

## COHEAO Sample Letter for School Personnel

February XX, 2005

The Honorable X  
United States X  
X Office Building  
Washington, D.C. X

Dear X:

On behalf of <<insert school name here>>, we ask you to reject President Bush's proposal to eliminate the Perkins Loan Program for college students, and we urge you to appropriate funds for the Perkins Loan Capital Contribution and Loan Cancellations. At <<institution>> we make <<X>> in Perkins Loans every year. Without this money, <<# of Perkins Loan recipients at the school>> will not receive the financial assistance they need to continue their higher education.

Elimination of the Perkins Loan Program would mean <<institution>> would lose <<X>> in student loan funds. This cut is real. And, since Perkins Loans serve the lowest-income students, and it will hurt those who need financial aid the most.

The President's proposal to increase the borrowing limits for Stafford Loans for freshmen and sophomores and to increase the Pell Grant maximum by \$100 a year does not come close to making up for the loss of Perkins Loans, which average <<X>> per student at our campus. The demand for Perkins Loans always outstrips the supply of loan funds. By cutting Perkins Loans, you would force students to borrow from high-cost alternative sources, such as credit cards or private education loans. Since these loans require good credit or a co-signer with good credit, many students will be turned down. Please don't deny current and future students the opportunity for higher education by eliminating the Perkins Loan Program.

The central purpose of the Perkins Loan Program remains as relevant today as it was when it was created in 1958 – to lend very low-cost funds to the neediest borrowers. It represents a unique partnership between campuses and the federal government. Schools match federal capital, operate the loan program, and re-lend the money when is repaid. It's a system that has worked for 46 years.

As those who work on campuses know well, Perkins Loans often make the difference for low-income borrowers who do not otherwise receive enough funds to pay for college. These students are often the first from their family to attend college and usually have the greatest financial need. Families with dependent students represent some 63% of Perkins borrowers, and independent students represent another 24%. Some 44% of these families had an income under \$30,000.

In addition, many students take advantage of the opportunities to have their Perkins Loans forgiven by working in one of a dozen public service jobs, such as teaching, nursing, the military, social work, corrections, and child care. Unless our and other campuses are fully reimbursed for cancellations, loans will not be available for the future generations of students. Funding for loan cancellations is needed not only to keep up with this year's funding level but to

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make up for past shortfalls.

More than 2,200 postsecondary institutions have chosen to provide Perkins Loans to their students over the past 43 years because they know the program works. A healthy Perkins program plays a critical role in our nation's financial aid system, especially for the lowest-income students. It needs to continue, and it needs to be funded.

At a time when access to education is increasingly important, we again ask that you reject the proposal to eliminate the Perkins Loan Program, and we ask that you fund the Perkins Loan Federal Capital Contribution at \$100 million and reimburse Loan Cancellations at \$120 million.

Thank you for helping students achieve their dreams of a higher education. I look forward to hearing from you. If you would like to discuss this issue further, please contact <<insert contact information>>.

Sincerely,