



UNITED STATES DEPARTMENT OF EDUCATION

OFFICE OF POSTSECONDARY EDUCATION

THE ASSISTANT SECRETARY

CB-09-03

Subject: Campus-Based Waivers and Reallocation Based on a Major 2008 Natural Disaster

Summary: This letter describes new statutory waivers of some campus-based program requirements and a revised process for the reallocation of unspent campus-based funds for institutions located in certain areas affected by a major 2008 natural disaster.

Dear Colleague:

Section 10702 of the Consolidated Security, Disaster Assistance, and Continuing Appropriations Act, 2009 (P.L. 110-329) provides the Secretary with specific waiver and reallocation authority for the Federal Supplemental Educational Opportunity Grant (FSEOG) Program and the Federal Work-Study (FWS) Program. This authority applies only to institutions located in a county (or parish or municipality) that was designated by the Federal Emergency Management Agency (FEMA) for “disaster assistance for individuals and households” as a result of a major 2008 natural disaster (e.g., hurricane, flood) declared by the President. This letter will refer to such institutions as “qualifying institutions.” Detailed information on determining if an institution is a qualifying institution appears below under the heading “Identifying Qualifying Institutions.”

What follows is specific information on the waiver and reallocation provisions of P.L. 110-329 and information on how a qualifying institution can apply for a waiver and/or reallocated funds.

Waiver of the FSEOG and/or FWS Institutional Matching Requirement

Under the FSEOG and FWS programs, an institution must normally provide an institutional-share. However, under the Secretary’s new authority, a qualifying institution may request and receive a waiver of the FSEOG and/or FWS institutional-share requirements for the 2009-2010 Award Year. This new waiver provision is in addition to the existing waivers available to institutions designated as “Title III/V eligible” under the regulations at 34 CFR 675.26(d) and 34 CFR 676.21(b).

Reallocation of Unused Funds and Waiver of the Underuse of Funds Penalty

Reallocation of Unused Funds - Normally unused campus-based funds from one award year are reallocated to institutions for use in the next award year under a set of statutorily required procedures. However, under P.L. 110-329, any FSEOG and FWS funds released by institutions from the 2008-2009 Award Year will be reallocated for the 2009-2010 Award Year to only qualifying institutions.

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Underuse of Funds Penalty - When an institution returns more than 10 percent of its FSEOG or FWS allocation for an award year, the institution's allocation for that program for the second succeeding award year is normally reduced by the dollar amount of the funds returned. However, under the Secretary's new authority, a qualifying institution that receives reallocated funds under the reallocation process discussed above for the 2009-2010 Award Year will automatically receive a waiver of the "underuse of funds penalty." Thus, there would be no reduction in that institution's allocation for the 2011-2012 Award Year.

It is important to note that an institution not receiving reallocated funds under the reallocation process discussed above may still request a waiver of the "underuse of funds penalty" for returning more than 10 percent of its 2009-2010 FSEOG or FWS allocation by using the normal Fiscal Operations Report and Application to Participate (FISAP) waiver procedures and satisfying the conditions in the regulations at 34 CFR 673.4(d)(3).

Identifying Qualifying Institutions

During the 2008 calendar year, the President declared 75 major disasters under the Robert T. Stafford Disaster Relief and Emergency Act (42 U.S.C. 5170). However, only 35 of those 75 major disasters resulted in counties being designated for "Individual Assistance" by FEMA. These designations were in the Commonwealth of Puerto Rico and the following 20 states: Arkansas, California, Colorado, Florida, Georgia, Illinois, Indiana, Iowa, Kentucky, Louisiana, Maine, Mississippi, Missouri, Nebraska, Nevada, Oklahoma, Tennessee, Texas, West Virginia, and Wisconsin.

Institutions located in, or that have an additional location located in, one of the listed 20 states or the Commonwealth of Puerto Rico should review the attachment to this letter to find the counties that were designated as eligible for "Individual Assistance" by FEMA and determine whether the institution is located in a listed county. If the institution qualifies by being located in one of the listed counties that was designated by FEMA for "Individual Assistance," it is considered a qualifying institution. A qualifying institution may request a waiver of the institutional-share requirement for the 2009-2010 Award Year and request reallocated funds as described above for the 2009-2010 Award Year by notifying the Department that it is a qualifying institution under P.L. 110-329.

