Chapter 2 – Administrative Responsibilities of Iowa Postsecondary Educational Instutions

Colleges/universities seeking eligibility to receive state-funded student financial aid must apply to participate with the Iowa Department of Education (Iowa College Aid). Upon review of requirements described in the following individual program chapters, college/university officials who believe their students should be allowed to participate in Iowa College Aid's programs should email a written request to the Bureau Chief of Financial Aid and State Authorization requesting participation information.

Iowa College Aid staff will review the accreditation status of all participating colleges/universities annually to ensure compliance with state participation requirements.

Responsibility for ensuring the appropriate use of state-funded student financial aid lies with the chief executive officers at Iowa's colleges/universities. However, for administrative purposes, chief executive officers may designate individuals to be responsible for student financial aid, fiscal operations, and student enrollment.

Designation of responsibility must effectively separate program and fiscal functions. Iowa College Aid recommends the following distribution of duties:

A. **Financial aid administrators**: to be responsible for coordination of all types of student financial assistance.
B. **Fiscal officers or business managers**: to be responsible for maintaining accounting records and disbursing monetary awards.
C. **Registrars**: to be responsible for maintaining enrollment records and monitoring students' dates of attendance.
D. **Campus Security Officers**: to be responsible for adopting and enforcing policies that prohibit unlawful behavior by students and employees.
E. **College/University officials**: to be responsible for data reporting, promoting equal opportunity in the recruitment, appointment, assignment, and advancement of college personnel, and developing various other policies detailed in Section E of this chapter.

Chief executive officers, financial aid administrators, fiscal officers/business managers, registrars, campus security officers, and other campus officials must communicate effectively to ensure that each has information available to complete required duties. The recommended general duties of these officers, as they relate to state-funded student financial aid programs, are provided in this chapter.

A. Financial Aid Administrators

Financial aid administrators overseeing state-funded student financial aid programs are responsible for:

- Reviewing applicant information for accuracy, completeness, and reasonableness.
- Clarifying questionable information and documenting resolutions.
- Documenting changes in Student Aid Indexes (SAIs) submitted to Iowa College Aid.

- Resolving discrepancies between application information on need analysis reports and verification documentation.
- Updating and correcting applicant information electronically through the FAFSA Processing System (FPS) or by requesting that students resubmit their FAFSA Submission Summary with corrected information.
- Providing award information to students.
- Ensuring that disbursement rosters in Iowa College Aid Processing System (ICAPS®) accurately portray the student's enrollment, Student Aid Index, college/university disbursements, and in some cases CIP code and matching funds made in each term throughout the academic year.
- Designate a Primary User for ICAPS. The Primary User must be employed by the college/university and have a campus email account.
- Reporting disbursements on or before Iowa College Aid defined reporting deadlines (listed in Chapter 3).
- Reconciling rosters after reporting is complete and requesting payment.
- Ensuring overpayments are refunded to Iowa College Aid in accordance with the State Refund Procedures, as detailed later in this chapter.
- Creating and updating policies and procedures to ensure state aid programs are awarded and administered according to guidance provided by Iowa College Aid.

When carrying out their duties, financial aid administrators should ensure the aforementioned Iowa College Aid requirements are fulfilled.

1. Individual Student Records

Individual student records must be maintained by college/university officials for all students who receive awards from state-funded financial aid programs. These records, which are generally maintained by the financial aid office, must include:

- Aid application need analysis reports.
- Documentation for any adjustments to students' records.
- Offers of financial aid (if awards are offered).
- Verification of each student's enrollment and satisfactory academic progress.
- Resolved verification requests.
- Withdrawal and refund information.
- Items listed under the section titled "Recordkeeping and Disclosure" in The Federal Student Financial Aid Handbook.
- Documents used in a residency determination (if applicable).

All student financial aid records must reconcile with student accounting records and must include documentation for any changes to the initial award amounts.

Verification of information is required by Iowa College Aid for all students for whom verification is required by the federal Department of Education.

Accounting records and individual students' records are to be retained for three years from the end of the award year in which students last attended the college/university or until any audit questions have been resolved.

2. Standards of Satisfactory Academic Progress

Written standards of Satisfactory Academic Progress (SAP) must be established by college/university officials and must be met and maintained for each student receiving state-funded financial aid. College/university officials are encouraged to review federal Title IV Student Assistance General Provisions Regulations to ensure that college/university standards comply with federal regulations (see Code of Federal Regulations at 668.34).

