Throughout the Federal Student Aid Handbook we use “college,” “school,” and “institution” interchangeably unless a more specific use is given. “You” refers to the primary audience of the Handbook: financial aid administrators at colleges. “We” indicates the U.S. Department of Education (the Department, ED), and “Federal Student Aid,” “FSA Programs,” and “Title IV aid” are synonymous terms for the financial aid offered by the Department.

We appreciate any comments that you have on Volume 6. We revise the text based on questions and feedback from the financial aid community, so please write us at fsaschoolspubs@ed.gov about how to improve the Handbook so that it is always clear and informative.

Notes on Active Links

At the top of each page you will find links to the Federal Student Aid Glossary and Appendices (Glossary, the Code of Federal Regulations (CFR), and Dear Colleague Letters (DCL)).

SIGNIFICANT CHANGES FOR 2019-20

Below, we provide a summary of the significant changes and clarifications presented in greater detail in the chapters that follow. Alone the text herein does not provide schools with the guidance needed to satisfactorily administer the Title IV HEA programs. For more complete guidance, you should refer to the text in the chapters cited, the Code of Federal Regulations (CFR), and the Higher Education Act (HEA) as amended.

Throughout Volume 6, we have amended the format and style to reduce the number of sidebars. The sidebar text has not disappeared, however; it has been incorporated into the body text of the chapter.
Chapter 1

If you awarded a Perkins Loan after September 30, 2017, or made a disbursement after June 30, 2018, the award or disbursement was made in error. No Perkins disbursements of any type are permitted under any circumstances after June 30, 2018. The school that made the erroneous award or disbursement must rectify the error using the steps described in chapter 1.

Chapter 2

We've clarified and expanded the guidance on student eligibility for FWS during periods of nonattendance, including minisessions and periods prior to enrolling in a program.

We clarified that FWS students may not work for the U.S. Department of Education.

We added guidance on unallowable program allocation. Allocated and reallocated program funds, as well as funds transferred from the FWS program, may not be used to pay costs related to the purchase, construction, or alteration of physical facilities or indirect administrative costs.

Chapter 3

We added new sections on Perkins Due Diligence and Perkins Reporting Requirements and a subsection on Overpayment Tolerance Procedures.

Chapter 5

We added a new subsection on rehabilitating after judgements. Borrowers may not rehabilitate loans on which the holder has obtained a judgment.

Comments? Questions?
If you have any comments or questions regarding the FSA Handbook, please contact Research and Publications via email at fsaschoolspubs@ed.gov.