Notification to the Department

Notification to the Department that an institution is requesting either a waiver of the institutional-share requirement for the FSEOG and/or FWS programs or for reallocated FSEOG and/or FWS funds must be provided through a letter on institutional letterhead signed by the Financial Aid Administrator. The letter must clearly indicate the name and OPEID number of the institution, the state and county where the institution (or one of its additional locations) is located, and the FEMA assigned number for the major disaster as it appears on the attachment to this letter.

The letter must specifically indicate if the institution is requesting a waiver of the institutional-share requirement for the FSEOG Program, the FWS Program, or both, for the 2009-2010 Award Year. In addition, if the institution wants to be considered for reallocated FSEOG and/or FWS funds for the 2009-2010 Award Year, it must request a specific amount of additional funds that it will spend in each program during that Award Year. Any such reallocated funds would be in addition to the institution's regular allocations for the 2009-2010 Award Year as determined by the statutory formulas. As indicated earlier, any qualifying institution that receives reallocated funds for the 2009-2010 Award Year will automatically receive a waiver of the "underuse of funds penalty" for the 2011-2012 Award Year, if needed.

The signed letter with the information covered on the previous page must be provided as a PDF attachment to an e-mail that is submitted to the Department no later than June 15, 2009, at the following e-mail address: CBFOB@ed.gov.

For additional information about the FSEOG and/or FWS program waivers or reallocation of funds for the 2009-2010 Award Year under P.L. 110-329, please contact the Campus-Based Call Center at (877) 801-7168. Customer service representatives are available Monday through Friday from 8:00 A.M. until 8:00 P.M. (ET). You may also e-mail CBFOB@ed.gov.

Sincerely,



Daniel T. Madzellan
Delegated the Authority to Perform
the Functions and Duties of the
Assistant Secretary for
Postsecondary Education

Attachment: Counties Designated by FEMA for Individual Assistance After a 2008 Major Disaster

**Attachment: Counties Designated by FEMA for Individual Assistance
After a 2008 Major Disaster**

Arkansas

- (1) FEMA-1758-DR, declared May 20, 2008
Arkansas, Benton, Cleburne, Conway, Crittenden, Grant, Lonoke, Mississippi, Phillips, Pulaski, Saline, and Van Buren Counties.
- (2) FEMA-1751-DR, declared March 26, 2008
Arkansas, Baxter, Benton, Boone, Carroll, Cleburne, Craighead, Crawford, Cross, Desha, Fulton, Greene, Hempstead, Independence, Izard, Jackson, Jefferson, Lawrence, Lee, Logan, Lonoke, Madison, Marion, Miller, Perry, Phillips, Poinsett, Pulaski, Randolph, Saline, Searcy, Sebastian, St. Francis, Stone, White, Woodruff, Yell and Van Buren Counties.
- (3) FEMA-1744-DR, declared February 7, 2008
Baxter, Conway, Izard, Pope, Sharp, Stone, Randolph, and Van Buren Counties.

California

- FEMA-1810-DR, declared November 18, 2008
Los Angeles, Orange, Riverside, and Santa Barbara Counties.

Colorado

- FEMA-1762-DR, declared May 26, 2008
Larimer and Weld Counties.

Florida

- FEMA-1785-DR, declared August 24, 2008
Alachua, Baker, Bradford, Brevard, Clay, Collier, Duval, Gadsden, Glades, Hendry, Jefferson, Lake, Lee, Leon, Liberty, Madison, Marion, Martin, Nassau, Okeechobee, Orange, Polk, Seminole, St. Lucie, Taylor, Volusia, and Wakulla Counties.

Georgia

- (1) FEMA-1761-DR, declared May 23, 2008
Bibb, Carroll, Douglas, Emanuel, Jefferson, Jenkins, Johnson, Laurens, McIntosh, and Twiggs Counties.
- (2) FEMA-1750-DR, declared March 20, 2008
Bartow, Burke, DeKalb, Floyd, Fulton, Jefferson, and Polk Counties.

Illinois

- (1) FEMA-1800-DR, declared October 3, 2008
Cook, DeKalb, DuPage, Grundy, Kane, LaSalle, Peoria and Will Counties.
- (2) FEMA-1771-DR, declared June 24, 2008
Adams, Clark, Coles, Crawford, Cumberland, Douglas, Edgar, Hancock, Henderson, Jasper, Lake, Lawrence, Mercer, and Winnebago Counties.

Counties Designated by FEMA for Individual Assistance After a 2008 Major Disaster
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Illinois - continued

- (3) FEMA-1747-DR, declared March 7, 2008
Iroquois and Livingston Counties.

