

## CHAPTER 5

### IOWA TUITION GRANT PROGRAM - FOR-PROFIT

Established in 1969, the Iowa Tuition Grant (ITG) Program assists students who attend for-profit postsecondary institutions in Iowa. Iowa residents currently enrolled, or planning to enroll, for at least three semester hours at one of the eligible Iowa postsecondary institutions may apply. The statutory maximum award is set at \$6,000, although the maximum award set for an academic year may be less depending on the funding available and number of projected recipients. Please see the [Historical Appropriations Summary](#) for a history of state appropriations.

#### A. ELIGIBILITY

##### 1. College

The Code of Iowa limits eligibility to Iowa institutions that:

- Are not exempt from taxation under 501(c)(3) of the Internal Revenue Code; and
- Meet the criteria in Iowa Code Section 256.183(3)
- Are institutions of higher learning operated privately and not controlled or administered by any state agency or any subdivision of the state; and
- Meet the criteria below:

Is a barber school or a school of cosmetology arts and sciences licensed under chapter 157 and is accredited by a national accrediting agency recognized by the United States department of education. The eligible institution shall annually provide a matching aggregate amount of institutional financial aid of one hundred percent of the dollars disbursed under the Iowa Tuition Grant. The eligible institution must be located in Iowa, meaning the institution has made a substantial investment in a permanent Iowa campus and staff, and offers a full range of courses preparing students for a professional license, and is not required to register under Iowa Code Section 261B.

Each institution must complete an initial application for participation in the ITG program. Institution officials must submit the application and supporting documentation establishing accreditation or accreditation plans before October prior

to the application year in which they want to participate. If the institution's application is approved, students at the institution may begin submitting need analysis applications (FAFSAs) on the following October to apply for funds. In summary, if a college application is received prior to October 1 and approved, the earliest students attending that college could apply for ITG funding would be the following October 1.

If no disbursements are made for three consecutive years at any time after the college/university is approved for ITG participation, the college/university will be required to complete another application if it wishes to continue participation in the program. For example, if there are no disbursements in 2024-25, 2025-26 or 2026-27 an application must be completed by October 2026 to continue participation in state-funded scholarships and grants for 2027-28.

For-profit institutions may lose eligibility for ITG if they fail to meet the criteria in Section A(1) of this chapter. This includes accreditation being lost or suspended or the institution being removed from accreditation candidate status. Officials at institutions that fail to meet any of the criteria in Section A(1) must immediately notify the Iowa Department of Education's Bureau of Iowa College Aid (Iowa College Aid).

### **Matching Funds Requirement**

Each institution must provide a matching amount of institutional financial aid. The college/university match is 100 percent for 2024-25. The required match will not exceed 100 percent of the amount provided to students under the ITG. College/University officials must report matching dollars throughout the academic year in the Iowa College Aid Processing System (ICAPS®). Failure to meet the match will cause an institution to become ineligible for participation beginning the next academic year.

When reporting matching dollars in ICAPS, colleges/universities must report the match amounts by Term and cannot aggregate a student's matching dollars in a single term.

When reporting matching funds, institutions should include all institutional funds (excluding institutional loans) that are awarded to an ITG recipient during the payment period. If work-study funding is being reported as matching dollars, only the portion of work-study payment that is institutional dollars may be included - no federal or state dollars may be included as institutional matching funds. The institutional match should include matching funds provided to students only during semesters in which the students are receiving ITG. If matching funds are reported in

ICAPS in enrollment terms that a student did not receive an ITG award, those funds will not be counted as matching dollars. Summer matching dollars should be included only if the student is receiving an ITG during the summer term.

Students attending the institutions listed on the following table are eligible to receive for-profit ITG awards.

#### For-Profit Iowa Tuition Grant Participating Institutions

Institution	Locations
La' James International College	Davenport, Fort Dodge, Des Moines, Cedar Falls, Cedar Rapids

## 2. Student

In addition to the general student eligibility requirements found in Chapter 1, an eligible ITG recipient must be currently enrolled or planning to enroll at least part-time (3 hours minimum) in an undergraduate program at an eligible Iowa institution.

