Top Challenges with Funding Study Abroad

Presented by NAFSA’s Education Abroad Regulatory Practice (EA RP) Federal Financial Aid Subcommittee
Land Acknowledgement

https://native-land.ca/
INTERNATIONAL PRONOUNS DAY
Our Panel

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Objectives

What we hope you walk away with...

- a better ability to discuss various financial aid regulations and how they may impact education abroad
- some ideas on how to work around some of the challenges that students and administrators face
- resources to bring back to your campus and connections to make
EARP- Federal Aid Subcommittee & NAFSA Resources

EARP Site: https://www.nafsa.org/professional-resources/browse-by-interest/education-abroad-regulatory-practice-committee

EARP Financial Aid Subcommittee: https://www.nafsa.org/professional-resources/browse-by-interest/financial-aid

Contact Us: https://www.nafsa.org/form/contact-education-abroad-services

FAQ Site: https://www.nafsa.org/professional-resources/browse-by-interest/financial-aid-frequently-asked-questions

COVID FAQ: https://www.nafsa.org/professional-resources/browse-by-interest/covid-19-and-federal-financial-aid-education-abroad-faqs

NAFSA: ASSOCIATION OF INTERNATIONAL EDUCATORS
Mentimeter

Grab your smartphone OR open a new browser on your computer
Go to www.menti.com
Use code 3078 0649

OR

https://www.menti.com/mm9dckjehp

OR

Scan the QR code
What type of institution do you represent?

- 4 year public: 15
- 4 year private: 8
- 2 year/community college: 0
- Third party program provider: 2
- Hybrid (institution + program provider): 0
- Other: 3
How often do you talk financial aid things with students?

- Never/Not Applicable: 1
- Sometimes: 10
- Often: 11
- Substantial part of my job: 7
How comfortable do you feel when talking about financial aid for study abroad?

- Not at all: 6
- Somewhat: 18
- Completely: 4

Total responses: 28
<table>
<thead>
<tr>
<th>Challenge</th>
<th>Response</th>
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</thead>
<tbody>
<tr>
<td>Government regulations</td>
<td>Not applicable for all of our program types</td>
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<tr>
<td>Not enough money for everyone</td>
<td>Keep up with different regulations and policies</td>
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<tr>
<td>summer applicability</td>
<td>available options for short term programs</td>
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<tr>
<td>not enough</td>
<td>Financial aid office non responsive</td>
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<tr>
<td>Regulations in office or MVP regulations</td>
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What are some of the challenges you have with financial aid for study abroad?

- Navigating different interpretations of policies
- Student awareness
- Disbursement timelines
- Finding scholarships that work for students
- Poor communication with Financial Aid office
- More scholarships would be helpful
- Financial aid for virtual programs
- I feel like policies change often
What are some of the challenges you have with financial aid for study abroad?

- Options for short-term and summer
- Understanding how institutional aid works when student goes abroad
- Reaching students who do not think study abroad is financially feasible
- Unclear information
- Quarter to semester - students needing full time credits for programs that span winter/spring
- Understanding the challenges faced by university and college partners (coming from a 3rd party provider)
- How consortium agreements work
Challenge 1

Cost of Attendance (COA)

Higher Education Act (HEA)
Section 472

Federal Student Aid Handbook
Vol 3 Chapter 2
COA at Home and Abroad

- COA includes the total costs associated with the academic program.
- COA is required to adhere to types of costs specified by HEA - tuition, fees, housing, etc.
- Total financial aid award package is based on the COA as part of calculation (EFC also a factor).
  - EFC to be retired soon - now Student Aid Index
Budgetary Discretion & Interpretation:

Federal Guidance:

- For study-abroad programs approved for credit by the student’s home institution, reasonable costs associated with such study. For example, U.S. citizens may count VISA/passport costs when studying at a foreign school.

Can be a combo of estimated costs and actuals.

- Blanket allotment of an estimated $1,500 for flights on all programs.
- OR you request students provide actual receipts to base COA.
- OR combo of both!
Standard COA Costs Allowed for Study Abroad

- Tuition and Fees
- Books and Supplies
- Accommodations during program dates
- Meals
- Local Transport (program related)
- International Travel
- “Reasonable” Personal Expenses:
  - Passport/Visa Fees
  - Health insurance abroad
  - Textbooks and materials
  - Daily living expenses
  - Cell phone/communication
  - “Gray zone” items can include - housing supplements/upgrades, transportation to consulate to get visa processed, etc.
Current COVID Impacts to Financial Aid + Study Abroad
COVID Impacts & Implications

COA Adjustments
- Testing & Quarantine Costs
  - “reasonable costs associated with study abroad” may require Financial Aid office use of professional judgement, but (now) possible
- Program Length
  - Shorter programs still need to have the required contact hours for the credit number
  - Double housing issues

Virtual Programming
- Currently allowed in general
- Distance Learning vs virtual study abroad - accreditation issue more than financial aid issue
- Going forward/post COVID-Dept of Education may have different thoughts
Challenge 2

