

# CHAPTER 12

## 2.0 GEAR UP SCHOLARSHIP PROGRAM

### Overview

The Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP) Scholarship is a statewide non need-based scholarship program that assists students in the 2.0 GEAR UP Iowa cohort with the cost of postsecondary education. Recipients must have been in the official 2.0 GEAR UP Iowa cohort scheduled to graduate high school in spring 2020. Early graduates are eligible to receive awards. Awards are prorated for students enrolling on a less than full-time basis.

**Date Established:** July 2018

### A. **ELIGIBILITY**

#### 1. **Institutions**

Colleges and universities must meet the definition of 'institution of higher education' as defined in section 102 of the Higher Education Act of 1965. Colleges and universities may be located outside of Iowa; out-of-state colleges and universities will be required to complete written enrollment verification prior to disbursement of scholarship awards.

#### 2. **Student**

To receive a 2.0 GEAR UP Iowa Scholarship, students must:

- Be on the official Iowa College Aid 2.0 GEAR UP Iowa Cohort list.
- Be United States citizens or nationals, or U.S. permanent residents or other eligible noncitizens (as stipulated for Federal Student Aid Eligibility)<sup>1</sup>.

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<sup>1</sup> Note: As specified in Chapter 1, undocumented students are not eligible for financial aid programs appropriated by the State of Iowa. This guidance also holds true for GEAR UP Scholarships.

- Be currently enrolled or planning to enroll at least part-time (3 hours minimum) in a Title IV-eligible diploma, certificate, associate or undergraduate degree program at an institution of higher education.
- File a Free Application for Federal Student Aid (FAFSA).
- Be under the age of 22 the first time they receive a GEAR UP Scholarship award.
- Be making Satisfactory Academic Progress (SAP) as defined by college or university standards.
- Not be in default on Federal Family Education Loans, Federal Direct Student Loans, Perkins/National Direct/National Defense Student Loans or any other federal student loans, or owe repayment on any Title IV assistance.

## **B. STUDENT APPLICATION PROCESS**

For the 2019-20 academic year, students must file Free Applications for Federal Student Aid (FAFSAs) as described in Chapter 1. The priority filing deadline for the GEAR UP Iowa Scholarship is July 1; although if funding permits awards will be made throughout the 2019-20 academic year as student applications are received.

Early high school graduates are required to complete a paper application which can be found on our website.

Students who reside outside of Iowa and are part of the 2.0 GEAR UP Iowa cohort will need to complete the paper application found on our website and provide Iowa College Aid with a copy of the Student Aid Report (SAR).

## **C. SELECTION OF RECIPIENTS**

Scholarships are awarded by the Iowa College Student Aid Commission (Iowa College Aid) to applicants who participated in the official 2.0 GEAR UP Iowa cohort and who are attending college during the 2019-20 academic year. The student's participation in the 2.0 GEAR UP Iowa cohort will be verified by staff at Iowa College Aid.

Iowa college and university officials can access a designated roster of GEAR UP Iowa Scholarship recipients by logging in to the Iowa College Aid Processing System (ICAPS®) and clicking on Rosters. Only students on the "Designated" roster can receive a GEAR UP payment. College and university officials should use the awarding instructions in this chapter, in conjunction

with general guidance in Chapters 1 – 3, to award GEAR UP Iowa Scholarships.

Out-of-state college and university officials will receive email or paper notices regarding student eligibility, and will need to return enrollment verification forms to Iowa College Aid prior to GEAR UP Iowa Scholarship disbursements being issued.

**D. AWARDING**

GEAR UP Iowa Scholarship recipients are eligible to receive maximum awards of \$1,200 for academic year 2019-20. The full-time GEAR UP Iowa Scholarship award is \$600 per semester. For students attending quarter schools, the maximum full-time award is \$400 per quarter. Awards may not exceed cost of attendance. These awards are not need-based, as the award can cover a recipient’s Expected Family Contributions (EFC).

GEAR UP Iowa Scholarship annual award amounts will be reviewed and authorized annually.

Payments are credited to student accounts on a per term basis by college or university officials.

Students who attend during the summer may receive additional funding beyond the annual maximum. Summer awards will be one-half of the academic year maximum grant award, or \$600 for students enrolled on a full-time basis. If a student receives a full-time GEAR UP Iowa Scholarship through the academic year and summer, the total GEAR UP Iowa Scholarship award received for the year cannot exceed \$1,800. Summer payments will be based on actual credit hour enrollment.

Students must be attending the degree seeking institution or have a consortium agreement with that institution (if attending elsewhere) to receive funding for the summer term.

The following chart provides the maximum GEAR UP Iowa Scholarship allowed per enrollment level.

