

Campus Based Programs Table of Contents

Introduction	i
FEDERAL PERKINS LOAN PROGRAM	I
FEDERAL SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANT PROGRAM	I
FEDERAL WORK STUDY PROGRAM	I
RECENT CHANGES	I
Organization Changes	i
Guidance Changes/Updates	ii
Chapter 1, Fiscal Procedures & Records	1
PROGRAM PARTICIPATION AGREEMENT	1
Perkins PPA Requirements	1
Federal Work-Study PPA Requirements	2
FISAP--APPLICATION FOR FUNDS	2
ALLOCATION OF FUNDS	3
Allocation schedule	3
Releasing unused funds	4
FISCAL OPERATIONS REPORT	5
CASH MANAGEMENT	5
TRANSFER OF CAMPUS BASED FUNDS	6
Perkins Transfer	6
Federal Work Study Transfer	6
FSEOG Transfer	7
CARRY FORWARD/CARRY BACK	8
FWS LIMITATIONS ON USE OF FUNDS CARRIED FORWARD OR BACK	9
FEDERAL SHARE LIMITATION	9
Federal Work Study	9
FSEOG FEDERAL SHARE	11
NONFEDERAL SHARE	11
Federal Work Study Nonfederal Share	11
FSEOG Nonfederal Share	12
USE OF FWS ALLOCATED FUNDS	14
Community service jobs	14
CAMPUS-BASED RECORDKEEPING	16
REIMBURSEMENT TO THE PERKINS FUND	22
PERKINS ASSIGNMENT	23
ADMINISTRATIVE COST ALLOWANCE	23
CERTIFICATIONS A SCHOOL MUST SUBMIT TO THE DEPARTMENT	24
Assigning Jobs	25
Employment Conditions and Limitations	25
Chapter 2, Operating a Federal Work Study Program	25
TYPES OF JOBS	27
COMMUNITY SERVICE JOBS	27
How are community services defined?	27

What is a family literacy project? How are family literacy activities defined?	29
Employing FWS students as reading and mathematics tutors	30
WORK ON CAMPUS	30
Employment in a foreign country	30
WORK FOR PROPRIETARY SCHOOL	31
OFF-CAMPUS AGREEMENTS	31
Non-community service jobs	32
WORK OFF CAMPUS FOR NONPROFIT OR GOVERNMENT AGENCY	33
WORK OFF CAMPUS FOR PRIVATE FOR-PROFIT COMPANIES	35
TERMS USED IN THE DEFINITION OF COMMUNITY SERVICES	35
LIST OF AGENCIES, INSTITUTIONS, AND ACTIVITIES INCLUDED IN THE DEFINITION OF COMMUNITY SERVICES	38
JOB LOCATION AND DEVELOPMENT PROGRAM	43
MULTI-INSTITUTIONAL JLD PROGRAMS	46
WORK-COLLEGES PROGRAM	46
Allowable costs	47

Chapter 3, Making Perkins Loans 49

MAKING A PERKINS LOAN	49
LOAN TYPES	49
LOAN MAXIMUMS	49
DISCLOSURE TO STUDENTS	50
PROMISSORY NOTE	52
GRACE PERIODS	61
Initial grace periods	61

Chapter 4, Perkins Repayment, Forbearance, Deferment, and Cancellation.....61

PREPAYMENT	63
INTEREST ACCRUAL	63
ESTABLISHING A REPAYMENT PLAN	64
Calculating the payment amount	64
MINIMUM MONTHLY REPAYMENT AMOUNTS	65
PAYMENT PROCESSING	67
INCENTIVE REPAYMENT PROGRAM	67
ESTABLISHING REPAYMENT DATES	68
EXTENDING THE REPAYMENT PERIOD FOR HARDSHIP AND LOW-INCOME INDIVIDUALS	69
DISCHARGE DUE TO DEATH OR TOTAL AND PERMANENT DISABILITY	70
Death	70
Total and permanent disability	70
CLOSED SCHOOL DISCHARGE	71
BANKRUPTCY DISCHARGE	71
FORBEARANCE	75
Hardship	76
DEFERMENT	76
HARDSHIP DEFERMENT FOR LOANS MADE BEFORE JULY 1, 1993	81
DEFERMENT EXCLUSIVE TO PERKINS LOANS MADE BEFORE JULY 1, 1993, AND NDSLS MADE BETWEEN OCTOBER 1, 1980 AND JULY 1, 1993	82
DEFERMENTS EXCLUSIVE TO LOANS MADE BEFORE OCTOBER 1, 1980	85

DEFERMENT AND DEFAULT	85
DEFERMENT VS. IN-SCHOOL ENROLLMENT STATUS	85
PERKINS CANCELLATION	86
Application	86
Teaching and other service cancellations	86
Cancellation rates	86
CANCELLATION RESTRICTIONS	87
Prior service	87
Defaulted loans	87
National and Community Service Act of 1990	87
TEACHER CANCELLATION	88
NURSE OR MEDICAL TECHNICIAN CANCELLATION	93
CHILD OR FAMILY SERVICES CANCELLATION	93
EARLY INTERVENTION CANCELLATION	93
HEAD START CANCELLATION	94
LAW ENFORCEMENT OR CORRECTIONS OFFICER CANCELLATION	94
MILITARY SERVICE CANCELLATION	95
VOLUNTEER SERVICE CANCELLATION	95
U.S. ARMY LOAN REPAYMENT PROGRAM	96
REIMBURSING AMOUNTS CANCELED	96
DEFINITIONS	97

Chapter 5, Perkins Collection & Default 101

PERKINS COLLECTION REQUIREMENTS	101
EXIT INTERVIEWS	101
DISCLOSURE OF REPAYMENT INFORMATION	103
CONTACT DURING GRACE PERIODS	104
BILLING PROCEDURES	105
ADDRESS SEARCHES	107
COLLECTION PROCEDURES	108
BILLING AND COLLECTION COSTS	113
Assessing and documenting costs	114
USING BILLING AND COLLECTION FIRMS	115
Account protection	115
PERKINS DEFAULT	116
DEFAULT STATUS AND STUDENT ELIGIBILITY	116
Satisfactory repayment arrangements	116
Loans with judgments	116
Previously defaulted loans discharged for school closure	117
PERKINS LOAN REHABILITATION	117
PERKINS ASSIGNMENT	118
Required documentation	118
Terms of assignment	119
DEFAULT REDUCTION ASSISTANCE PROJECT	119
PERKINS COHORT DEFAULT RATES	120
Defining and calculating the cohort default rate	120
Borrowers entering repayment	120
Borrowers in default	120
Loan not included in cohort default rate	121
Rules for calculating the number of days in default	121
PENALTIES FOR HIGH COHORT DEFAULT RATES	122