



NCAA Division I Financial Aid Concepts & Rules

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Overview

- Definitions.
- Eligibility for Financial Aid.
- Permissible Sources of Aid.
- Individual and Team Limits.
- Terms and Conditions.
- Renewals and Nonrenewals.

Definitions

- Financial Aid.
 - Funds received by the student-athlete to finance his or her education.

NCAA Bylaw 15.02.4

- Institutional Aid.
 - Aid administered by the institution.

Bylaw 15.02.4.1

Definitions

- Full Grant-In-Aid (FGIA).
 - Tuition and fees, room and board (or off campus stipend) and required course-related books.

Bylaw 15.02.5

- Cost of Attendance (COA).
 - Includes total cost of:
 - Tuition and fees;
 - Room and board;
 - Books and supplies;
 - Transportation; and
 - Other expenses related to attendance.

As calculated by the financial aid office per federal guidelines.

Bylaw 15.02.2

What Exactly Does an ISU Athletic Scholarship Pay For?

- **Tuition**: In or out of state, 12-18 hours bracket only
- **Fees**: Only mandatory fees that are assessed against all ISU students' accounts upon registration: Recreation (ATHUK), Technology (ATHUT), Transportation (ATHUP), Student Service (ATHUS), Bldg & Facility Fees (ATHUF)
- **Room & Board**: Double occupancy room only unless single room has been previously approved. (Single rooms are not available for freshmen unless they go through normal process in housing office to obtain one). Advantage meal plan **OR**,
- **Off-campus stipend**: \$4200/year (\$525 per month).
- **Books**: \$400 for the year.

Definitions

- Individual Limit.
 - Maximum amount of aid an individual may receive.
Bylaws 15.01.6 and 15.1
- Counter.
 - Student-athlete who must be counted against team limits.
Bylaw 15.02.3

Definitions

- Head-Count Sports:

- Look at the number of counters, regardless of the amount of aid received. *“Counters” discussed later.*

Bylaws 15.5.2.1, 15.5.5.1, 15.5.5.2
and 15.5.6.1

- Equivalency sports:

- One grant-in-aid can be divided between multiple student-athletes.
- Each team has a maximum number of FGIA's that can be divided among team members.

Bylaws 15.5.3.1.1 and 15.5.3.1.2

Eligibility for Institutional Athletics Aid

- Student-athlete must meet all guidelines.
 - Federal.
 - State.
 - NCAA.
 - Conference.
 - Institutional.

Bylaw 15.01.5

Eligibility for Institutional Athletics Aid

- Undergraduate with eligibility remaining under five-year rule (Bylaw 14.2.1); or
- Graduate student-athlete with eligibility remaining under Bylaw 14.1.9; or

Bylaw 15.01.5 (a) and (b)

Eligibility for Institutional Athletics Aid

- Within six years of initial full-time collegiate enrollment (provided no more than five years of aid during period); or
- Student-athlete who is selected for an NCAA degree-completion award.

Bylaw 15.01.5 (c) and (d)

Eligibility for Institutional Athletics Aid Transfer Student-Athlete: From Four-Year Institution

- During first academic year at certifying institution.
 - Must have been academically eligible for competition had he or she remained at the previous institution; or
 - Meet exception (nonsponsored sport or nonparticipation).

Bylaws 14.5.5.4 and 14.5.5.4.1

Eligibility for Institutional Athletics Aid

Transfer Student-Athlete: 4-2-4

- During first academic year at certifying institution.
 - Must complete at least one regular academic term of enrollment at the two-year institution.

Bylaw 14.5.6.5

Permissible Sources of Financial Aid

- Funds administered by the institution (e.g., scholarships, grants, and tuition waivers).

Bylaw 15.02.4.1

- Other permissible sources (e.g., loans, parents, relatives, outside awards with athletics as major criterion and outside awards with athletics not a major criterion).

