

FWSP Issues for 2010-2011

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Agenda

- Regulatory Update
- JLD Program
- Jobs Bills
- Important Dates
- Web Sites
- Challenges for 2010-11

Regulatory Update

- JLD Increase
- New campus-based transfer provisions
- Flexible use of funds after major disaster
- Expansion of community service definition
- New grant program

JLD Increase

- Institutions may use the lesser of 10% or \$75,000 of their Federal Work Study allocations to administer the JLDP.
- Effective Date: August 14, 2008

New Campus Based Transfer Provisions

- May transfer a total of 25% of FWS allocation to Perkins Loan Program or FSEOG.
- May transfer 25% of FSEOG allocation into FWS.
- Award transferred funds according to the requirements of the program to which they are transferred.
- Report transfer on FISAP.
- Any transferred funds that are not spent must be transferred back to original program at end of award year.

Flexible Use of Funds (1 of 2)

- Allows institutions to make FWS payments to disaster-affected students (who did not work) within certain rules.
- “Major disaster” is specifically defined and may only be declared by the US President.
- Payments
 - May be made equal to or less than the amount of FWS wages students would have been paid had students been able to work;
 - May not be made to non-eligible students or students who had not worked prior to disaster

Flexible Use of Funds (2 of 2)

- “Disaster-affected student” means a student enrolled at an eligible school who
 - received FWS for the academic year during which disaster occurred;
 - earned FWS wages for the academic year prior to disaster;
 - was prevented from fulfilling FWS obligation due to disaster; and
 - was unable to be reassigned to another FWS job.

New Community Service Definition

- Definition of community service jobs now includes field of emergency preparedness and response.

Civics, Emergency Response, and Other Teaching Projects

- FWS funds may be used to pay students employed in projects that
 - teach civics in schools,
 - raise awareness of government functions or resources, or
 - increase civic participation.
- Federal share may exceed 75%
- The US Department of Education is developing regulations to implement the federal share provision.

Civics, Emergency Response, and Other Teaching Projects

- To the extent practicable, a school must
 - Give priority to the employment of students participating in projects that educate or train the public about evacuation, emergency response, and injury prevention strategies relating to natural disasters, acts of terrorism, and other emergency situation; and
 - Ensure that any student compensated with these funds receives appropriate training to carry out the educational services required.

New Grant Program

- The HEOA authorizes grants to schools to supplement off-campus and community service employment.
- Funding of \$750,000 was included in the US Dept of Education budget for 2010-2011.
- There will be a competitive grant process administered by FIPSE.
- Rules regarding the grant application process will be forthcoming.

JLD Program (1 of 5)

- Purpose: Locate and develop off-campus jobs for enrolled students.
- Jobs may be part-time or full-time, for either a for-profit or non-profit employer.
- Special permission is not needed if school receives FWSP funding.
- Open to all students, regardless of financial need.
- Funds used for administrative costs.

JLD Program (2 of 5)

- Allowable costs:
 - Staff salaries;
 - Travel related to JLD activities;
 - Printing and mailing costs for brochures about program;
 - JLD phone charges, including installation of a separate line for off-campus employers;
 - Newspaper and other types of advertising;
 - JLD workshops for students and employers.

JLD Program (3 of 5)

- You may not use JLD funds to:
 - Pay students whose jobs were located/developed by program;
 - Locate and develop jobs at your school or other eligible schools;
 - Place students upon graduation;
 - Displace employees or impair existing service contracts;
 - Pay indirect costs (for example, salary for someone not directly involved in program).

JLD Program (4 of 5)

- Students as staff in JLD Program
 - May employ FWS and non-FWS students as staff;
 - May not use JLD funds to locate and develop those jobs;
 - Must use funds other than JLD funds to pay institutional share of FWS student's wages.

JLD Program (5 of 5)

- JLD funds may pay up to 80% of allowable costs.
- School provides 20% in either cash or services.
- FISAP requirements: total JLD expenditures, institutional expenditures, number of students for whom jobs located/developed, total earnings for these students.
- School is expected to generate wages exceeding total amount of federal funds spent on JLDP.

Jobs Bills

- In December, the House passed a jobs bill that included \$300 million more for the FWSP.
- The Senate did not adopt the House bill but will instead pass individual bills aimed at creating jobs.
- FWSP funding has not yet surfaced in Senate bills.

Valuable Websites

- <http://ifap.ed.gov>
 - Current Handbook:
<http://ifap.ed.gov/ifap/byAwardYear.jsp?type=fsahandbook&awardyear=2009-2010>
 - Dear Colleague Letters:
<http://ifap.ed.gov/ifap/byYear.jsp?type=dpclatters>
 - Electronic Announcements:
<http://ifap.ed.gov/ifap/byYear.jsp?type=eannouncements>
 - Code of Federal Regulations:
http://ecfr.gpoaccess.gov/e/ecfr/ecfrbrowse/Title34/34cfrv3_02.tpl

Important Dates

- April 23, 2010 – Request for waiver of FWS Community Service Expenditure Requirement for 2010-2011 award year.
- August 20, 2010 – Deadline to return unspent funds from 2009-10 and/or to request supplemental funds for 2010-11 award year.

Penalties for Non-Compliance – Community Service

- There are sanctions for non-compliance of community service requirements:
 - Return of FWS funds in the amount of the difference between what the school should have spent on community service and what was spent.
 - School may be subject to proceedings that may deny future participation in Title IV programs.

The Cost of Not Returning Funds by Deadline

- Funds that are not spent and not returned by the deadline revert to the US Treasury and are not returned to the FWSP.
- Students lose funds.
- Schools lose funds.
- Schools that return more than 10% will receive a reduced allocation in the second succeeding year.

Challenges for 2010-2011

- Loss of stimulus funds (particularly with increase in minimum wage)
- More demand due to economy
- Others?

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