Types of Aid & their Disbursement

Defining the Date of Disbursement 34 CFR 668.164(a)

Early Disbursements 34 CFR 668.164(i)

Federal Aid Student Handbook

Vol 4 Chapter 2
Types of aid to know

**Federal Aid (Title IV):**
- Grants (Pell, SEOG)
- Loans (Sub, Unsub, PLUS, Alt Loan)
- Work-Study**

**State Aid:**
- Grants
- Loans
- Work-Study**

**Institution Aid:**
- Tuition Discounts (‘real’ vs ‘magic’)
- Scholarships
- "Bridging" or "Emergency" Loans

**Outside Aid:**
- Scholarships (Gilman, Boren, FEA, foreign govts, and more!)
- Private Educational Loans
- 529 Educational Savings Accounts
- GI Bill and more!

State, Institution, and Outside Aid can be based off FAFSA data as well, but not managed by FSA or the DoE.
*Check with your institution about rules on using institutional aid for abroad programs.

**Work-Study programs from federal and state funding sources do not apply for education abroad programs.
When will they get their money?

- Institutional Disbursement Rules Can Include:
  - Institution’s academic term start date
  - Study abroad program start date
  - 10 days prior to one of the above

How can students get funds sooner?
- Workarounds without changing rules
  - Bridging Loans (deferred billing) or Emergency Loans
  - Charging student’s account
  - Deferment forms/verification of aid forms from program providers
  - Intentional advising & collaboration

- Other resources
Challenge 3
<table>
<thead>
<tr>
<th><strong>Covers:</strong></th>
<th><strong>Paid From to Whom</strong></th>
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<tr>
<td><strong>Chapter 33 - “Post 9/11” &amp; “Forever GI Bill”</strong></td>
<td>Tuition and mandatory fees of approved programs</td>
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<tr>
<td><strong>MHA/BHA &amp; Book Stipends</strong></td>
<td>Covers housing allowances and book costs depending on location and Grade</td>
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<tr>
<td><strong>Yellow Ribbon GI Educational Enhancement Program</strong></td>
<td>Additional funding for student veterans at participating institutions if COA is over national average</td>
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On campus partner: School Certifying Official (SCO)  
Off campus partner: ELR, SAA
Who “owns” the course and gets the $$ from the VA?

As of AY 20-21:

|                | Use of Chapter 33 | Courses                                          | Billing                                                        |
|----------------|-------------------|--------------------------------------------------|                                                               |
| Exchanges      | No                | Home institution does not own the courses        | May/may not be billed through home institution                 |
| Faculty Led    | Depends           | If home institution teaches/owns all courses - YES | If home institution bills the student tuition and gets funds from the VA- YES |
| Program Providers | No               | Home institution does not own the courses        | Program providers are not able to be certified to accept VA funds |
| Direct Enroll  | Depends           | If host institution is in the WEAMS database - possible (transfer credits back to home institution) | If direct enroll institution is in the WEAMS database and tuition is billed to that institution from the VA- possible |
Letter to VA:
https://www.nafsa.org/sites/default/files/media/document/nafsa-sva-042021.pdf

https://www.nafsa.org/policy-and-advocacy/policy-priorities/nafsa-recommendations-us-department-veterans-affairs

VA Response:
https://www.nafsa.org/sites/default/files/media/document/va-nafsa-061521.pdf

NAFSA GI Bill Resource Page:
https://www.nafsa.org/professional-resources/browse-by-interest/new-guidance-post-911-veterans-benefits-education-abroad
Case Study via Mentimeter

- Feel free to unmute and chat OR
- Use the mentimeter poll function
Kristen is a student veteran who was stationed in Japan with the Navy. While she was there, she tried to pick up the Japanese language, but never quite got it down.

She is now a sophomore at ABC State University and is looking into taking Japanese. She wants to go into the foreign service. Her major requires an internship and she found a program provider that offers international internships AND language courses in Japan.

She is currently using her G.I. Bill benefits to help pay for her schooling. She comes into your office to ask about the program.

What do you tell her?
Case Study - first impressions

- provider program
- look for another program
- awkward turtle  sorry
- great initiative
- welp not going to work
- suggest something else
Case Study - solutions

- Faculty-led programs
- Look at another program that aligns with their goals
- Scholarships
- at least there are likely no visa costs!
- Find other programs. Does she need to do the internship right now? How about just taking language courses?
Case Study

Caleb’s spring is going to be busy. He found a way to fit in a pre-nursing study abroad program and everything is looking good. The in-country program is only 89 days long with the remainder of the program done remotely.

As normal, you send him off to the financial aid office to talk about funding options. A few hours later you get an email from Caleb saying that he can’t go on the program- it is just too expensive.

During his chat with the financial aid office, they mentioned being unable to cover double housing costs and that he will need to figure out how to deal with the short nature of the time abroad and housing here in the US for when he comes back to finish the program.

What do you do?
Case Study 2 - first impressions
Case Study 2 - solutions
Interested in/likely to attend a longer financial aid and study abroad workshop offered before an annual conference?
Q&A Time
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