistance of an advisor and participate in available academic advising sessions.
- Require students to create a graduation plan if required in the program of study.
- Require students to participate in available career advising sessions if required in the program of study, including creation of a career plan when possible.
- Facilitate connections through campus career centers and services to internships and similar local, state, and federal programs.
- Market eligible Future Ready Iowa programs of study on the institution’s website.
- Report information annually to the Iowa Department of Education’s Bureau of Iowa College Aid (Iowa College Aid).

Students attending the following colleges are eligible to receive LDS awards:

Participating Colleges

LDS Participating College	College University Sector	Location
Des Moines Area Community College	Community College	Des Moines
Eastern Iowa Community College	Community College	Clinton, Muscatine, Bettendorf
Hawkeye Community College	Community College	Waterloo

LDS Participating College	College University Sector	Location
Indian Hills Community College	Community College	Ottumwa, Centerville
Iowa Central Community College	Community College	Fort Dodge
Iowa Lakes Community College	Community College	Estherville
Iowa Valley Community College	Community College	Ellsworth, Marshalltown
Iowa Western Community College	Community College	Council Bluffs
Kirkwood Community College	Community College	Cedar Rapids
North Iowa Area Community College	Community College	Mason City
Northeast Iowa Community College	Community College	Calmar, Peosta
Northwest Iowa Community College	Community College	Sheldon
Southeastern Community College	Community College	Burlington
Southwestern Community College	Community College	Creston
Western Iowa Tech Community College	Community College	Sioux City
Allen College	Private College/University	Waterloo
Mercy College of Health Sciences	Private College/University	Des Moines
St. Luke's College	Private College/University	Sioux City

Each college/university must complete an initial application for participation in the LDS program. College/university officials must submit the application and supporting documentation establishing accreditation or accreditation plans by October 1 prior to the application year in which they want to participate. If the application is approved, students at the college/university may begin submitting need analysis applications (FAFSAs) the following October to apply for funds. For example, if the institution's LDS application is received prior to October 1, 2027 and is subsequently approved, students could begin receiving LDS in the 2028-2029 award year by completing the 2028-2029 FAFSA that becomes available on/around October 1, 2027.

Schools that are approved to participate in LDS but who make no LDS disbursements for three consecutive years will be required to complete another application, according to the timeframe in the preceding paragraph, to continue participation in the program.

2. Student

In addition to the general eligibility requirements found in Chapter 1, eligible LDS recipients must be admitted and attending an eligible Title IV program of study of at least 15 weeks in length that confers no more than an associate degree.

The maximum eligible Student Aid Index (SAI) for recipients for the 2026-27 academic year is 30,000. Students who received the Last-Dollar Scholarship in the 2025-26 academic year but whose SAI is now above 30,000 are eligible for the Last-Dollar Scholarships during the 2026-27 academic year as long as they meet all other eligibility requirements.

If a dependent student's parents refuse to provide information and the student is forced to only be awarded loans due to parent refusal, the student is not eligible for LDS.

Eligible students will be placed in one of two groups:

- Group 1 - Enroll in an eligible program of study at an eligible institution on at least a half time basis (minimum 6 credits or equivalent) after graduating from an Iowa high school or completion of a homeschool program or an equivalency diploma.
- Group 2 - Following completion of high school or a high school equivalency diploma, and on or after attaining age twenty, enroll on at least a half-time basis (minimum 6 credits or the equivalent) in an eligible program at an eligible institution. Age is calculated as of July 1 prior to the year of enrollment.

Once a student receives a payment in a certain group, they will remain in that group until they are no longer eligible for LDS.