Students attending institutions described in Section A(1) of this Chapter must be enrolled in a program of study that is eligible for federal student aid programs authorized under Title IV of the federal Higher Education Act of 1965, as amended, that prepares the individual for licensure as a barber in the state of Iowa, or enrolled in a cosmetology arts and sciences program of study that prepares the individual for licensure in the state of Iowa.

## B. APPLICATION PROCESS

Students must file Free Applications for Federal Student Aid (FAFSAs) as described in Chapter 1. Applications for the 2024-25 academic year must be submitted on or before July 1, 2024.

## C. SELECTION OF RECIPIENTS

Grants are awarded by institution officials to eligible on-time applicants (those meeting Iowa College Aid's July 1 priority deadline) whose Student Aid Index (SAI) is at or below the parameter defined by Iowa College Aid. The Application Receipt Date on the student's Institutional Student Information Record (ISIR) MUST indicate that

the student met the priority filing deadline. **The maximum eligible SAI for students attending eligible institutions for the 2024-25 academic year is \$13,000.**

Students with Bachelors' degrees may receive ITG if they enroll in different eligible undergraduate programs.

## **D. AWARDING**

ITG awards are tuition-restricted in nature. When awarded in combination with other tuition-restricted funds, total tuition-restricted funding that includes an ITG cannot exceed total tuition and mandatory fees charged to the recipient. In most cases, the ITG award is reduced to comply with this policy. For recipients of Chapter 33 veteran's education tuition payments, the ITG award should be applied to tuition and mandatory fees prior to the calculation of the Chapter 33 tuition/fee award (guidance established 6/23/11).

Students can receive ITG as long as the ITG award, in combination with other need-based aid, does not exceed the student's calculated financial need. All financial aid, including the ITG, cannot exceed the Cost of Attendance. See exception in Chapter 1, page 8 for Federal veteran's education benefits.

The statutory maximum annual ITG award (for two semesters, or the equivalent) is set by the Iowa Legislature. Iowa College Aid establishes the funded maximum ITG award each academic year (not to exceed the statutory maximum) based on the number of eligible applicants and funding available.

### **Eligible Barber and Cosmetology Institutions**

The maximum ITG for the academic year 2024-25 is \$800 for students attending eligible barber and cosmetology institutions. The following chart provides the maximum ITG award allowed per enrollment level.

<b>Enrollment Level</b>	<b>Credits</b>	<b>Maximum ITG</b>
Full-time (F)	12+	\$ 400
Three-quarter time (P)	11	\$ 368
	10	\$ 332
	9	\$ 300
Half-time (H)	8	\$ 268

Enrollment Level	Credits	Maximum ITG
	7	\$ 232
	6	\$ 200
Less Than Half-Time (L)	5	\$ 168
	4	\$ 132
	3	\$ 100

**NEW!** In order to determine amounts for students enrolled less than full time, use enrollment intensity percentages. For example, if a student is enrolled in 11 credits they would be eligible for 92% (rounding to the nearest percent) of the maximum award making the student eligible for \$368 (round awards to the nearest dollar).  $(800 * (11/12) / 2 = (800 * .92) / 2 = \$368)$ . Total awards cannot exceed the annual maximum.

**NEW!** Awards must be made on an accurately calculated SAI.

## E. ACCELERATED SUMMER PROGRAMS

Accelerated programs, which integrate summer attendance, at institutions described in Section A(1) allow full-time students to complete the barber or cosmetology arts and sciences program in less than the time period it would take to complete the same program of study without summer attendance. Due to the year-round enrollment structure of these programs, students attending these institutions are allowed to receive ITG awards during summer attendance. Without summer enrollment, the traditional enrollment schedule for a full-time student would follow the progression example below. In the example, the student completes four semesters, graduates, and does not exhaust ITG eligibility prior to graduation.