Enrollment level	Semester Program Maximum Award				Quarter Program Maximum Award			
	Fall	Winter	Spring	Summer	Fall	Winter	Spring	Summer

Full-time 12+ hours	\$600	\$0	\$600	\$600	\$400	\$400	\$400	\$600
Three-quarter time 9, 10, 11 hours	\$450	\$0	\$450	\$450	\$300	\$300	\$300	\$450
Half-time 6, 7, 8 hours	\$300	\$0	\$300	\$300	\$200	\$200	\$200	\$300
Less-than-half-time 3, 4, 5 hours	\$150	\$0	\$150	\$150	\$100	\$100	\$100	\$150

## E. Matching Funds Reporting Requirement

Each college or university should also report any matching amount of institutional financial aid provided to GEAR UP Iowa Scholarship recipients. College and university officials can report matching dollars throughout the academic year in the Iowa College Aid Processing System (ICAPS®).

When reporting matching funds, colleges and universities should include all institutional funds that are included on any GEAR UP Iowa Scholarship recipient's financial aid award as institutional matching dollars. 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 in the college or university matching funds. The institutional match should include matching funds provided to students only during terms in which the students are receiving GEAR UP Iowa Scholarships. Summer matching dollars should be included only if the student is receiving GEAR UP Iowa Scholarship during the summer term.

## F. **AWARD NOTIFICATION**

Colleges and universities will provide award notices to GEAR UP Iowa Scholarship recipients. Award notices will clearly indicate award amounts and will include the following award notification statement:

**“In the event that available funds are insufficient to pay the full amount of each approved grant, the Iowa College Student Aid Commission has the authority to administratively reduce the award.”**

## **G. RENEWAL AND LIFETIME ELIGIBILITY**

The student must file a FAFSA for each year they want to be considered for a GEAR UP Iowa Scholarship.

Students may renew their GEAR UP Scholarship provided they file the appropriate application(s) by the priority application deadline, meet their college/university Satisfactory Academic Progress policies and GEAR UP Iowa Scholarship funding remains available.

## **H. CHANGES/CORRECTIONS**

Any award changes must be provided by college and university staff to Iowa College Aid electronically via ICAPS® or by email, paper, or phone if the college/university does not have access to ICAPS® (primarily institutions that are located in Iowa will have access).

## **I. VERIFICATION/COMPLIANCE**

College 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 Iowa College Aid administered student financial aid may be made prior to completing the verification process as long as college or university 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 Iowa College Aid.

## **J. ADDITIONAL OUT-OF-STATE COLLEGE/UNIVERSITY COMPLIANCE**

### **Responsibilities:**

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 EFCs 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 CPS or by requesting that students resubmit SARs with corrected information;
- Providing award information to students;
- Ensuring that enrollment verification forms accurately reflect the student's enrollment in specified terms;
- Ensure scholarship payments from Iowa College Aid accurately reflect the college disbursements made throughout the academic year;
- Ensuring overpayments are refunded to Iowa College Aid in accordance with the Refund and Overpayment Procedures listed below.

### **Calculating Refunds and Refund Procedures:**

If a student withdraws<sup>2</sup> before the end of a term after receiving state financial aid payments, the percentage calculated under the college or university's formula<sup>3</sup> for return of funds to the student must be used to calculate the state refund amounts. For example: If, when using the college or 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.

When state funds must be returned, payment must be made within 30 days of the final reconciliation of ICAPS® or within 30 days of the date that college or university officials learn that funds must be returned, whichever is later. The payment must be accompanied by a list of recipients for whom refunds are being provided. The list must include each student's name, amount of the

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<sup>2</sup> 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.

<sup>3</sup> This 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.

individual refund, name of the state aid program to which funds are being returned, and the applicable award period (academic year).

College and university officials may **round down** all refunds to the whole dollar amount. Examples: \$625.30 may be rounded down to \$625.00; \$785.97 may be rounded down to \$785.00.

### **Overpayment Procedures:**

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

- a) Immediately cancel future financial aid payments for programs administered by Iowa College Aid.
- b) Notify Iowa College Aid of the cancellation.
- c) Consider the students ineligible for Iowa College Aid administered programs 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.

### **Maintenance of Individual Student Records:**

Individual student records must be maintained by college and university officials for all students who receive awards from programs administered by Iowa College Aid. These records, which are generally located in the financial aid office, must include:

- a) Aid application need analysis reports;
- b) Documentation for any adjustments to students' records;
- c) Award letters (or copies), if awards are offered;
- d) Verification of each student's enrollment and satisfactory academic progress;
- e) Resolved verification requests;
- f) Withdrawal and refund information; and
- g) Items listed under the section titled "Recordkeeping and Disclosure" in The Federal Student Financial Aid Handbook;
- h) 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 years in which students last attended the college or university or until any audit questions have been resolved.