3. Programs of Study

The Iowa Workforce Development Board will update and approve the list of statewide high-demand jobs used for LDS. Iowa College Aid maps these high-demand jobs (using standard occupation classification codes) to corresponding programs of study (using classification of instructional program codes). Iowa College Aid will work with participating colleges annually to update the list of eligible programs of study offered at each institution. Statewide workforce shortage programs (all of which are CTE programs) are approved by Iowa College Aid and Iowa Workforce Development in consultation with the Iowa Department of Education. However, only credits required for programs that are approved for Title IV funds are eligible

Each participating community college also has authority to identify up to five additional regional high-demand jobs. Each community college must consult with regional career and technical education planning partnerships and obtain approval from the board of directors at the community college when developing the list of regional jobs. Once finalized and approved, only students enrolled in the programs of study aligned with the regional jobs at that community college may receive an LDS (ex. A student at ABC Community College could not receive an LDS if enrolled in a program of study that is not aligned with a statewide high-demand job or that is not aligned with a regional job submitted by ABC Community College.).

B. Application Process

Students must complete the Free Application for Federal Student Aid (FAFSA) as described in Chapter 1 on or before the deadline established by Iowa College Aid. LDS requires students to apply for all federal and state non-repayable financial aid each year.

C. Selection of Recipients

Institution officials award scholarships to eligible students. Recipients must be on-time applicants (those meeting the priority application deadline for 2026-27). The Application Receipt Date on the student's Institutional Student Information Record (ISIR) MUST indicate that the student met the priority filing deadline of June 30, 2027.

Eligible students must be enrolled in eligible programs of study to be awarded the LDS. CIP codes are reported by college administrators in the Iowa College Aid Processing System (ICAPS®) for each recipient. All institutions participating in LDS can award students enrolled in a program of study aligned with the statewide list of eligible programs. In addition, each institution can award LDS to students enrolled in programs that are included on its own approved regional programs list. An institution may not award LDS to students enrolled in programs that are listed on another institution's approved regional programs list.

ICAPS will flag each eligible student with their eligibility group (Group 1 or 2). If a student does not receive LDS under Group 1 and subsequently turns 20 as of July 1 prior to the academic year, the student's flag will change to Group 2 to allow eligibility as a Group 2 recipient.

Students who are taking prerequisites prior to being admitted into a program are not considered enrolled in an eligible program, and are not eligible. Once enrolled in an eligible program, a student will qualify for LDS as long as all other requirements are met. If a student is enrolled in an eligible program after turning 20 (both first-time enrollees and continuing students) and did not receive an LDS payment as a Group 1 recipient, that student may qualify as a Group 2 recipient as long as all other requirements are met.

Students who are required to complete arts and science classes as a part of their eligible program of study may have these classes included as eligible classes for LDS funding as long as those students are enrolled in eligible CTE programs.

Students taking remedial courses are also eligible for LDS funding as long as those students are enrolled in eligible CTE programs and the remedial courses are eligible for Title IV aid.

Students with a bachelor's degree may receive LDS if they enroll in an eligible program of study and meet all other eligibility criteria.

D. Awarding

1. Award Amounts

The maximum LDS is the amount of tuition and institution-wide mandatory fees charged by the institution, minus federal and state non-repayable aid. Only fees which are consistently charged to all in-person or all online students at the institution should be included as institution-wide fees for LDS.

A material fee, an activity fee, or a tech fee charged to all students enrolled in all in-person programs of study at the college would qualify for LDS. An online charge assessed to all online students at the institution would also qualify. Program-specific fees or one-time fees (i.e. graduation fees) are not included.

State and Federal programs that must be included in the calculation are as follows:

- Federal Pell Grant
- Federal Supplemental Education Opportunity Grant
- All Iowa Opportunity Scholarship
- Education & Training Voucher
- Iowa National Guard Service Scholarship
- Iowa Tuition Grant
- Iowa Vocational-Technical Tuition Grant
- Skilled Workforce Shortage Tuition Grant (Kibbie Grant)

Community colleges must use the actual tuition and institution-wide mandatory fees charged to the student, after subtracting federal and state non-repayable aid, to calculate the award.

Students are required to apply for and accept the maximum federal and state non-repayable aid prior to the calculation of last-dollar scholarship.

