

CHAPTER 17

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 GEAR UP Iowa cohort with the cost of postsecondary education. Recipients must have been in the official GEAR UP Iowa cohort scheduled to graduate high school in spring 2014. Awards are prorated for students enrolling on a less than full-time basis.

Date Established: July 2013

Funding:

GEAR UP FUNDING HISTORY	
ACADEMIC YEAR	TOTAL FUNDING
2013-14 through 2018-19	\$17,000,000*

*the total amount of funding for the GEAR UP Iowa Scholarship is anticipated to reach approximately \$17 million. The funding will be spent over consecutive years until depleted.

A. ELIGIBILITY

1. College and University

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 GEAR UP Scholarship, students must:

- Be United States citizens or nationals, or

- Be U.S. permanent residents or other eligible noncitizens (as stipulated for Federal Student Aid Eligibility)¹.
- 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.
- Students must be making Satisfactory Academic Progress (SAP) as defined by college or university standards.
- Students can't 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 2015-16 academic year, students must file Free Applications for Federal Student Aid (FAFSAs) as described in Chapter 1.

There is no filing deadline for the GEAR UP Scholarship; awards will be made throughout the 2015-16 academic year as student applications are received.

C. SELECTION OF RECIPIENTS

Scholarships are awarded by the Commission to applicants who participated in the official GEAR UP Iowa cohort and who are attending college during the 2015-16 academic year. The student's participation in the GEAR UP Iowa cohort will be verified by GEAR UP Iowa staff located at the Commission.

Iowa college and university officials can access a roster of GEAR UP Scholarship recipients by logging in to the Scholarship and Grant Reporting System, clicking on Reports and selecting the GEAR UP Students report. 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 Scholarships.

Out-of-state college and university officials will receive email or paper notices regarding student eligibility, and will need to return enrollment verification

¹ 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.

forms to the Commission prior to GEAR UP Scholarship disbursements being issued.

D. AWARD AMOUNTS AND LIMITS

GEAR UP Scholarship recipients are eligible to receive maximum awards of \$2,600 for academic year 2015-16. The full-time GEAR UP Scholarship award is \$1,300 per semester. For students attending quarter schools, the maximum full-time award is \$867 per quarter. Awards may not exceed cost of attendance. These awards are not subject to the Commission's gift aid regulations (Chapter 2), as the award can cover a recipient's EFC.

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 \$1,300 for students enrolled on a full-time basis. If a student receives a full-time GEAR UP Scholarship through the academic year and summer, the total GEAR UP Scholarship award received for the year cannot exceed \$3,900. Summer payments will be based on actual credit hour enrollment.

The following chart provides the maximum GEAR UP 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	\$1,300	\$0	\$1,300	\$1,300	\$867	\$867	\$866	\$1,300
Three-Quarter Time 9, 10, 11 hours	\$975	\$0	\$975	\$975	\$650	\$650	\$650	\$975
Half-Time 6, 7, 8 hours	\$650	\$0	\$650	\$650	\$434	\$433	\$433	\$650
Less-than-half-time 3, 4, 5 hours	\$325	\$0	\$325	\$325	\$217	\$217	\$216	\$325

E. AWARD NOTIFICATION

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

“In the event that available state 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.”

F. RENEWAL ELIGIBILITY

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

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

G. CHANGES/CORRECTIONS

Any award changes must be provided by college and university staff to the Commission electronically via the State Scholarship and Grant Reporting System (see Chapter 3 and Appendix A) or by email, paper, or phone if the college/university does not have access to the State Scholarship and Grant Reporting System (primarily institutions that are not located in Iowa and are not eligible for Iowa scholarship and grant programs).

H. 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 Commission-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 Commission-administered.

I. 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 Expected Family Contributions (EFCs) submitted to the Iowa College Student Aid Commission;
- 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 the Commission accurately reflect the college disbursements made throughout the academic year;
- Ensuring overpayments are refunded to the Commission in accordance with the State Refund Procedures, as detailed later in this chapter.

Calculating Refunds and Refund Procedures:

If a student withdraws² before the end of a term after receiving state financial aid payments, the percentage calculated under the college or university's formula³ 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

² 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.

³ 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.

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 the Scholarship and Grant System 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 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 Commission-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 the Commission.
- b) Notify the Commission of the cancellation.
- c) Consider the students ineligible for Commission-administered programs until repayment is complete or satisfactory repayment arrangements have been made with, and confirmed by, the Commission.

Commission 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 the Commission. 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 the Commission 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.