3. ICAPS Reporting Year

The reporting year for state-funded programs is September 1 to May 31. If a specific enrollment term overlaps with these dates, please contact Iowa College Aid to discuss state program eligibility for that term of enrollment. Certain state programs do not allow summer disbursements, so care is taken to ensure payments are only applied during the traditional academic year. State-defined payment terms and associated deadlines can be found in Chapter 3, Section F.

Normally, the majority of a summer enrollment period is between June 1 and August 31. Summer enrollment will always be considered a trailer for purposes of state aid.

College/university officials operating under academic calendars that do not coincide with Iowa College Aid's fiscal year or reporting year must submit proposed plans of disbursement to Iowa College Aid staff by October 1 prior to the new processing year. When an agreement has been reached and approval granted, payment of awards will be authorized.

4. State-Administered Award Packaging Formulas

Financial Need Calculation:

For state programs that require financial need to be established for eligibility, only other need-based programs are considered in the financial need calculation:

COA – SAI – other need-based aid = state need-based aid eligibility

The following state programs are need-based: Iowa Tuition Grant, not-for-profit (ITGnfp), Iowa Vocational-Technical Tuition Grant (IVTG), Kibbie Grant (KG), All Iowa Opportunity Scholarship (AIOS), and Workforce Grant and Incentive Program (WGIP).

When a state need-based grant/scholarship is awarded in combination with other need-based grants, total need-based funding cannot exceed the Cost of Attendance (COA) minus the Student Aid Index (SAI). A student's negative SAI should be treated as a zero when determining eligibility for need-based financial aid. An institution can either reduce state program awards or other sources of need-based aid to comply.

Example 1:

COA	$38,500
Minus SAI of 7500	7,500
Equals financial need	$31,000

Example 2:

COA	$38,500
Minus SAI of -1,500 (negative SAI treated as zero)	0
Equals financial need	$38,500

Tuition Restriction Calculation:

In addition to being need-based, the following programs are tuition-restricted: Iowa Tuition Grant, not-for-profit (ITGnfp); Iowa Vocational-Technical Tuition Grant (IVTG); and Kibbie Grant (KG).

When a state tuition-restricted grant/schoalrship is awarded in combination with other tuition-restricted funds, total tuition-restricted funding cannot exceed total tuition and mandatory fees charged to the recipient. Even though federal veterans education benefits, foster care benefits (Title IV, Part E of the Social Security Act), and emergency financial assistance are excluded from other financial assistance (OFA) in the calculation of federal and state student aid, those that are tuition-specific must still be considered in the tuition-restriction calculation for the state aid programs identified in this section.

Example:

Student's tuition/mandatory fees charged	$24,500
Total tuition/mandatory fee-restricted award eligibility*	$24,500

* If a state tuition-restricted program is awarded, total tuition-restricted funding cannot exceed this amount without requiring a reduction to state aid or another source of tuition-restricted aid.

Non-Need Based Award Calculation

The following programs are not need-based: Future Ready Iowa Last-Dollar Scholarship (LDS), Future Ready Iowa Grant (FRG), Education and Training Voucher (ETV), and the Iowa National Guard Service Scholarship (INGSS), Iowa National Guard Master's Scholarship (NGM), Iowa National Guard Professional Qualification Scholarship (NGQ).

These programs can be applied to any component in the student's COA. When calculating eligibility for state aid, subtract other financial assistance from the student's COA.

COA - other financial assistance = state non need-based aid eligibility

Examples:

Student 1

Cost of Attendance	$42,000
Minus SAI	5,500
Equals financial need	$36,500

Other aid:		
ITG (need-based)	$7,500	
AIOS (need-based)	$5,646	
ETV (non-need-based)	$5,000	
Outside Scholarship (non-need-based)	$5,000	
Institutional Merit award (non-need-based)	$6,000	
Total other aid:	$29,146	
Need-based aid		$13,146
Non-need-based aid		$16,000

Since this student's total need-based aid ($13,146) is within the calculated financial need ($36,500), the student is eligible for the entire AIOS and ITG. Total aid ($29,146) does not exceed the COA ($42,000); this student can receive the full amount of Iowa College Aid-administered aid listed.

Student 2

Cost of Attendance	$16,785	
Minus SAI	8,500	
Financial need	$8,285	
Other aid:		
AIOS (need-based)	$ 5,646	
ETV (non-need-based)	$ 5,000	
Outside Scholarship (non-need-based)	$10,000	
Total other aid:	$20,646	
Need-based aid		$5,646
Non-need-based aid		$15,000

Since this student's total need-based aid ($5,646) is within the calculated financial need ($8,285), the student can receive the full AIOS. The student's total aid is $20,646 which exceeds the COA ($16,785) so ETV or the Outside Scholarship would need to be reduced to fit within the COA.

