

U.S. Federal Student Aid

COST OF ATTENDANCE POLICY

TITLE:

U.S. Federal Student Aid Cost of Attendance Policy

POLICY:

For students receiving Federal Student Aid under the William D Ford Direct Loan Programme, the loan maxima for any loan period is based on the Cost of Attendance (COA) for that loan period. The Cost of Attendance includes only educational related expenses and is specific to the school certifying the loan.

The Cost Components and Exchange Rate are two factors used to calculate the Cost of Attendance.

Cost Components

The Cost of Attendance for Massey University is calculated using applicable components from the list below. The estimated cost of each component is reviewed annually prior to the commencement of an academic year and these rates are applied consistently throughout the year across all students applying for Federal Student Aid.

Allowable costs to be included are:

Course specific costs:

Tuition Fees

Tuition-related fees & expenses (e.g. Practical work, Placement fees, Study materials)

Campus specific costs:

Non-tuition fees

Transportation

Living Costs

General costs:

Compulsory Medical/Travel Insurance Loan fees

Items not eligible include, but are not limited to:

Spousal care Purchase of

a vehicle Mobile Phone

service

Furniture

Holidays

Visa application fees

Expected Family Contribution (EFC)

The Estimated Family Contribution (EFC) refers to the family's ability to contribute toward the student's annual Cost of Attendance. The EFC is calculated based on the information provided by student on the Free Application for Federal Student Aid (FAFSA). The EFC is subtracted from the Cost of Attendance to determine the student's financial need. The EFC is pro-rated for prospective Veterinary students enrolled in the pre-selection phase in Semester 1.

Exchange Rate

The Cost of Attendance for Massey University is calculated in NZD as the majority of actual costs incurred, such as tuition and living costs, are in NZD. The Loans are raised and disbursed in USD.

A conversion between the two currencies occurs in two separate instances for an academic year:

1. The Cost of Attendance is calculated for the Award Letter in NZD and then converted to USD for the purposes of Originating the loan.
2. Loan disbursements are made throughout the year in USD and then converted to NZD upon receipt by the University's bank. Funds are delivered to the University and student in NZD.

The above two conversions will result in an exchange rate risk that will arise where there is any movement in the USD to NZD exchange rate during the intervening time period. It is the University's policy that this exchange rate risk will be borne by the student as a legitimate risk of overseas study.

The University will apply the following policy regarding exchange rates:

1. The exchange rate applied in calculating the Cost of Attendance for a particular academic year and used to certify subsequent loans will be based on an average of the twelve months preceding the finalisation of Award Templates. Cost of Attendance will be calculated only once for each year.
2. The exchange rate applied to the conversion of loan disbursement payments will be a spot rate determined by the receiving bank for Massey University.

AUDIENCE:

All students applying for or receiving U.S. Federal Student Aid
Finance staff
Federal Aid Administrators and International Office Staff
Pastoral Care staff

RELEVANT LEGISLATION:

U.S. Amended *Higher Education Act* 1965.
U.S. Federal Regulations Title 34, 668 (Student Assistance General Regulations) and 685 (William D Ford Direct Loan Programme)

LEGAL COMPLIANCE:

Universities accredited to administer U.S. Federal Student Aid are required to comply with U.S. Federal Regulations

RELATED PROCEDURES/DOCUMENTS:

MU FSA Loan Disbursement Policy
MU FSA Satisfactory Academic Performance Policy
MU FSA Return of Title IV Policy
Student Fee Policy
General Terms and Conditions

DOCUMENT MANAGEMENT & CONTROL

Reviewed by	:	Amy Odom
Authorised By	:	Greg Huff
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