Bylaw 15.02.4.2

Outside Awards/Scholarships

- Administered-awarded by person/entity OTHER THAN ISU. (Rotary Club, NAACP, Kentucky Grocers Association, Wabash Valley Football Coaches Ass'n)
- NCAA restricts ALL student athletes' receipt of these.
- Does NOT matter whether they are getting an athletic scholarship.
- All must be processed thru ISU Bursar's Office
- Helen Aker sends out inquiry letter to Donor
- Compliance determines permissibility.
- Never tell a student athlete or their parents to "keep" the check or not to worry about it.

Maximum Financial Aid Limits: Individual Limit

Student-athlete's overall individual limit is COA.

- Student-athletes may receive the following aid up to FGIA.
 - Athletically related institutional aid.
 - Outside aid with athletics participation as a major criterion.
 - Educational expenses from an Olympic committee or a national governing body.

Maximum Financial Aid Limits: Individual Limit

– PLUS, a student-athlete may receive:

- Other financial aid with no athletic nexus and totally unrelated to athletics ability up to the COA;

Bylaw 15.1

OR

- For a student-athlete who receives a Pell Grant, the greater of the value of a FGIA plus the Pell Grant or the value of a student-athlete's COA.

Bylaw 15.1.1

How Does a Student-Athlete Become a Counter?

- The student-athlete:
 - Receives financial aid based on athletics ability.
 - Recruited and receives outside aid for which athletics participation is a major criterion.
 - Receives educational expenses from an Olympic committee or national governing body.
 - Receives institutional aid with no certification that the aid was not based on athletics ability.

Bylaws 15.5.1 and 15.5.1.1

Counter Notes

- In some instances, student-athletes who receive institutional aid may not be counters.
 - Student-athlete aid specifically exempted by NCAA legislation.
 - Exhausted eligibility; or
 - Medical noncounters.

Team-Limit Calculations

- Head-Count Sports:

- Men's basketball (13).
- Football (63 scholarships to divide up between maximum of 85 counters; 30 initial).
- Women's basketball (15) .
- Women's volleyball (12).

- Equivalency Sports:

- Baseball, cross country, indoor/outdoor track, softball, soccer, and golf.

Team-Limit Calculations: Baseball Limitations

- Limit of 11.7 equivalencies.
- Limit of 27 total counters 2009-10 and thereafter.
- Minimum 25% of an equivalency per award (includes all countable aid).
 - Exception for institutions that award athletics aid based solely on demonstrated financial need.

Bylaws 15.5.4, 15.5.4.1 and 15.5.4.1.1

How is an Equivalency Calculated?

- Calculate a fraction for all counters.
- Numerator includes all institutional aid for room, board, tuition and mandatory fees up to the value of a FGIA, except for legislated exceptions.
- Denominator is the value of a FGIA based on the actual costs or average costs of a FGIA for all students.
- The dollar amount used for books in both the numerator and the denominator is \$400.

Bylaw 15.5.3.2 and April 23, 2008 Official Interpretation

How is an Equivalency Calculated?

Exceptions.

- *Academic Honor Awards.*
 - Based on high school academic record.
 - Awarded independently of athletics interests.
 - Recipient must:
 - Be in the top 10% of graduating class; or
 - Achieve a cumulative GPA of at least 3.500; or
 - Achieve a minimum score of 1200 on the SAT or 105 on the ACT.
 - Use “*ISU Equivalency Exemption/Non-Counter Certification Form*”.

How is an Equivalency Calculated?

Exceptions.

- *Institutional Academic Scholarships.*
 - Based on academic record at the institution.
 - Awarded independently of athletics interests.
 - Recipient must:
 - Complete one academic year at the certifying institution; and
 - Achieve a minimum cumulative GPA of 3.300.
 - Use “*ISU Equivalency Exemption/Non-Counter Certification Form*”.

Bylaw 15.5.3.2.2.2

Terms of Awarding Aid

- Award must conform to institutional and conference regulations.

Bylaw 15.3.2.1

- Aid awarded to prospective student-athlete may not be conditioned on recipient reporting in satisfactory physical condition.

