



January 2006

CB-06-01

Subject: Tentative 2006-2007 Funding Levels for the Campus-Based Programs

Summary: This letter announces the posting of schools' tentative 2006-2007 funding levels for the campus-based programs.

Dear Colleague:

Your school's tentative funding levels and corresponding worksheets for the Federal Perkins Loan (Perkins Loan), Federal Work-Study (FWS), and/or Federal Supplemental Educational Opportunity Grant (FSEOG) programs for the award period July 1, 2006 through June 30, 2007 will be posted to the eCampus-Based (eCB) Web site (<http://www.cbfnisap.ed.gov>) no later than January 31, 2006. These tentative funding levels are determined in accordance with the Higher Education Act of 1965, as amended (HEA), and the regulations for the campus-based programs.

Note: In accordance with the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2006 (P.L. 109-149) there will be no funds available for new Federal Capital Contributions (FCC) for the Perkins Loan Program for the 2006-2007 Award Year.

Attached to this letter is an explanation of the calculation of each tentative funding level contained in the worksheet for each program. We will notify your school by e-mail when its tentative funding levels and worksheets are available on the eCB Web site (<http://cbfnisap.ed.gov>). We will send this e-mail to the Financial Aid Administrator provided in your school's most recently submitted Fiscal Operations Report and Application to Participate (FISAP).

To access your school's letter and worksheets, log in to the eCB Web site, select the "Self-Service" link from the top navigation bar, and scroll to the "Campus-Based Notifications for All Available Award Years" section. Then, scroll to the "Tentative Funding Levels" bullet and select the "2006-2007" link next to it. Please review your school's worksheets carefully.

Final awards for the 2006-2007 Award Year will be posted to the eCB Web site no later than March 31, 2006.

Reductions In Allocation Funding Levels Due To Prior Year Underuse

In accordance with sections 413D(d)(2), 442(d)(2) and 462(i)(4) of the HEA, if a school returns more than 10 percent of its Perkins Loan, FWS, or FSEOG allocation, respectively, for an award year, the allocation for the second succeeding award year for that program is reduced by the dollar amount returned from the earlier year. Your school can determine if its 2006-2007 funding level was reduced because of the underuse of 2004-2005 funding by reviewing the worksheet lines labeled "Under Used Percentage" and "Allocation Reduction." The law also provides that the Secretary can waive the underuse penalty for a school if its enforcement would be contrary to the interests of the affected campus-based program. A

830 First St. N.E., Washington, DC 20202
www.FederalStudentAid.ed.gov
1-800-4-FED-AID

FEDERAL STUDENT AID  START HERE. GO FURTHER.

request for a waiver of any 2006-2007 Award Year penalty for the underuse of 2004-2005 Award Year funds should be submitted to the Department using the eCB Web site's FISAP process (Part II, Section C and the Additional Information screens). Requests must be submitted no later than February 10, 2006.

Additional Locations Not Eligible As Of September 30, 2005 Must Be Eligible By March 1, 2006

Schools were permitted to include data in the Fiscal Operations Report for 2004-2005 and the Application to Participate for 2006-2007 for students enrolled in additional locations that had not yet received eligibility determinations by the September 30, 2005 FISAP submission date. If a school does not receive an eligibility letter and Program Participation Agreement from the Department by March 1, 2006 for the newly listed locations, it must submit revised FISAP data using the eCB Web site no later than March 8, 2006. The school's revision must remove all data pertaining to students enrolled at the ineligible locations.

Please review the 2006-2007 tentative funding worksheets carefully. For additional information about tentative funding levels, contact the Campus-Based Call Center, at 877/801-7168. Customer service representatives are available Monday through Friday 8:00 A.M - 8:00 P.M. (ET). You may also e-mail CBFOB@ed.gov.

Sincerely,



Sherlene McIntosh
Acting Director, Campus-Based Systems and Operations Division
Federal Student Aid

Attachments:

Explanation of Worksheets
Expected Family Contribution (EFC) Procedures
EFC Averages