

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.

A school applies for and receives program funds directly from the U.S. Department of Education by submitting an application, the *Fiscal Operations Report and Application to Participate* (FISAP), each award year. The school’s financial aid administrator is responsible for ensuring that eligible students at the school receive program funds according to the provisions of the law, the regulations, the Program Participation Agreement (PPA) signed by both the Secretary of Education and the school’s chief administrative officer, and other criteria the Department may establish. This volume covers provisions common to the Perkins Loan, FSEOG, and FWS programs. The following three volumes discuss these programs individually. For a description of each program, see the Introduction to the program’s respective volume.

RECENT CHANGES

The final regulatory revisions resulting from the Amendments of 1998 that affect the campus-based programs were published October 28, 1999.

The changes that follow are common to all three campus-based programs and result from the Higher Education Amendments of 1998.

Effective October 1, if a school’s FSEOG, FWS, or Federal Perkins Loan allocation is directly based in part on the financial need of less than full-time or independent students, then a school is required to offer a **reasonable proportion** of its FSEOG allocation, its FWS allocation, and the dollar amount of the loans made from its Perkins revolving fund to independent or less-than-full-time students.

Starting with the 2000-01 award year, the allocation formula changes. Under the new formula:

- the base is equal to the total of the base guarantee plus the pro rata share received for the 2000-2001 award year,
- the pro rata share is eliminated, and
- the fair share calculation is based on all the excess funds after the base guarantees are met.

Reasonable Proportion Cites
34 CFR 674.10(b)

Campus-Based Programs
Allocation Formula Cites
Dear Partner Letters CB-99-16 and CB-00-01, HEA Sections 413D, 442, and 462

For recent changes specific to each campus-based program, see the respective volume for each program.

PROGRAM PARTICIPATION AGREEMENT

A school that wants to participate in any Student Financial Assistance (SFA) program must sign a PPA with the Department. The school official legally authorized to assume, on the school's behalf, the agreement's obligations must sign the agreement. (For more information on this agreement, see *Volume 2 - Institutional Eligibility and Participation*.)

The agreement provides that the school must use the funds it receives for a program solely for the purposes specified in the regulations for that program and that the school must administer each program in accordance with the Higher Education Act (HEA) of 1965, as amended, and the General Provisions regulations. See volume 2 for information on the General Provisions. Each of the campus-based programs has additional requirements that are part of the PPA and that are specific to the individual program; these requirements are found in the regulations for each program and in the HEA. Each program's specific requirements are discussed in that program's respective volume.

APPLICATION FOR FUNDS

To receive funds from the Department for one or more of the campus-based programs, a school must submit a FISAP each award year. All schools are required to file the FISAP data through the electronic FISAP process. The Department no longer provides or accepts paper, diskette, or magnetic tape FISAP forms. Thus, a school must use the electronic FISAP transmission process through the TIV WAN using EDEExpress to be eligible to participate (request/receive a funding allocation) in the campus-based programs.

Each July, the Department makes available the electronic FISAP for schools to use in applying for funds for the subsequent award year. The information reported must be accurate and verifiable. The deadline for transmitting the completed FISAP to the Department over the Student Aid Internet Gateway or SAIG (formerly known as TIV WAN) is October 1.

A school that has applied to participate in the campus-based programs for the first time should submit a FISAP by the deadline even if the school has not been certified to participate in the programs. The Department will calculate a funding level for the school and put the funding on "hold" status until the school has been approved to participate. See "Fiscal Operations Report" in Chapter 3 for more information.

ALLOCATION OF FUNDS

The Department allocates funds directly to schools according to the statutory formulas. The allocation (or authorization) for each program is the amount of funding the school is authorized to receive from the Department for an award year. This amount is based on the allocation formulas in the law as well as on the funds appropriated by Congress for the program. A school will not, however, receive an allocation that is in excess of its request.

The Department notifies schools of their final allocation for each campus-based program no later than April 1 by sending a copy of the school's final funding worksheet and Electronic Statement of Account (ESOA) for each program to its SAIG mailbox. This notification shows the specific steps used to calculate the awards.

If a school does not use its total allocation of funds for campus-based programs, the school must release unexpended amounts to the Department. The Department issues a Dear Partner Letter in June that tells schools to release unexpended funds by the end of August that year and asks for an estimate of the amount of funds they expect to have used by that date. Later, a school also must determine the actual amounts spent as of the end of the award year and report those amounts on the Department of Education's Central Automated Processing System (EDCAPS). The Dear Partner Letter will be posted to the Web and the software to be used will be included with the FISAP software materials.

If a school returns more than 10 percent of its allocated funds for a given award year under any one of the campus-based programs, the Department will reduce the school's allocation for the second succeeding award year by the dollar amount returned unless the Department waives this provision. For example, if the school returns more than 10 percent of its 1998-99 allocation, its 2000-01 allocation will be reduced by the dollar amount returned for 1998-99.

The Department may waive this provision for a specific school if it finds that enforcement would be contrary to the interests of the program. The Department considers enforcement to be contrary to the interest of the program only if the school returned more than 10 percent of its allocation due to circumstances that are beyond the school's control and are not expected to recur. To request a waiver, a school must submit a written explanation of the circumstances along with its FISAP transmission. The Department has explained the process a school must use to request a waiver for the 2001-2002 award year in the FISAP Instruction Booklet.

After schools release their unexpended allocations, the Department reallocates the funds to schools that have met the criteria for receiving a supplemental allocation. Criteria for distributing these funds for each program are established in accordance with the HEA and the campus-based program regulations.

2000-2001 Campus-Based Final
Funding Authorization Cite
Dear Partner Letter CB-00-03

CERTIFICATIONS A SCHOOL MUST SUBMIT TO THE DEPARTMENT

Included in the FISAP package the Department distributes to schools annually is the Department Form 80-0013, *Certifications Regarding Lobbying; Debarment, Suspension, and Other Responsibility Matters; and Drug-Free Workplace Requirements* and Standard Form LLL, *Disclosure of Lobbying Activities*. To participate in the campus-based programs each award year, a school's chief executive officer, or another person who has the authority to sign on behalf of the entire school, is required to complete, sign, date, and submit to the Department the above certification forms with the school's completed FISAP by the established deadline. A detailed discussion of the certification requirements is in volume 2.