If a student meets his or her cost of attendance with other aid, colleges should reduce other aid to allow for the payment of the minimum LDS in order to allow the student to remain eligible (due to continuous enrollment/receipt provisions, as discussed in Section F of this document).

There is no maximum to the number of credits in a term that a student can receive LDS. If all credits are required for the eligible program of study, the student can receive LDS for any number of credits in a given term. However, only credits required for programs that are approved for Title IV funds are eligible.

Private colleges must use the average tuition and fees charged at Iowa's community colleges in the prior academic year, after subtracting federal and state non-repayable aid, to calculate the award. The annual average full-time tuition and institution-wide fees at Iowa's community colleges in the prior academic year was \$5,490, and awards cannot exceed the annual average. Students enrolled less-than-half-time are only eligible for LDS if it is their final term of the program.

Average Tuition and Institution-Wide Fees

Enrollment Status	Credits	Semester Max
Full-Time (F)	12+	\$2,745
Three-Quarter Time (P)	11	2,525
Three-Quarter Time (P)	10	2,278
Three-Quarter Time (P)	9	2,059
Half-Time (H)	8	1,839

Enrollment Status	Credits	Semester Max
Half-Time (H)	7	1,592
Half-Time (H)	6	1,373
Less-Than-Half-Time (L)	5	1,153
Less-Than-Half-Time (L)	4	906
Less-Than-Half-Time (L)	3	686

Semester Minimum Award

The following charts provide the minimum LDS award allowed per credit. Please note that unlike other Iowa College Aid programs, the LDS pays each full-time student a minimum of \$250 per semester (or equivalent), even if the award calculation (tuition/fees minus grants from state/federal programs) results in an award of less than \$250 per full-time semester. For minimum LDS, awards will be based on the enrollment status and not enrollment intensity.

Enrollment Status	Credits	Fall	Spring	Summer
Full-Time (F)	12+	\$250	\$250	\$250
Three-Quarter Time (P)	9-11	188	187	187
Half-Time (H)	6-8	125	125	125
Less-Than-Half-Time (L)	3-5	63	62	63

Quarter Minimum Award

Enrollment Status	Credits	Fall	Winter	Spring	Summer
Full-Time (F)	12+	\$167	\$167	\$166	\$250
Three-Quarter Time (P)	9-11	125	125	125	188
Half-Time (H)	6-8	84	83	83	125
Less-Than-Half-Time (L)	3-5	42	42	41	63

Summer payments are allowed when authorized explicitly by Iowa College Aid. Summer awards are authorized for the 2026-27 school year.

2. Awarding Priority

If funding is not sufficient to award all eligible students in a semester, Iowa College Aid will prioritize students based on returning LDS students and then by application receipt date. Iowa College Aid will notify colleges if prioritization is necessary.

3. Community College Awarding Scenarios

Example 1

A full-time student with a SAI of -1,500 taking 15 credits at a semester-based community college. Tuition is \$160 per credit hour and institution-wide fees are \$40 per credit hour:

Tuition	\$2,400
Institution-Wide Fees	600
Pell Grant	(3,698)
Skilled Workforce Shortage Tuition Grant	(100)
<u>Remaining Tuition and Institution-Wide Fees</u>	<u>(798)</u>
LDS Amount	\$125

Example 2

A half-time student with a SAI of 1,101 taking 6 credits at a semester-based community college. Tuition is \$160 per credit hour and institution-wide fees are \$40 per credit hour:

Tuition	\$960
Institution-Wide Fees	240
Pell Grant	(1,849)
Skilled Workforce Shortage Tuition Grant	(700)
Iowa Vocational-Technical Tuition Grant	(450)
<u>Remaining Tuition and Institution-Wide Fees</u>	<u>(1,799)</u>
LDS Amount	\$125