	Fall	Spring	Summer
Year 1	Full-time enrollment	Full-time enrollment	-
Year 2	Full-time enrollment	Full-time enrollment (graduation)	-

By integrating summer attendance into the program of study, these students will be accelerating the completion of the program of study. In the example below, the

student accelerates completion of the program of study by enrolling during the summer term, and thus accelerating the completion of the program from the spring term to the fall term (and does not exhaust ITG eligibility prior to graduation).

	Fall	Spring	Summer
Year 1	Full-time enrollment	Full-time enrollment	Full-time enrollment
Year 2	Full-time enrollment (graduation)		

Institution officials are required to submit applications to Iowa College Aid that define the manner in which the summer ITG is to be administered. Applications can be requested through the Program Administration Department at 877-272-4456, option 3. Institution officials must contact Iowa College Aid before October 1 prior to the year in which they want to participate (ex: if a college is applying for summer ITG eligibility for the summer of 2026, Iowa College Aid must receive the application by October 1, 2024).

The application must clearly identify students participating in qualified summer programs, provide descriptions of the programs and include estimates of the number of students expected to qualify for summer ITG. The application must also provide tracking mechanisms to ensure awards are only made to students completing coursework at an accelerated pace, and to ensure that these students will not receive their maximum ITG eligibility prior to degree completion. Iowa College Aid staff will review the materials and notify institution officials of the status of applications. Institution officials may not make summer awards until authorization from Iowa College Aid is received.

Students who will graduate on an accelerated schedule and who are attending La' James International are eligible to receive summer ITG.

Summer ITG recipients may receive up to the full semester grant amount for the summer term. Summer payments are counted as full semesters toward the maximum lifetime eligibility for full-time students. In order to continue to receive summer ITG, students must maintain pace with the accelerated graduation schedule without receiving their maximum lifetime eligibility prior to graduating.

If no summer ITG disbursements are made for three consecutive years at any time after the college/university is approved for ITG participation, the college/university will be required to complete another application if it wishes to continue participation in the program. (i.e. if a disbursement is not made in 2024-25, 2025-26 or 2026-27 an

application must be completed by October 2026 to continue participation in state-funded scholarships and grants for 2027-28).

## F. AWARD OFFER

Institution officials should provide financial aid offers to all ITG 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:

**NEW!** “In the event that available funds are insufficient to pay the full amount of each approved grant, the Iowa Department of Education has the authority to administratively reduce the award.”

## G. RENEWAL AND LIFETIME ELIGIBILITY

Financial need is determined annually on the basis of a new FAFSA filed by the applicant. Eligible Iowa students may be considered for subsequent awards if the students continue to meet Iowa College Aid eligibility requirements and have not reached the maximum lifetime ITG eligibility limit.

Eligible students attending institutions described in Section A(1) are eligible for 4 full-time or 8 part-time semesters (or the quarter or clock hour equivalent). Students that received ITG under the for-profit and/or not-for-profit programs may not exceed a total of 8 full-time or 16 part-time awards in total, with not more than 4 full-time awards or 8 part-time awards received at a barber and cosmetology school. The chart below indicates the point values given per term based on the enrollment status indicated in 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

In no case may a student exceed the lifetime maximum eligibility of 4 points in ICAPS. Information on previous payments are found in ICAPS under the 'Payment History' section of the student record or by utilizing the grant history report in ICAPS.

Institution officials who need assistance in determining whether a student has reached maximum eligibility should contact Iowa College Aid.

## **H. DISBURSEMENT OF FUNDS**

Chapter 3 provides a complete description of the payment process. ITG payments may be used only to pay students' tuition and mandatory fees.

Disbursement requirements shall align with federal Pell Grant disbursement requirements, as authorized under Title IV of the Higher Education Act, as amended.

## **I. 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.

## **J. VERIFICATION/COMPLIANCE**

Institution officials are responsible for completing any required federal verification procedures and for coordinating all aid to ensure compliance with student eligibility and allowable award amounts. Verification requirements align with federal student aid verification requirements, as authorized under Title IV of the Higher Education Act, as amended.

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.