

Comité de Reglamentación – Boletín 2018- 2

ELECTRONIC ANNOUNCEMENT

Conforme con las secciones 413D (d) (2) y 442 (d) (2) de la Ley de Educación Superior de 1965 y sus enmiendas (HEA), si una institución devuelve más del 10 por ciento de su Beca Federal Suplementaria de Oportunidad Educativa (FSEOG) o asignaciones Federales de - Estudio y Trabajo (FWS) en un año de adjudicación, la asignación para el segundo año de adjudicación siguiente se reduce en la cantidad en dólares devuelta a menos que el Secretario renuncie a esta disposición. La fecha límite para solicitar una exención de la penalización del AY2018-19 de FWS y FSEOG por la infrautilización de los fondos del AY2016-17 es el **5 de febrero de 2018**. Esta fecha límite fue anunciada en el [“2017–2018 Award Year Deadline Dates for Campus-Based Programs,”](#) publicado en el [Federal Register](#) el 4 de enero de 2017 (82 FR 828).

La solicitud y la justificación para la exención de la penalización por uso insuficiente deben enviarse *electrónicamente* antes de las 11:59 p.m. Hora del este (ET) el 5 de febrero de 2018. La transmisión debe completarse y aceptarse antes de las 11:59 p.m. ET para cumplir con la fecha límite. **Las solicitudes en papel no serán aceptadas.**

¿Cómo determinar si existe una multa por infrautilización basada en las hojas de trabajo de financiación tentativa?

Las hojas de trabajo de la asignación tentativa de fondos para el AY2018-19 se publicarán en el sitio web [eCampus-Based \(eCB\) website](#) el 8 de enero de 2018. Si la institución no pudo gastar más del 90% de su asignación para el AY2016-17, la penalización por infrautilización se aplicará a la(s) asignación(es) tentativas del AY2018-19.

Para información adicional hacer referencia al correo electrónico o número de teléfono al final del anuncio.

Posted Date: January 3, 2018

Author: Federal Student Aid

Subject: Reminder - Deadline for 2018-19 Underuse Penalty Waiver for the Campus-Based Programs is February 5, 2018

In accordance with sections 413D(d)(2) and 442(d)(2) of the Higher Education Act of 1965 as amended (HEA), if a school returns more than 10 percent of its Federal Supplemental Educational Opportunity Grant (FSEOG) or Federal Work-Study (FWS) allocations in a given award year, the allocation for the second succeeding award year is reduced by the dollar amount returned unless the Secretary waives this provision. The deadline to request a waiver of the 2018–19 Award Year penalty of FWS and FSEOG for the underuse of 2016–17 Award Year funds is **February 5, 2018**.

This deadline was announced in the [“2017–2018 Award Year Deadline Dates for Campus-Based Programs,”](#) published in the Federal Register on January 4, 2017 (82 FR 828).

A school can determine if it is subject to an underuse penalty by reviewing its most recent Fiscal Operations Report and Application to Participate (FISAP) or Campus-Based Tentative Funding Worksheet for 2018–19 (see sections below). The school may submit an underuse penalty waiver request if the school is able to explain that the underuse was due to circumstances beyond its control and why those circumstances are not expected to recur.

The request and justification for the waiver of the underuse penalty must be submitted **electronically** by 11:59 p.m. Eastern time (ET) on February 5, 2018. The transmission must be completed and accepted by 11:59 p.m. ET to meet the deadline. ***Paper waiver request submissions will not be accepted.***

How to determine if there will be an Underuse Penalty prior to receiving the Tentative Funding Worksheets

To determine if a school is subject to an allocation reduction in its 2018–19 FSEOG or FWS funds, review the 2018–19 FISAP that was due September 29, 2017.

For FSEOG – Determine the underused percentage by dividing the unexpended 2016–17 funds in Part IV, Section E, Item 18 by the school's 2016–17 FSEOG allocation in Part IV, Section A, Item 1. If that quotient is more than 10 percent, the 2018–19 FSEOG allocation will be reduced by the amount of unexpended 2016–17 FSEOG funds (Part IV, Section E, Item 18).

For FWS – Determine the underused percentage by dividing the unexpended 2016–17 funds in Part V, Section E, Item 19 by the school's 2016–17 FWS allocation in Part V, Section A, Item 1. If that quotient is more than 10 percent, the 2018–19 FWS allocation will be reduced by the amount of unexpended 2016–17 FWS funds (Part V, Section E, Item 19).

Note: If your school returned 2016–17 FWS and/or FSEOG program funds to the Department via the reallocation process in August, you must include those funds among your total unexpended and allocation amounts for that program in order to determine your underuse percentage (even though this amount is not reported on your FISAP).

How to determine if there is an Underuse Penalty based on the Tentative Funding Worksheets

The Campus-Based Tentative Funding Worksheets for 2018–19 will be posted to the [eCampus-Based \(eCB\) website](#) by January 8, 2018. If the school failed to expend more than 90 percent of its 2016–17 program allocation(s), the underuse penalty will be applied to the tentative 2018–19 award allocations.

Schools may access their Tentative Funding Level worksheets from the eCB website “Self-Service page” under the “Campus-Based Notifications” section. The percentage of underused FSEOG funds is shown in the FSEOG Tentative Funding worksheet at **Item 32. Underused Percentage**, and the tentative FSEOG Allocation Reduction amount is shown at **Item 33. Allocation Reduction**. The percentage of underused FWS funds is shown in the FWS Tentative Funding worksheet at **Item 35. Underused Percentage**, and the tentative FWS Allocation Reduction amount is shown at **Item 36. Allocation Reduction**. The full explanation of all the fields in the Tentative Funding worksheet will be provided in an attachment to a forthcoming Electronic Announcement posted on the [Information for Financial Aid Professionals \(IFAP\) website](#).

How to Request an Underuse Penalty Waiver

A school may request a waiver of the underuse penalties for one or both of the FSEOG and FWS programs:

- Access the school's submitted FISAP on the [eCB website](#).
- Select the "yes" button in Part II, Section C, Field 6.
- Click on "Submit" at the bottom of the menu on the left side of the screen.
- Select "Submit Waiver" from the drop down list.
- In the 'Notes' box:
 - Explain the circumstances that caused the underuse of the allocation.
 - Specify why those circumstances were beyond the school's control.
 - Specify why those circumstances are not expected to recur and/or how the school plans to prevent future underuse.
 - Also indicate in this explanation that the entire underused portion of the allocation has been returned to the Department of Education through G5.
- After entering the information, click the "Submit" button.
- When ready to submit the request, click "Continue to Submit." A message will be displayed indicating the request has been submitted.

What Happens Next

A panel of Department of Education staff members will review the penalty waiver requests and justifications and will notify the school in an email to the school's Financial Aid Administrator whether the request has been granted or denied.

If the waiver request is granted, the 2016–17 allocation will be reduced by the unused amount, but the underuse penalty will not be applied when final awards for 2018–19 are made.

If the waiver request is denied, the 2016–17 allocation will be reduced by the unused amount and the underuse penalty will be applied when final awards for 2018–19 are made.

Contact Information

For questions regarding an underuse penalty waiver justification, contact the Campus-Based Call Center at [1-877-801-7168](tel:1-877-801-7168) or by email at CBFOB@ed.gov. Customer service representatives are available Monday through Friday from 8:00 a.m. until 8:00 p.m. ET.

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COMITÉ DE REGLAMENTACIÓN