

New Developments in the Federal Work-Study Program



Reauthorization Process Federal Work-Study Program

- ★ Higher Education Amendments of 1998
 - Enacted Oct. 7, 1998 (Pub.L.105-244)
 - Some Provisions effective Oct. 1, 1998
 - DCL GEN-98-28 guidance
- ★ NPRM Aug. 3, 1999
- ★ Final Rule Oct. 28, 1999



Federal Work-Study (FWS) Topics

- ★ Definition of “Community Services”
- ★ Payment for Time Spent in Training and Travel
- ★ FWS Community Service Expenditure Requirements
- ★ New Reading Tutoring or Family Literacy Project Requirement
- ★ Reallocation of FWS Funds
- ★ Waiver of Institutional-Share Requirement for Literacy Activities

Federal Work-Study (FWS) Topics (cont.)

- ★ Up to 90% Federal Share for Employment at a Public or Non-Profit Organization
- ★ Internships and Practicums
- ★ Elimination of Requirement to Make “non-FWS Jobs” Available
- ★ Employment Provided by Private for-Profit Organization
- ★ Crediting an FWS Student’s Account
- ★ FWS Employment During Periods of Non - Enrollment

Definition of "Community Services"

- ★ Definition now includes:
 - Child care services provided on campus that are "open and accessible to the community"; and
 - Services to students with disabilities who are enrolled at the school

Effective 10/01/98

On-Campus Child Care Services

- ★ Services must be:
 - Open to all members of the community;
 - Publicized to the community; and
 - Used by members of the community
- ★ The school in and of itself is not considered the “community”
- ★ Does not change previous Department policy

On-Campus Services for Students with Disabilities

- ★ Support services to students with disabilities satisfies FWS community service definition even if provided only to students enrolled at the school
- ★ Only statutory exception to “open and accessible to the community” requirement

Payment for Time Spent in Training and Travel

- ★ School may pay FWS students for a reasonable amount of time spent for training for any FWS employment
- ★ School may pay FWS students for travel time that is directly related to employment in community service activities (including tutoring in reading and family literacy activities)

Paying for Time Spent in Training

- ★ Does not change previous Department Policy
- ★ Allowed for every FWS job for a reasonable length of time
- ★ Not limited to employment in community service activities

Paying for Time Spent Traveling

- ★ FWS students may be paid for a reasonable amount of time spent traveling to and from community service employment
- ★ Travel hours must be reported on time record

Effective 07/01/99

FWS Community Service Expenditure Requirements

- ★ School must use at least 7% of total FWS allocation (initial and supplemental) for community service employment
- ★ School must have at least one student employed in a reading tutoring or family literacy project
 - *Jobs must provide community service*

Effective 07/01/00

New Reading Tutoring Project Requirement

- ★ Project must employ one or more FWS students as reading tutors for children who are preschool age or in elementary school
- ★ To the extent practicable:
 - School must give employment priority to reading tutors in schools participating in a reading reform project
 - designed to train teachers how to teach on the basis of scientifically-based research
 - funded under Elementary and Secondary Education Act 1965
 - School must ensure FWS student receives training in instructional practices used by the employing school

New Family Literacy Project Requirement

- ★ "Family Literacy Project" discussed in:
 - Dear Colleague Letter CB-98-6
 - FWS Regulations and Preamble in 10/28/99 Federal Register

NASFAA National Conference 2000
Washington, DC - July 9-12



Family Literacy Project Components

- ★ Literacy or pre-literacy education for children
- ★ Literacy training for parents or other caregivers of children in the program
- ★ Means of equipping parents or other caregivers with skills needed to partner with their children in learning
- ★ Literacy activities between parents or caregivers and their children



Reallocation of FWS Funds

- ★ Returned 2000-2001 FWS funds will be reallocated to schools that used at least 5% of their total FWS allocation for students employed as reading tutors or in family literacy activities
- ★ Replaces prior requirement to reallocate FWS returned funds to schools that used at least 10% of their total FWS allocation for students employed in community services

Effective 07/01/00

Waiver of Requirement to Employ Students as Reading Tutors or in Family Literacy Projects

- ★ School may request a waiver of new requirement
- ★ Waiver request must provide evidence that enforcing the requirement would cause hardship for students at the school
- ★ This waiver combined with community service percentage requirement waiver
- ★ Procedures and time frames published in Federal Register notice

Begins With Waivers for 2000-2001 Award Year

Waiver of Institutional-Share Requirement for Literacy Activities

- ★ School may pay Federal share of up to 100% of FWS student's wages
- ★ Student must be performing family literacy activities in a family literacy project
- ★ Waiver of institutional-share requirement no longer limited to tutoring in a family literacy project
- ★ Jobs do not have to be in community service activities