Indiana

- (1) FEMA-1795-DR, declared September 23, 2008
Clark, Crawford, Dearborn, Floyd, Franklin, Gibson, Jackson, Jasper, Jefferson, Jennings, Harrison, Knox, Lake, LaPorte, Lawrence, Martin, Perry, Pike, Porter, Posey, Ohio, Orange, Ripley, Scott, Spencer, St. Joseph, Switzerland, Vanderburgh, Warrick, and Washington Counties.
- (2) FEMA-1766-DR, declared June 8, 2008
Adams, Bartholomew, Brown, Clay, Daviess, Dearborn, Decatur, Gibson, Grant, Greene, Hamilton, Hancock, Hendricks, Henry, Huntington, Jackson, Jennings, Jefferson, Johnson, Knox, Lawrence, Marion, Monroe, Morgan, Owen, Parke, Pike, Posey, Putnam, Randolph, Ripley, Rush, Shelby, Sullivan, Tippecanoe, Vermillion, Washington, Wayne, and Vigo Counties.
- (3) FEMA-1740-DR, declared January 30, 2008
Allen, Benton, Carroll, Cass, DeKalb, Elkhart, Fulton, Huntington, Jasper, Kosciusko, Lake, LaPorte, Marshall, Newton, Noble, Pulaski, St. Joseph, Starke, Tippecanoe, Whitley, and White Counties.

Iowa

- FEMA-1763-DR, declared May 27, 2008
Adair, Adams, Allamakee, Appanoose, Audubon, Benton, Black Hawk, Boone, Bremer, Buchanan, Butler, Cass, Cedar, Cerro Gordo, Chickasaw, Clarke, Clayton, Clinton, Crawford, Decatur, Delaware, Des Moines, Dubuque, Fayette, Floyd, Franklin, Fremont, Greene, Grundy, Guthrie, Hamilton, Hancock, Hardin, Harrison, Henry, Howard, Humboldt, Jackson, Jasper, Johnson, Jones, Keokuk, Kossuth, Lee, Linn, Louisa, Madison, Mahaska, Marion, Marshall, Mills, Monona, Montgomery, Monroe, Muscatine, Page, Polk, Pottawattamie, Poweshiek, Ringgold, Scott, Story, Tama, Union, Van Buren, Wapello, Warren, Washington, Webster, Winneshiek, Winnebago, and Wright Counties.

Kentucky

- FEMA-1746-DR, declared February 21, 2008
Allen, Bath, Christian, Fayette, Hardin, Harrison, Hart, Hopkins, Meade, Mercer, Monroe, Muhlenberg, Nicholas, Shelby, and Spencer Counties.

Louisiana

- (1) FEMA-1792-DR, declared September 13, 2008
Acadia, Allen, Beauregard, Calcasieu, Cameron, Iberia, Jefferson, Jefferson Davis, Lafourche, Livingston, Orleans, Plaquemines, Sabine, St. Martin, St. Mary, St. Tammany, Tangipahoa, Terrebonne, Vermilion, and Vernon Parishes.

Louisiana - continued

(2) FEMA-1786-DR, declared September 2, 2008

Acadia, Allen, Ascension, Assumption, Avoyelles, Beauregard, Calcasieu, Cameron, Catahoula, Concordia, East Baton Rouge, East Carroll, East Feliciana, Evangeline, Franklin, Grant, Iberia, Iberville, Jefferson, Jefferson Davis, Lafayette, Lafourche, LaSalle, Livingston, Madison, Morehouse, Orleans, Ouachita, Richland, Tensas, Union, West Carroll, and Winn Parishes
Plaquemines, Pointe Coupee, Rapides, Sabine, St. Bernard, St. Charles, St. Helena, St. James, St. John the Baptist, St. Landry, St. Martin, St. Mary, St. Tammany, Tangipahoa, Terrebonne, Vermilion, Vernon, Washington, West Baton Rouge, and West Feliciana Parishes.

Maine

FEMA-1755-DR, declared May 9, 2008

Aroostook and Penobscot Counties.

Mississippi

(1) FEMA-1794-DR, declared September 22, 2008

Adams, Hancock, Harrison, Washington, and Wilkinson Counties.

(2) FEMA-1764-DR, declared May 28, 2008

Hinds County.

(3) FEMA-1753, declared May 8, 2008

Bolivar, Warren, Washington, and Wilkinson Counties.

