

# Volume 6 Managing Campus-Based Programs

## Chapter 1: Participation, Fiscal Procedures & Records..... 1

Program Participation Agreement .....	1
<i>Perkins PPA requirements; Federal Work-Study PPA requirements</i>	
FISAP Report & Application .....	3
<i>Application for funds; Reporting expenditures</i>	
Allocation of Campus-Based funds.....	4
Reallocation of funds .....	5
<i>Releasing unused funds</i>	
Transfer of Campus-Based funds .....	6
<i>Federal Work-Study transfer to FSEOG or Perkins; FSEOG transfer to Perkins</i>	
FSEOG & FWS Carry Forward/Carry Back .....	8
<i>Carry forward; Carry back; General principles;</i>	
<i>FWS limitations on use of funds carried forward or carried back</i>	
Federal Share Limitation .....	10
<i>Federal share of FWS; Federal share of Perkins; Federal share of FSEOG</i>	
Nonfederal Share.....	12
<i>Nonfederal share of FWS; Nonfederal share of FSEOG; Nonfederal share of Perkins</i>	
Use of FWS Allocated Funds .....	14
<i>Private for-profit organizations; Work-Colleges; Community Service Jobs</i>	
Campus-Based Recordkeeping .....	16
<i>Perkins recordkeeping; FWS recordkeeping; FSEOG recordkeeping</i>	
Record Retention & Formats .....	20
<i>Availability of records &amp; period of retention; Record formats, storage, etc.</i>	
Perkins Reimbursement & Assignment.....	22
<i>Reimbursement for overpayment or default; Assigning loans to FSA collections if</i>	
<i>Perkins participation ends; Perkins liquidation</i>	
Administrative Cost Allowance (ACA) .....	23

## Chapter 2: Operating a Federal Work-Study Program..... 25

FWS Jobs & Employers.....	25
Employment Conditions & Limitations .....	26
<i>Wages; General restrictions on employment; Federal share may not pay fringe benefits</i>	
FWS Jobs & Periods of Enrollment/Nonenrollment .....	28
<i>FWS earnings for the next period of enrollment;</i>	
<i>Periods of nonattendance for FWS students</i>	
Community Service Jobs.....	29
<i>Community services eligible for FWS; Employing FWS students as tutors</i>	
Work on Campus (School is Employer).....	33
<i>Work for proprietary school</i>	
Work Off-Campus .....	35
<i>Work for nonprofit or government agency; Work must be "in the public interest"; Work off-campus for</i>	
<i>private for-profit companies; Off-campus agreements</i>	

Job Location & Development Program .....	40
<i>JLD program participation; Student eligibility; Use of FWS allocation for JLD program; Use of JLD program funds; Federal share limitation; Allowable program costs; Students as staff in the JLD program office; Multi-institutional JLD programs</i>	
Work-Colleges Program .....	43
<i>Allowable costs</i>	
Appendix A: Model Off-Campus Agreement .....	45
Appendix B: Need Assessment for FWS Community Service Program.....	47

## Chapter 3: Making Perkins Loans ..... 49

Making a Perkins Loan.....	49
Disclosure to Students Prior to First Disbursement .....	50
Perkins Promissory Note .....	51
<i>Single vs. multi-year use of the MPN; Retaining the electronic MPN; Using ED-approved MPN &amp; customizing the MPN; Minimum monthly payment option</i>	
Subsequent Disclosures & Notifications .....	55
<i>Loan amount, loan period &amp; cumulative balance; Loan disbursements</i>	

## Chapter 4: Perkins Repayment, Forbearance, & Deferment ..... 57

Grace Periods .....	57
<i>Initial grace periods; Post-deferment grace periods; Applicable grace period for less-than-1/2-time-students; Calculating the grace period; Grace period when student doesn't return from leave of absence</i>	
Establishing a Repayment Plan .....	60
<i>Calculating the repayment amount; Interest accrual; Incentive repayment program</i>	
Minimum Monthly Repayment Amounts .....	62
<i>Conditions for minimum monthly repayment; Multiple loans at same school; Loans from multiple schools</i>	
Establishing Repayment Dates.....	64
<i>Extending repayment period for illness, unemployment, or low income</i>	
Forbearance .....	66
Deferment Procedures .....	67
<i>Concurrent deferment/cancellation; Deferment and default; Maintaining in-school enrollment status vs. in-school deferment</i>	

## Chapter 5: Perkins Cancellation ..... 75

General Cancellation Provisions .....	75
<i>Application for cancellation; Concurrent deferment;</i>	
<i>ED reimbursement to school</i>	
Cancellation Restrictions .....	76
<i>Prior service &amp; payments prior to cancellation;</i>	
<i>Defaulted loans; Americorps recipients</i>	
Elementary/Secondary Teacher Cancellation .....	77
<i>Cancellation for teaching in a low-income school or educational service agency;</i>	
<i>Cancellation for teaching in a teacher shortage field; Cancellation for teaching</i>	
<i>in special education</i>	
Public Service Cancellations .....	80
<i>Nurse or medical technician cancellation; Firefighter cancellation;</i>	
<i>Early intervention (for disabled infants/toddlers) cancellation;</i>	
<i>Child or family services cancellation; Speech pathologist (at Title I) school cancellation;</i>	
<i>Librarian (at Title I) cancellation; Faculty member at a tribal college or university</i>	
Law Enforcement & Public Defender Cancellations .....	84
<i>Law enforcement/corrections officer cancellation; Public defender cancellation</i>	
Military Service Cancellation .....	86
Early Childhood Cancellation (Prekindergarten, Child Care, Head Start) .....	86
Volunteer Service Cancellation .....	87
Discharging Perkins Loans .....	88
<i>Discharge due to death; Discharge for total &amp; permanent disability (nonveterans);</i>	
<i>Discharge for service-connected disability (veterans); Closed School Discharge;</i>	
<i>Discharge for spouses of 9-11 victims; Bankruptcy discharge</i>	

## Chapter 6: Perkins Billing, Collection & Default ..... 95

Communication with Borrower .....	95
Requirements at End of Enrollment .....	96
<i>Exit Interview; Disclosure of repayment information; Contact during grace periods</i>	
Billing procedures and Overdue Payments .....	99
<i>Notices of overdue payments; Late charges; Contacting the borrower by telephone;</i>	
<i>Loan acceleration; Address searches</i>	
Default & Collection Procedures .....	102
<i>Credit bureau reporting; Efforts to collect; Ceasing collections;</i>	
<i>Alternatives to litigation; Litigation; Assignment</i>	
Billing & Collection Costs .....	106
Default Status & Perkins Eligibility .....	109
<i>Satisfactory repayment arrangements; Perkins Loan rehabilitation;</i>	
<i>Loans with judgments; Previously defaulted loans discharged for school closure</i>	
Perkins Assignment .....	111
<i>Required documentation; Terms of assignment</i>	
Perkins Cohort Default Rates .....	113
<i>How the Perkins default rate is calculated; Perkins loans that are not</i>	
<i>treated as defaults; Rules for calculating the number of days in default;</i>	
<i>Penalties for high Perkins default rates;</i>	