State Financial Aid Award Amounts for Incarcerated Students

Eligible institutions with approved Prison Education Programs or who are approved to participate in the Second Chance Pell Grant Experiment can award qualified incarcerated students state financial aid. All funds awarded, including state financial aid, cannot exceed the cost of attendance components authorized to be covered by the Federal Pell Grant (tuition, fees, books, course materials, supplies/equipment, and the

cost of obtaining a license/certification). All of the policies detailed in prior sections apply to incarcerated individuals. An incarcerated student may never receive a refund of state financial aid funds. State financial aid awarded to incarcerated students must be reported in ICAPS with the “Campus” field reported as “P”.

5. Awarding Order

State administered funds should be awarded to eligible recipients in the order listed in the chart below. The chart also specifies to which components of the student’s cost of attendance the award can be applied. The programs in the following chart with a double asterisk have continous enrollment and receipt requirements. These funds should be packaged accordingly to ensure the student does not forfeit future eligiblity.

Program Awarding Order

Program	Apply To
Iowa Tuition Grant – Not-For-Profit	Tuition/Mandatory Fees Only (need-based; cannot cover the SAI)
Iowa Vocational-Technical Tuition Grant	Tuition/Mandatory Fees Only (need-based; cannot cover the SAI)
Kibbie Grant	Tuition/Mandatory Fees Only (need-based; cannot cover the SAI)
All Iowa Opportunity Scholarship **	Items Included on COA (need-based; cannot cover the SAI)
Workforce Grant and Incentive Program	Items Included on COA (need based; cannot cover the SAI)
Iowa Work Study	Items Included on COA (need-based; cannot cover the SAI)
Education & Training Voucher Program	Items Included on COA (not need-based)
Iowa National Guard Service Scholarship	Items Included on COA (not need-based)
Iowa National Guard Master’s Scholarship	Items Included on COA (not need-based)
Iowa National Guard Professional Qualification Scholarship	Items Included on COA (not need-based)
Future Ready Iowa Grant**	Items Included on COA (not need-based)
Future Ready Iowa Last-Dollar Scholarship **	Items Included on COA (not need-based)
GEAR UP Scholarship	Items Included on COA (not need-based)

** Program has a continuous enrollment/continuous receipt requirement. Please package accordingly to ensure the student doesn't forfeit future eligibility.

6. Calculation of State Award Amounts

If the calculation of a student award does not end up as a whole dollar amount, the award should be rounded to the nearest dollar according to standard rounding rules. For example, a community college is calculating an Iowa National Guard Service Scholarship covering 80% of their tuition and fees. After calculation, the award amount comes to $1,286.60. This award should be rounded to the nearest dollar, resulting in an award of $1,287.

7. Mandatory Fees

When calculating state awards that can only be applied to tuition and mandatory fees, mandatory fees (such as activity and library fees) should only include actual fee charges that are consistently assessed to all undergraduate students at the college/university. Mandatory fees may differ by program within the college/university but must be applied to all students enrolled in a specific program. Fees paid on a "one-time" basis (such as matriculation and graduation fees or fees for special classes) are *not* included when calculating state aid eligibility. An indicator of an eligible mandatory fee is that the fee would be refundable to the same extent as tuition in accordance with the institution's tuition refund policy. Please see Chapter 14 for information on how the Future Ready Iowa Last-Dollar Scholarship is calculated utilizing institution-wide mandatory fees.

8. Certification of Recipients

Payment files and adjustments must be provided to Iowa College Aid by the deadlines provided in Chapter 3. Chapter 3 and Appendix A contain a complete explanation of the payment certification and request process.

9. End of Year Roster Reconciliation

Colleges/universities must reconcile their Financial Aid Management System with ICAPS to ensure all state aid payments for all recipients are reported accurately. Recipients' individual state aid payments can be reduced at any time, but increases to state aid payments after the final filing deadline require explicit authorization from Iowa College Aid.