Effective 07/01/00

Early Implementation Allowed 10/28/99

Up to 90% Federal Share for Employment at a Public or Non-Profit Organization

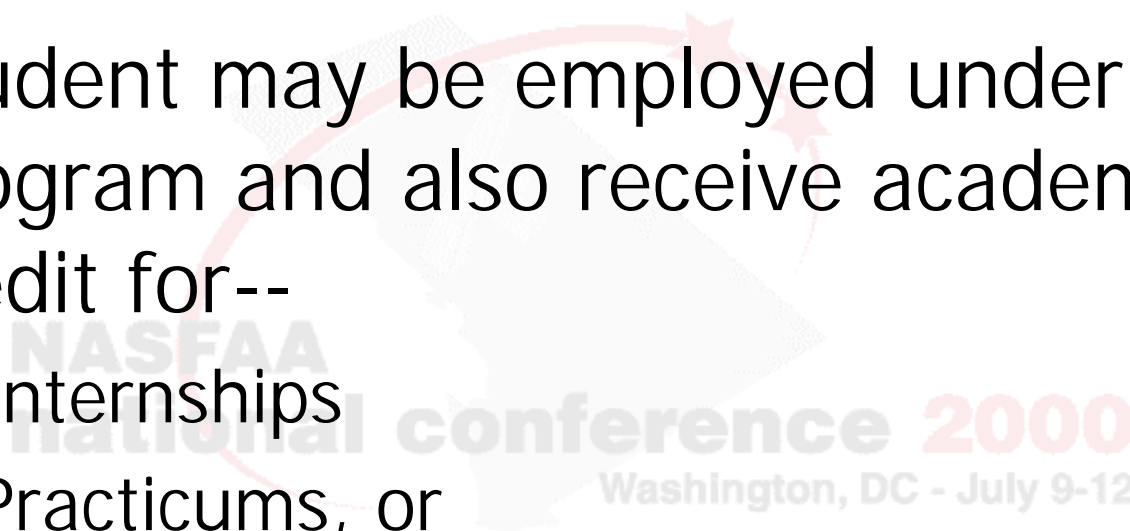
- ★ School may pay Federal share of up to 90% of FWS student's wages for employment at a nonprofit or public organization that cannot afford to pay regular non-Federal share as long as:
 - organization is not wholly or partially owned, operated, or controlled by the school;
 - organization's inability to pay regular non-Federal share is documented and determined on a case-by-case basis; and
 - no more than 10% of school's total FWS students are paid at this increased Federal share

Effective 07/01/00

Early Implementation allowed 10/28/99

Internships and Practicums

- ★ Student may be employed under FWS Program and also receive academic credit for--
 - Internships
 - Practicums, or
 - Assistantships (e.g., research or teaching assistantships)



Internships and Practicums (cont.)

- ★ Student may not be paid:
 - Less than he or she would be if no credit were received,
 - For receiving instruction in classroom, laboratory, or other academic setting, and
 - Unless employer would normally pay the same person for same job
- ★ Does not change previous Department policy

Elimination of Requirement to Make Non-FWS Jobs Available

- ★ Schools are no longer required to make equivalent non-FWS jobs reasonably available to students who want to work

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Effective 10/01/98



Employment Provided by a Private For-Profit Organization

- ★ FWS jobs in a private for-profit organization must be academically relevant only to the maximum extent possible
- ★ Allows some students to pursue other employment opportunities that provide other valuable experiences outside their field of study

Effective 10/01/98

Crediting An FWS Student's Account

- ★ May credit FWS earnings, with student's authorization (675.16), to:
 - Student's account at school
 - current charges
 - Student's bank account via electronic fund transfer (EFT)

Effective 10/01/98



Crediting An FWS Student's Account (cont.)

★ Conditions:

- Must obtain separate written authorization
- Authorization to transfer funds to school account must be separate from bank account authorization
- Bank forms to initiate EFT will suffice
- Authorization must not be part of a list or combined with other authorizations

Crediting An FWS Student's Account (cont.)

- Student may not be required or coerced
- Student must be allowed to cancel or change authorization at any time
- School must refund credit balance no later than 14 days after balance occurred



FWS Employment During Periods of Non-Enrollment

- ★ School may employ students during period of non-enrollment
- ★ Earnings must be applied to cost-of-attendance for next period of enrollment
- ★ Attributed earnings determined by:
 - Subtracting taxes from gross earnings
 - Federal, State, and/or local taxes
 - Taxes the student will actually pay

FWS Employment During Periods of Non-Enrollment (cont.)

- Subtracting job-related costs
 - Uniforms, meals at work, transportation
 - May include room and board for period of non-enrollment if they would not otherwise be incurred except for the job
- ★ Living expenses are not job related costs
- ★ Breaks are not periods of non-enrollment
- ★ References
 - Section 675.25 of FWS regulations
 - 1999-2000 Student Financial Aid Handbook