DATE: June 24, 1999

TO: Board of Trustees

FROM: Dr. Philip R. Day, Jr., Chancellor

Subject: GRANT

(Resolution No. 990624-B23)

BACKGROUND INFORMATION:

The U.S. Department of Education has allocated to the City College of San Francisco the amount of $118,664 for the operation of the Federal Perkins Loan Program for fiscal year 1999-2000. The purpose of the program is to offer loans to students who show financial need while attending City College. The loans are interest-free while students carry at least a half-time academic load at City College. The repayment period of the Federal Perkins Loan begins nine months after cease to carry at least a half-time academic load at City College. For District Loans made before October 1, 1980, the repayment period begins 9 months after the borrower ceases to be at least a half-time student. For District Loans made on or after October 1, 1980, the repayment period begins 6 months after the student ceases to be at least a half-time student. Interest rates charged on the unpaid balance of a Perkins Loan vary according to the date on which the loan was made. For loans made:

*before July 1, 1981, 3 percent per year
*between July 1, 1981 and September 30, 1981, 4 percent per year
*on or after October 1, 1981 5 percent per year

This program, previously known as National Defense Students Loan Program and then National Direct Student Loan Program, has been in operation since 1958.

The total program cost is $158,219 and the sources of funding are as follows:
Revenues

Federal Revenues
U.S. Department of Education
Federal Perkins Loan Program $118,664

Local Revenues
SFCCD – Institutional Match 39,555
Total $158,219

Expenditures

Federal Perkins Loan Program $158,219

U.S. Department of Education (CFDA# 84:038)
Federal Perkins Loan Program 118,664
Required Institutional Match
Cash Contribution:
Student Financial Aid 39,555
Total Program Cost $158,219

The SFCCD matching cash contribution of $39,555 will be budgeted in U-4900-7560-6720-S and transferred out to Financial Aid Fund.

RECOMMENDATION:
RESOLVED: That in accordance with Title 5, Code of California Regulations, Section 59011 and the Budget and Accounting Manual for California Community Colleges, the following appropriation is made in the Student Financial Aid Fund to cover the following project for the period July 1, 1999 to June 30, 2000, and

FURTHER BE IT RESOLVED: Such appropriation shall be increased or decreased in accordance with the amount made available for 1999-2000 by cash receipts or allocations from United States of America and/or the State of California or by amounts carried over from the prior fiscal year, and

FURTHER BE IT RESOLVED: That the Chancellor, Chief Operating Officer, and/or their designees, are hereby authorized to execute all documents necessary to record this appropriation and to submit any and all reports required by the U.S. Department of Education in the administration of said program, and

FURTHER BE IT RESOLVED: That the Chancellor, Chief Operating Officer, and/or their designees, are hereby authorized to deposit to and expend from a separate commercial bank account at the Wells Fargo Bank, the amounts appropriated for this program in accordance with the federal regulations of the program.

Mira Sinco, Originator