Missouri

(1) FEMA-1809-DR, declared November 13, 2008

Boone, Callaway, Chariton, Howell, Jefferson, Lewis, Lincoln, Linn, Marion, Montgomery, Osage, Schuyler, St. Charles, St. Louis, Stone, Taney, Texas, and Webster Counties and the Independent City of St. Louis.

(2) FEMA-1773-DR, declared June 25, 2008

Adair, Andrew, Callaway, Cass, Chariton, Clark, Gentry, Greene, Harrison, Holt, Johnson, Lewis, Lincoln, Linn, Livingston, Macon, Marion, Monroe, Nodaway, Pike, Putnam, Ralls, St. Charles, Stone, Taney, Vernon, and Webster Counties.

(3) FEMA-1760-DR, declared May 23, 2008

Barry, Jasper, and Newton Counties.

(4) FEMA-1749-DR, declared March 19, 2008

Bollinger, Carter, Christian, Franklin, Greene, Iron, Jasper, Jefferson, Maries, Newton, Oregon, Phelps, Pulaski, Reynolds, St. Francois, Stone, Texas, Washington, and Wayne Counties.

Counties Designated by FEMA for Individual Assistance After a 2008 Major Disaster
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Nebraska

FEMA-1770-DR, declared June 20, 2008

Buffalo, Butler, Colfax, Custer, Dawson, Douglas, Gage, Hamilton, Holt, Jefferson, Kearney, Lancaster, Platte, Richardson, Sarpy, and Saunders Counties.

Nevada

FEMA-1738-DR, declared January 8, 2008

Lyon County.

Oklahoma

FEMA-1756-DR, declared May 14, 2008

Craig, Latimer, Ottawa, and Pittsburg Counties.

Puerto Rico

FEMA-1798-DR, declared October 1, 2008

The municipalities of Arroyo, Cabo Rojo, Guanica, Guayama, Guayanilla, Gurabo, Humacao, Juncos, Lajas, Las Piedras, Maunabo, Naguabo, Patillas, Peñuelas, Ponce, Salinas, Santa Isabel, San Lorenzo, Villalba, Yabucoa, and Yauco.

Tennessee

FEMA-1745-DR, declared February 7, 2008

Benton, Fayette, Hardin, Haywood, Hickman, Houston, Lewis, Macon, Madison, McNairy, Montgomery, Perry, Shelby, Tipton, Trousdale, Sumner, Wayne and Williamson Counties.

Texas

(1) FEMA-1791-DR, declared September 13, 2008

Angelina, Austin, Brazoria, Chambers, Cherokee, Fort Bend, Galveston, Greg, Grimes, Hardin, Harris, Harrison, Houston, Jasper, Jefferson, Liberty, Madison, Matagorda, Montgomery, Nacogdoches, Newton, Orange, Polk, Rusk, Sabine, San Augustine, San Jacinto, Shelby, Smith, Trinity, Tyler, Walker, Waller, and Washington Counties.

(2) FEMA-1780-DR, declared July 24, 2008

Cameron, Hidalgo, and Willacy Counties.

West Virginia

FEMA-1769-DR, declared June 19, 2008

Barbour, Clay, Doddridge, Gilmer, Harrison, Jackson, Jefferson, Marion, Taylor, Tucker, Tyler, and Wetzel Counties.

Wisconsin

FEMA-1768-DR, declared June 14, 2008

Adams, Calumet, Crawford, Columbia, Dane, Dodge, Fond du Lac, Grant, Green Lake, Iowa, Jefferson, Juneau, Kenosha, La Crosse, Marquette, Manitowoc, Milwaukee, Monroe, Ozaukee, Racine, Rock, Richland, Sauk, Sheboygan, Vernon, Walworth, Washington, Waukesha and Winnebago Counties.

FEMA Designation Website

If you wish to review the FEMA designations of counties that were eligible for individual assistance as a result of a major disaster during 2008, the following information may be useful.

Start at the FEMA website page for 2008 disasters:

<http://www.fema.gov/news/disasters.fema?year=2008>

Click on the first link, "Major Disaster Declarations." The listing that will appear is in reverse chronological order by the date of the disaster.

Find your state's name in the third column; then select the "Designated Counties" icon in the sixth column of that row.

Review the list of counties listed under "Individual Assistance" to determine whether your school is located in one of the counties.

Note that your state may be listed for multiple disasters that occurred during 2008; so be sure to review the entire 2008 listing of major disasters.