

**Forum on Education Abroad**  
**Advocacy Resource**  
**New U.S. Federal Financial Aid Regulations Impact Study Abroad**  
**Updated 1/18/12**

Changes to the U.S. Financial Aid Regulations have had an impact on some study abroad programs and students, particularly in Australia and New Zealand. The Forum has researched the new regulations and their potential impact, and has issued a memo to assist Forum members who are impacted by the new regulations or may simply want to learn more about the issue. Forum institutional members may access the memo in the Forum's Standards Toolbox. The Forum also conducted a survey of members that are education abroad program providers or Australian universities to learn more about the impact of and responses to the new regulations. Below are the highlights of the survey.

**The extent of the issue:**

- The relatively low response rate on the part of program provider organizations (28%), and the fact that of those that responded only one organization mentioned that it was an issue, would seem to indicate that the issue has not yet had much of an impact.
- Only 1 out of 11 program provider respondents has reviewed its relationships with Australian universities in light of the changes.
- Only 2 Australian universities responded to the survey, with one indicating that the new regulations has impacted its relationships with U.S. program provider organizations.
- There is one report of an Australian university sending a letter stating that existing agreements were no longer valid.
  - The program provider organization that reported this related that it also had a lengthy discussion with a second Australian university about whether the provider organization should be considered affiliated with a U.S. university or not.

**How has the issue been addressed?**

- The program provider respondent reported that it reworded a contract that it has with one of the Australian universities in order to address the issue.
- The Australian university that reported that it has been impacted by the regulations reported that it, too, had modified its contract with a U.S. program provider as a way to address the issue.
- It further reports that it sought its own legal advice, worked closely with its Australian university partners to jointly revise the language in its contracts, and has attended foreign institutions' financial aid briefings.
- Further comments express the view that the wording of the Financial Aid regulations remains "quite vague and very open to interpretation. The fact that only two of dozens of

Title IV eligible partners have raised a concern with us is evidence that interpretations vary greatly.”