

## The ABC's of COA (Cost of Attendance)

### Building a Budget



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Loan Program

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## Cost of attendance

- Establishes student financial need
  - sets limit on financial aid received
- “Need” determined by:
  - cost of attendance
  - 
  - expected family contribution
  - =
  - financial need

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## Cost of attendance

- Estimate of educational expenses for the period of enrollment:
  - may use average cost
  - may use different standard costs for different categories of students
    - apply uniformly

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## Cost of attendance

- Research different sources for reasonable figures for budgets
- Review budgets each award year
- Budgets based on average expenses of all students, not just aid recipients

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## Budget components

- Tuition and fees
- Books, supplies, transportation, miscellaneous
- Room and board
- Dependent care
- First professional license or certificate

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## Budget components

- Study-abroad costs
- Disability allowance
- Work through cooperative education program
- Loan fees

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## Exceptions

- Less than half time students:
  - tuition and fees
  - allowance for books, supplies, transportation
  - limited amount for room and board
  - dependent care

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## Exceptions

- Correspondence study:
  - tuition and fees
  - books and supplies, if separate charge
  - if residential training
    - travel
    - room and board
- Note – correspondence student eligible for aid if enrolled in associate, bachelor or graduate degree program

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## Exceptions

- Incarcerated students
  - tuition and fees
  - required books and supplies
- Note – incarcerated students ineligible for FSA loans
  - If in federal or state penal institution, ineligible for Pell

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## Exceptions

- Professional judgment
  - financial aid officer may adjust COA on case-by-case basis
  - must document in student file

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## Budget decisions

- What groups of students have the same cost of attendance budget?
- What are reasonable costs for each budget component in each budget?

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## Budget decisions

- Students may be grouped by many factors, for example:
  - year (freshman, sophomore, etc)
  - enrollment (full-time, half-time, etc)
  - residence
    - school
    - home
    - state
  - program of study

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## Waived or paid component

- Offsetting credit issued
  - component included in budget
- No charge to student
  - component not included in budget
- Non-waived or paid component stay the same

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## Building a budget

- School example:
  - *Tricia L. Brothers, MBA*  
*Financial Aid Director*  
*Sterling College*

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## Questions?



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## Contact information

Policy Department  
National Student Loan Program  
[askpolicy@nslp.org](mailto:askpolicy@nslp.org)  
1-800-735-8778 ext. 6873

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