
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 6.

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 2008-2009, 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, federal/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

- 6-21 Revised guidance on required school expenditures for FWS community service
- 6-23 Updated eMPN storage requirements and school responsibilities
- 6-66 New mailing address for paper MPNs listed
- 6-80 Updated Total and Permanent Disability guidance, new timing sidebar
- 6-86 Guidance for simplified deferment information sources
- 6-88,89 Updated economic hardship deferment guidance
- 6-90 Military service deferments may now be granted based on a request from a borrower's representative, and the loan holder may also notify the borrower's representative of the outcome of the request
- 6-91 New active duty student deferment described
- 6-103 Child or family services Perkins cancellation eligibility criteria updated
- 6-107 Perkins loan discharge for victims of Sept 11 guidance added
- 6-112 Requirements for reporting Perkins information to NSLDS described
- 6-123 Reasonable collection costs chargeable to Perkins borrower defined; regulatory citation added
- 6-128 Described new circumstances under which schools are required to assign Perkins loans, also added new regulatory sidebar on same
- 6-129 Updated guidance for Perkins assignment under e-signed or Perkins MPN