Example 3

A full-time student with an SAI of 20,000 taking 12 credits online at a community college. Tuition is \$160 per credit hour and institution-wide fees are \$40 per credit hour for online students:

Tuition	\$1,920
Institution-Wide Fees	480
Pell Grant	(0)

Skilled Workforce Shortage Tuition Grant	(0)
Iowa Vocational-Technical Tuition Grant	(0)
<u>Remaining Tuition and Institution-Wide Fees</u>	<u>(2,400)</u>
LDS Amount	\$2,400

4. Private College/University Awarding Scenarios

Example 1

A full-time student with a SAI of 0 taking 15 credits at a private college/university. Tuition is \$1,000 per credit hour and institution-wide fees are \$100 per credit hour:

Average Community College Tuition and Institution-Wide Fees	\$2,745
Pell Grant	(3,698)
Iowa Tuition Grant	(3,750)
<u>Remaining Tuition and Institution-Wide Fees</u>	<u>(4,810)</u>
LDS Amount	\$250

Example 2

A half-time student with a SAI of 1,101 taking 6 credits at a private college/university. Tuition is \$1,000 per credit hour and institution-wide fees are \$100 per credit hour:

Average Community College Tuition and Institution-Wide Fees	\$1,373
Pell Grant	(1,849)
Iowa Tuition Grant	(1,875)
<u>Remaining Tuition and Institution-Wide Fees</u>	<u>(2,405)</u>
LDS Amount	\$125

Example 3

A full-time student with an SAI of 20,000 taking 12 credits at a private college/university. Tuition is \$1,000 per credit hour and institution-wide fees are \$100 per credit hour:

Average Community College Tuition and Institution-Wide Fees	\$2,745
Pell Grant	(0)
Iowa Tuition Grant	(0)
<u>Remaining Tuition and Institution-Wide Fees</u>	<u>(2,745)</u>
LDS Amount	\$2,745

E. Award Offer

Institution officials should provide financial aid offers to all LDS recipients. Award offers must clearly indicate award amounts and the state programs from which students will receive funding. All notices concerning state grants must include the following award notification statement:

“The amount of grant money you receive from the Iowa Department of Education may change based on state funding.”

Iowa College Aid recommends award notices to LDS recipients include the following standard language.

“As a recipient of the Future Ready Iowa Last-Dollar Scholarship, you must meet certain criteria to keep your scholarship. Visit educate.iowa.gov for more information about ongoing requirements.”

F. Renewal and Lifetime Eligibility

Students can receive a maximum of 8 part-time awards or the equivalent. Students must maintain continuous enrollment/receipt and must be enrolled in at least 6 credit hours. LDS students are not required to enroll in the summer to maintain continuous enrollment. However, if a student chooses to enroll during the summer and they receive LDS, that student will be required to enroll in the following fall to maintain continuous enrollment, and the summer award will count toward the lifetime limit.

ICAPS determines the lifetime maximum by the usage of points. Students can receive a lifetime maximum of 8 part-time awards or 3 points. The following chart indicates the point values used per term based on the enrollment status indicated in the ICAPS.

Points Established by Enrollment Status

Enrollment Status	Credits	Semester Points	Quarter Points
Full-Time (F)	12+	0.5	0.333
Three-Quarter Time (P)	9-11	0.375	0.25
Half-Time (H)	6-8	0.25	0.167
Less-Than-Half-Time (L)	3-5	0.125	0.083

Information on previous payments is found in ICAPS under the ‘Payment History’ section of the student record or by utilizing the grant history report in ICAPS.

If a student enrolled in an LDS program of study subsequently withdraws from the core classes during that term of enrollment, the student may remain eligible for the LDS disbursement for that term of enrollment. If other eligibility criteria (such as enrollment level) is not met the student may no longer be eligible for LDS after that term. If a student loses eligibility after receiving a disbursement of LDS, that student is ineligible for LDS in future terms of enrollment.

