
Introduction

The Federal Perkins Loan, Federal Supplemental Educational Opportunity Grant (FSEOG), and Federal Work-Study (FWS) programs are called “campus-based” programs because each school is responsible for administering them on its own campus. This volume gives guidance on issues specific to the administration of the campus-based programs.

FEDERAL PERKINS LOAN PROGRAM

The Federal Perkins Loan Program includes Federal Perkins Loans, National Direct Student Loans (NDSLs), and National Defense Student Loans (Defense Loans). No new Defense Loans were made after July 1, 1972, but a few are still in repayment. Perkins Loans and NDSLs are low interest (currently 5%), long-term loans made through school financial aid offices to help needy undergraduate and graduate students pay for postsecondary education.

New Process for Accessing the eCampus-Based System

Dear Colleague Letter CB-06-14

Beginning January 22, 2007, all eCB users will be required to access the eCB system using the new Security Architecture. Access through the PIN site will no longer be available. For more details, see Dear Colleague Letter CB-06-14.

FEDERAL SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANT PROGRAM

The purpose of the Federal Supplemental Educational Opportunity Grant (FSEOG) Program is to encourage schools to provide grants to exceptionally needy undergraduate students to help pay for postsecondary education. This provision is in Section 413C(c)(2) of the Higher Education Act of 1965, as amended. Giving priority to applicants with exceptional financial need, schools selecting FSEOG recipients must use the selection criteria discussed in Volume 3, chapter 5.

FEDERAL WORK-STUDY PROGRAM (FWS)

Through the FWS Program, undergraduate and graduate students work part time to help pay for the cost of their education. Schools must use 7% of their FWS Program funds to compensate students employed in community service jobs.

VOLUME ORGANIZATION

For 2007-2008, the campus-based volumes of the FSA Handbook retain the process-centric organization that was first introduced in the 2004-2005 FSA Handbook. This includes a unification of the campus-based programs volumes of 2003-2004 and previous years.

Chapter 1 of Volume 6 covers fiscal procedures and administrative requirements such as the FISAP, allocation and transfer of funds, fed-

eral/nonfederal share, and recordkeeping.

Chapter 2 discusses the operation of FWS programs, including community service jobs, Job Location and Development programs, and Work Colleges.

Chapter 3 covers making Perkins loans, in particular disclosures to students, the new Master Promissory Note, and a Q&A section on the Master Promissory Note.

Chapter 4 discusses what happens after a Perkins loan is made. Repayment, forbearance, deferment, and cancellation are covered in detail.

Chapter 5 covers procedures for Perkins loan collection and default.

For more information about where to find campus-based sections, see the introductory text at the beginning of each chapter of this volume.

Guidance Changes/Updates

p. 6-i New citation: DCL on New Process for Accessing the eCampus-Based System (CB-06-14)

p. 6-14 Updated citation: DCL on use of state scholarships and grants as non-federal share of FSEOG (CB-06-03)

p. 6-23 Updated citation: DCL on Perkins Assignment (CB-06-23)

p. 6-39 New citation: Work for Private for-profits (34 CFR 675.23)

p. 6-48 Updated citation: DCL on Application to participate in the Work-Colleges program (CB-07-02)

p. 6-60 New citation: DCL on New Perkins eMPN (CB-06-11)

p. 6-76 New citation: DCL on Total and Permanent Disability Loan Discharge Application (GEN-06-14)

p. 6-77 Updated URL: Searchable database of closed schools

p. 6-86 Military Service Perkins Deferment discussion, regulatory citation (34 CFR 674.34(h)) added

p. 6-94 New citation: DCL on Teacher Loan Forgiveness Application and Forbearance (CB-06-13)

p. 6-97 Updated URL: Directory of Low-Income schools for purposes of Perkins cancellation eligibility

p. 6-102 Updated citation: DCL on Cancellation reimbursement (CB-06-07)

p. 6-124 Updated citation: DCL on Revised Assignment Form and Procedures (CB-06-12)

p. 6-125 New Assignment under e-signed or Perkins MPN discussion

p. 6-125 New Reporting Date(s) of First Disbursement on loan manifest discussion

p. 6-126 Updated URL: Perkins Cohort Default Rate booklet