Bylaw 15.3.2.2

Terms of Awarding Aid

- Written statement required and must include amount, duration, conditions and terms of award.
- Must be signed by individual who oversees awarding of financial aid generally (electronic authorization permissible)- *Mr. Kim Donat, Office of ISU Financial Aid.*
- Signature of athletic director or designee.

Bylaw 15.3.2.3

Period of Institutional Financial Aid

- During academic year, period of the award begins with the first day of class or practice, whichever is earlier.

Bylaw 15.02.7

- “Period of award” for reduction/cancellation is from student-athlete’s signing of award letter through period set forth in agreement (GIA is a “contract”).

Bylaw 15.3.4.3.2

Period of Institutional Financial Aid

- One-Year Period.
 - Aid may not be awarded in excess of one academic year or for a period of less than one academic year.

Bylaw 15.3.3.1

- Aid shall be awarded in equal amounts for each term of the academic year.

Bylaw 15.3.3.2

Period of Institutional Financial Aid

☐ Exceptions to one year period:

- Midyear enrollment.
- Final semester/quarter.
- One-time exception.
- Eligibility exhausted/medical non-counter

Bylaw 15.3.3.1.1

Period of Institutional Financial Aid

❑ Additional Issues:

Financial aid authority precedent for renewals.

- Prospective student-athlete must be informed that the renewal will not be automatic.

Bylaw 15.3.3.1.2

Injury or illness policy.

- It is not permissible to assure the prospective student-athlete that aid will automatically be renewed in case of an injury.

Bylaw 15.3.3.1.3

Period of Institutional Financial Aid

What about the summer term?

- Separate scholarship document (“GIA”).
- Awarded in proportion (%) to aid during preceding regular term. (*No aid in prior year=no aid in summer*)
- “*Summer School Aid Application.*” **Due April 10th!!**

Bylaw 15.2.8

When is Reduction or Cancellation Permitted During Period of Award?

- Ineligible.
- Fraud.
- Serious misconduct.
- Voluntary withdrawal. Bylaw 15.3.4.2
- Non-adherence to non-athletically related conditions included in financial aid agreement.

Bylaw 15.3.4.2.2

When is Reduction or Cancellation Not Permitted During Period of Award?

- Generally, not permitted for any reason not listed in Bylaw 15.3.4.2 or per Bylaw 15.3.4.2.2.
- Bylaw 15.3.4.3 specifically does not allow for reduction:
 - Based on the student-athlete's athletics ability.
 - Because of an injury, illness or physical or mental medical condition.
 - For any other athletics reason.

Hearing Requirement

- Prior to reduction or cancellation of institutional aid based in any degree on athletics ability, the student-athlete must be provided with the following:
 - Written notice of the reduction or cancellation; and
 - Written notice of an opportunity for a hearing.
 - Written notice shall include a copy of the institution's established policies and procedures for conducting the required hearing, including the deadline by which a student-athlete must request such a hearing.

Hearing Requirement

- Hearing must be prompt.
- Hearing cannot be conducted by athletics department or faculty athletics committee.
 - Athletics department staff may be standing member of a committee that conducts hearings.

When is an Increase Permitted During Period of Award?

- Between the period when the student-athlete signs the financial aid agreement and the beginning of the period of the award (i.e., first day of practice or class).
- During the period of the award, if the institution can demonstrate that the increase is unrelated to an athletics reason. Bylaw 15.3.4.1
- Use ISU “*Mid-Year Scholarship Increase Request Form*”

Renewals and Nonrenewals

- Must be made in writing on or before July 1.
- Notification must:
 - Be prompt and in writing.
 - Be sent to all student-athletes who received an award the previous academic year and has eligibility remaining.
 - Come from the institution's regular financial aid authority; not from the athletics department.
- Notice of opportunity for appeal/hearing is required if not renewed or reduced.

Bylaw 15.3.5.1

Bylaw 15.3.2.4.

Questions?

Other Matters:

- CARA forms
- Phone logs/bills
- Eligibility certification after fall – 6 hour rule/GPA rule – 1st day of Spring Classes
- Book returns – no return = no Spring books!

Ask Before You Act!

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