

Cost of Attendance

Why is this a
hot topic?

What are going to accomplish today:

- Cost of attendance 101
- Statutes
- Regulations
- Resources
- Ethical considerations relating to COA
- NASFAA Statement of Ethical Principals and Code of Conduct
- Best practices for COA

Why do we have a Cost of Attendance?



Principles of Student Budget Construction


- Comprehensive – we include personal/miscellaneous costs for this reason.
- Reasonableness – maintenance of a moderate standard of living.
- Systematically Developed – frequency, whose responsible , how you collect COA data and how students know COA.

Setting costs

- Institutional costs
- Tuition/Fees
- Room/Board (on campus housing)
- Books/Supplies
- Loan Fees
- Non-institutional costs
- Transportation
- Books/Supplies
- Personal/Miscellaneous
- Child Care
- Room/Board



Documentation

- Your Policies and Procedures should be your primary documentation source. Who what where when why and how.
 - Annually your COA specifics should be documented in an “annual” report.
 - If you use outside resources (Bureau of Labor statistics, College Board Trends) make sure you document how you localized data collected “nationally”.
 - Who reviews/blesses your Cost of Attendance?
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COA Best Practices/Ethical Considerations

Why is this a Hot Topic?



Who cares about COA on your campus?





The Journal of Higher Education

March 9, 2017

- The Costs of College Attendance:
Examining Variation and Consistency in
Institution Living Cost Allowances.
- Authored by Robert Kelchen, Sara
Goldrick-Rab and Braden Hosch.



Primary Findings of this Study

- “This study examined institutional variation in living cost allowances and assessed the consistency of allowances by comparing them to living cost estimates specific to the college’s region.”
- “Results indicated that nearly half of all colleges provide living-cost allowances at least 20% above or below estimated county-level living expenses. “

Incentives influencing the living allowance in cost of attendance.

Higher Living Allowances

- Increasing eligibility for financial aid.
- Changes in NCAA rules for student athletes.

Lower Living Allowances

- Control borrowing
- Make an institution appear to be less expensive.

Role of Financial Aid Administrators

- “The authority (to establish COA) most often resides with financial aid administrators, who typically report to directors of enrollment management and/or provosts. Federal rules provide flexibility in how financial aid administrators determine the COA . . . Although this practice can enhance effectiveness— for example, by ensuring that local contexts and needs are considered—it also creates the potential for harmful forms of inequity. “

NASFAA's Work on Cost of Attendance

- Code of Conduct: “Information provided by the financial aid office is accurate, unbiased and does not reflect preference arising from actual or potential personal gain.”
- “Institutional award notifications and/or other institutionally provided materials shall include: A breakdown of individual components of the institution’s Cost of Attendance, designating all potential billable charges.
- Statement of Ethical Principles: “Strive to ensure that cost of attendance components are developed using resources that represent realistic expenses.”

NASFAA's Working Group on COA

- There was discussion among this group regarding “mandated elements of cost of attendance.” This was not recommended.
- NASFAA Monograph #24 Developing Cost of Attendance – “continuing desire to self-regulate how to determine COA.”
- Primary purpose of Cost of Attendance is to provide a reasonable representation of the cost to attend and subsequently result in an appropriate financial aid award.
- The monograph encourages institutions to develop data-driven cost of attendance components. Policies and procedures manuals should indicate the data sources used and should include a schedule for evaluating the indirect components.

Resources to Help

- The College Board Living Expense Budget:
<https://professionals.collegeboard.org/higher-ed/financial-aid/living-expense/2018>.
- Bureau of Labor Statistics, Consumer Expenditure Survey
<https://www.bls.gov/cex/>
- United States Department of Agriculture, Official USDA Food plans: Cost of Food.
- Your financial aid colleagues