Any student who establishes (attends) the required minimum enrollment and partially withdraws, but does not completely withdraw, will be allowed to continue to receive the last-dollar scholarship and will be considered

to be meeting the minimum enrollment requirement for continuous enrollment. For example, if a Group 1 student enrolls in and attends 6 credit hours, drops a 3-credit hour course after the census date, and is considered to have attempted 6 credits for that semester (as reflected on the transcript), that student will continue to be eligible in the following term.

A student who completely withdraws, officially or unofficially, and whose last day of attendance was later than 60% into the term, is considered to be continuously enrolled. A student who completely withdraws, officially or unofficially, and whose last day of attendance was earlier than 60% into the term, will not be considered to be continuously enrolled. The last date of attendance should be calculated as is done for Title IV aid.

ICAPS will consistently identify students as a Group 1 or Group 2 recipient. Once final disbursements are reported for a term, ICAPS will make recipients ineligible for future terms if they are not continuously enrolled in an eligible program of study at the required enrollment level.

When awarding LDS for future years, aid administrators should account for any anticipated disbursements in the current year that would result in the student reaching LDS lifetime limits. ICAPS updates students' LDS lifetime eligibility used when payment for that student has been issued to the school. Refer to the payment history reference guide on the ICAPS training page for more information on lifetime eligibility.

A student who received LDS in an eligible program at a participating college and then transferred to another participating college into another eligible program (while maintaining continuous enrollment and enrollment level requirements) will continue to be eligible, as long as all other eligibility requirements are met.

A student who received LDS that graduates and immediately enrolls in another eligible program will continue to be eligible for LDS, up to the lifetime limits as long as all other criteria are met.

If a student discontinues enrollment or falls below the minimum enrollment requirement due to military deployment, a temporary medical incapacity, in relation to the declaration of a national or state emergency, or other exceptional circumstances, the college/university must submit a waiver form and any supporting documentation to Iowa College Aid. This waiver must be approved before such student can again be eligible for the Last Dollar Scholarship.

Exceptional circumstances must be beyond the student's control, and waivers must be submitted within 2 years of the circumstance (unless military related). Situations that will not qualify for a waiver include, but are not limited to: 1) missing the application deadline, 2) satisfactory academic progress issues, 3) ineligible SAI, or 4) changing majors to an ineligible major. An electronic version of the waiver form can be found at [https://stateofiowa.seamlessdocs.com/f/Continuous Enrollment Waiver Request](https://stateofiowa.seamlessdocs.com/f/Continuous_Enrollment_Waiver_Request).

G. Disbursement of Funds

Chapter 3 provides a complete description of the payment process. While tuition and institution-wide fees are used to calculate LDS, the award itself can be applied to any expense within the student's cost of attendance.

LDS disbursements must be made as a student attends courses within a semester/quarter once the minimum threshold is established. If a student is enrolled in a modular program and it is anticipated the student will be eligible for LDS at the time of award, the institution may disburse LDS based on the anticipated enrollment.

In the event a student does not attend a course or set of courses, LDS must be removed or reduced to reflect accurate enrollment for courses attended. If LDS is removed due to a student's non-attendance and not meeting the minimum enrollment threshold, the student will lose future eligibility for LDS. Schools should follow their refund/recalculation policies and award accordingly.

H. Changes/Corrections

Any changes in awards must be provided to Iowa College Aid electronically via ICAPS by the reporting deadlines established in Chapter 3 of the Iowa Student Financial Aid Guide.

I. Verification/Compliance

Institution officials are responsible for completing required federal verification procedures and for coordinating all aid to ensure compliance with student eligibility and allowable award amounts.

For students selected for federal verification, one disbursement of state-funded student financial aid may be made prior to completing the verification process as long as institution officials have no reason to believe application information is inaccurate. If students become ineligible for aid due to verification activities, refunds must be made to state-funded programs.

J. Last Dollar Scholarship Shortage Programs

A list of eligible shortage programs by participating college can be found in the attachment to this chapter.