Please use the table below to determine the deadline by which reconciliation must occur for your institution:

Reconciliation Deadlines

State-Defined Payment Term	Reconciliation Deadline
Term 3	May 31
Term 4	July 15
Term 5	August 10

State-Defined Payment Term	Reconciliation Deadline
Term 6	August 10

10. Refunds of State Aid

If a student stops attending before the end of a term and receives a full or partial adjustment of charges, state scholarship/grant funds cannot exceed the adjusted charges. If a student withdraws before state funds are awarded or disbursed, the student can still be awarded any/all state programs for which they are eligible as long as it is not after the final reporting deadline for the term; however, no state funds can be refunded to the student post-withdrawal.

If a student withdraws before the end of a term after receiving state financial aid payments, the percentage calculated under the college/university's formula for the return of funds to the student must be used to calculate the state refund amounts. This policy stands regardless of whether the student withdraws from one course, multiple courses, or all courses for which the student was enrolled in for that term. The formula could be the tuition refund policy used by the business office, the Return of Title IV funds policy, or an institutional financial aid refund policy.The only state program that is exempt from this policy is the Iowa Work-Study Program. If a student's tuition refund is calculated on a different withdrawal date than the food and housing refund, use the tuition withdrawal date to calculate the return of state funds.

Example: If, when using the college/university's refund policy, officials determine that a 20 percent refund is required, then 20 percent of each state award also must be refunded to the state program from which the funds originally were received. All refund calculations should be rounded to the nearest dollar.

In the event of a withdrawal, college/university officials must adjust a student's state award and make the appropriate award amount and enrollment status adjustments in ICAPS. Funds need not be returned to Iowa College Aid until the term's payment information has been submitted and reconciliation completed between college/university officials and Iowa College Aid staff by the deadline defined in the table above in Section 9.

When state funds must be returned, payment must be made within 30 days of the final reconciliation of ICAPS (see table above) or within 30 days of the date that college/university officials learn that funds must be returned, whichever is later. If the adjustment takes place once a Term has been locked (August 1 for Terms 1-4; August 10 for Terms 5-6), the payment must be accompanied by a list of recipients for whom refunds are being provided. The list must include each recipient's name, the amount of the individual refund, term of the refund, enrollment status of the term, and the name of the state aid program to which funds are being returned. Refunds can be mailed to:

Iowa Department of Education
Bureau of Financial Aid & State Authorization
400 E 14th Street
Des Moines, IA 50319-0146

11. Repayment Procedures

Students determined to have been ineligible for state funds due to student error or fraud, such as understating family income, must repay all funds. When college/university officials determine that students owe repayments, they must:

- Immediately cancel future state-funded student financial aid payments.
- Notify Iowa College Aid of the cancellation.
- Consider the student ineligible for state aid until repayment is complete or satisfactory repayment arrangements have been made with, and confirmed by, Iowa College Aid.

Iowa College Aid staff will determine and oversee any further action.

B. Fiscal Officers/Business Managers

Student account records are required for audit purposes. Accounting records should document an orderly flow of funds into students' accounts and must include the controls necessary to ensure compliance with state regulations.

Accounting records must include, but are not limited to, the following:

- Official student award files.
- Payment files.
- Vouchers.
- Canceled checks.
- Electronic Funds Transfer (EFT) documentation.
- Appropriate documents showing disbursements to students.
- Items listed under the section titled "Fiscal Records a School Must Maintain" in The Federal Student Financial Aid Handbook.

1. Disbursements

Disbursements may be made only when college/university officials have fully documented applicant eligibility. Financial aid administrators are required to sign annual certification forms prior to Iowa College Aid issuing state warrants. These forms are completed annually in ICAPS.

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 college/university officials have no reason to believe application information is inaccurate. If students become ineligible for aid due to verification activities, the state financial aid must be returned to Iowa College Aid.

2. Retaining Student Records

Accounting records and individual students' records are to be retained for three years from the end of the award years in which students last attended the college/university or until any audit questions have been resolved.

C. Registrars

1. Withdrawal

Colleges/universities must establish internal policies which include the financial aid office in official withdrawal procedures. Such involvement is intended to ensure that refunds of charges paid with state funds are returned to Iowa College Aid.

2. College Catalog

Colleges/universities must provide accurate student information to all students. The college/university catalog is a tool that officials may use to distribute required student information.

D. Campus Security Officers

Colleges/universities participating in state-funded student financial aid programs must comply with Section 256.183 of the Iowa Code and federal regulations in reporting campus crimes and other security related issues.

College/university officials must follow all federal and state regulations including, but not limited to: Adopting policies, which prohibit unlawful possession, use, or distribution of controlled substances by students and employees on property owned or leased by the institution or in conjunction with activities sponsored by the institution. College/university officials shall provide information about these policies to all students and employees. Policies must include clear statements of sanctions for violation of the policies and information about available drug or alcohol counseling and rehabilitation programs. In carrying out this policy, a college/university shall provide substance abuse prevention programs for students and employees.

Developing and implementing written policies, which are disseminated during student registration or orientation, addressing the following four areas relating to sexual abuse:

- Counseling.
- Campus security.
- Education, including prevention, protection, and the rights and duties of students and employees of the institution.
- Facilitating the accurate and prompt reporting of sexual abuse to the constituted law enforcement authorities.

Filing copies of annual report(s) required by the Federal Student Right-To-Know and Campus Security Act, Pub. L. No. 101-542, with the Division of Criminal and Juvenile Justice Planning of the Department of Human Rights, along with copies of written policies.

E. College/University Officials

Colleges/universities participating in state-funded student financial aid programs must comply with Iowa Code Section 256.177(11) in reporting the number of minority students enrolled in and minority faculty members employed at the institution. This data is collected in annual Iowa College Aid surveys.

Pursuant to Iowa Code Section 256.181, the General Assembly recommends that all public and private institutions of higher education in Iowa post lists of required and suggested textbooks for all courses and the corresponding international standard book numbers for such textbooks at least fourteen days before the start of each semester or term, at the location where textbooks are sold on campus and on the institution of higher education's website.

The following policies are reviewed every 2 years in conjunction with the institution's application for exemption from registration in Iowa:

Colleges/universities participating in state-funded student financial aid programs must adopt a policy to offer, at a minimum, the following options to a student who is a member, or the spouse of a member if the member

has a dependent child, of the Iowa national guard or reserve forces of the United States and who is ordered to state military service or federal service or duty:

- Withdraw from the student's entire registration and receive a full refund of tuition and mandatory fees.
- Make arrangements with the student's instructors for course grades, or for incompletes that shall be completed by the student at a later date. If such arrangements are made, the student's registration shall remain intact and tuition and mandatory fees shall be assessed for the courses in full.
- Make arrangements with only some of the student's instructors for grades, or for incompletes that shall be completed by the student at a later date. If such arrangements are made, the registration for those courses shall remain intact and tuition and mandatory fees shall be assessed for those courses.
- Any course for which arrangements cannot be made for grades or incompletes shall be considered dropped and the tuition and mandatory fees for the course refunded.

Colleges/universities participating in state-funded student financial aid programs must develop and implement a consistent written policy for an employee who in the scope of the person's employment responsibilities examines, attends, counsels, or treats a child to report suspected physical or sexual abuse.

Colleges/universities participating in state-funded student financial aid programs must adopt a policy to require that the institution shall annually file a report with the Governor and the Iowa General Assembly providing information and statistics for the previous five academic years on the number of students per year who are veterans who received education credit for military education, training, and service, that number as a percentage of veterans known to be enrolled at the institution, the average number of credits received by students, and the average number of credits applied towards the award or completion of a course of instruction, postsecondary diploma, degree, or other evidences of distinction.

Colleges/universities participating in state-funded student financial aid programs must promote equal opportunity in the recruitment, appointment, assignment, and advancement of personnel at the college/university.

Colleges/universities must comply with Iowa Code Section 261F regarding educational loans and a code of conduct.

NEW! Colleges/universities participating in state-funded student financial aid programs must comply with 2026 Iowa Acts, House File 703 (Iowa Code 261M) and must publish required language annually that is provided by Iowa College Aid.

NEW! Colleges/universities participating in state-funded student financial aid programs must clearly indicate award amounts and the state aid 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."

Private colleges and universities participating in the Iowa Tuition Grant Program (both not-for-profit and for-profit institutions) must annually file a report with the Bureau of Iowa College Aid, the department of workforce development, and the general assembly that provides all of the following information and statistics for the previous academic year:

- The number of students who are enrolled in the institution and who receive a tuition grant.
- The academic majors or courses of study in which the recipients are participating.

- An estimate of the number of students who were enrolled in the institution in the previous academic year, received a tuition grant, and who entered a high-demand job, as defined in section 84A.1B, subsection 14, after graduating from the institution.
- An estimate of the number of students who were enrolled in the institution in the previous academic year, received a tuition grant and who remained a resident of this state after graduating from the institution.

If an institution fails to timely file the report students enrolled in the institution shall not be eligible to receive tuition grants for the subsequent academic year. Reports are due by December 15 each year.