

INTERNATIONAL STUDENT FUNDING

Tuition, Fees, and Financial Aid



Georgiana Mihut
Graduate Research Associate, ACE

Robin Matross Helms
Director for Internationalization and Global Engagement, ACE

International students have contributed **\$33.2 billion annually**, on average, to the U.S. economy over the last five years, and have long been seen as a funding source for higher education institutions. However, cost represents both a burden and an increasingly complex landscape for international students and their families to navigate. A 2018 **survey of international students** worldwide revealed that their top concerns were the cost of living and the availability of scholarships. Fifty-six percent placed their annual household income below \$25,000.

In light of **stagnating international student enrollment** and growing competition from other higher education systems, a viable financial equation for both U.S. institutions and students is increasingly important for recruiting international students.

Key factors for institutions to consider in determining this equation—and related policies and practices—include admission-related costs, tuition, and additional fees.

THE PRICE OF ADMISSION

Standardized Test Fees

While both international and domestic students have to pay for standardized testing, additional fees to take the tests outside the U.S., coupled with ineligibility for fee waivers, can increase the financial burden for international students. Costs for the most common exams include:

- **SAT:** Regular test fee + \$40–\$50 additional fee to take the test at **non-U.S. locations**. **Fee waivers** are available for U.S. students based on financial considerations, but international students are not eligible.
- **ACT:** Regular test fee + \$51 additional fee to take the test at **non-U.S. locations**. Vouchers are distributed through U.S. schools to defray costs for certain student populations, but these are not available outside the U.S.
- **GRE:** Regular test fee + \$40 additional fee to take the test at non-U.S. locations, along with an additional fee for test takers in China. Fee waivers and reductions for the GRE are available to **eligible test takers**, but only in the U.S. and its territories.
- **TOEFL:** The cost of this English language test varies by location worldwide. In Armenia, for instance, the cost of the test is \$180, whereas tests takers in Norway pay a fee of \$290. Non-native English speakers at high schools in the United States are eligible for **fee waivers**.

Application Fees

While not all U.S. institutions charge an application fee, among those that do, it is generally the same amount for domestic and international students—on average, **around \$50**. Students who receive an SAT fee waiver are eligible to apply for an undergraduate college application fee waiver at over **2,000 institutions** participating in a program managed by the College Board.

The SAT fee waiver can **also** be used to waive fees associated with the Coalition, Common, or Universal Application applications (which are over and above institutions' application fees). For example, the Common App's fee is \$25 to submit the first application and \$16 for subsequent applications. But because international students are not eligible to apply for SAT fee waivers, they are typically not eligible for the corresponding Common App and institutional application fee waivers.

Aside from the SAT waiver, however, some institutions waive their own application fees for all international applicants who apply using the Common App. Citizenship information is used to determine whether students qualify for this international student-specific waiver. Examples of participating institutions include **Ithaca College**, **Bates College**, and **Emmanuel College**.

In practice, both domestic and international students are able to request fee waivers directly from the institution. The waivers are likely to be granted on a case-by-case basis to highly competitive applicants and those who can prove financial need—a status easier to prove by domestic students, for whom the FAFSA form provides a need assessment framework.

The College Application Fee Waivers platform run by the College Board allows students to compare application fee waivers across colleges. Although the platform does not offer information on which colleges offer international student fee waivers, students can search by location or college name. Students can also find out if the college of their choice will consider waiving application fees for state residents only, or if the college has special instructions for requesting an application fee waiver.

Deposit Fees

Among U.S. institutions that require a deposit from accepted students to confirm their intention to enroll, the amount of the deposit is generally the same for both domestic and international students. Notably, however, if deposits are collected by check only, they may pose complications for international students who live in countries where checks are uncommon; allowing for wire transfers instead can mitigate this issue.

Visa and SEVIS fees

The U.S. Department of State's **application fee for F and J visas**, traditionally offered to international students, is \$160; in addition, international students are required to pay a SEVIS fee between \$180 and \$200. The fee is used to **cover the administrative costs** of the State Department's system that tracks international students and exchange visitors.

Optional Practical Training

International students may opt to take temporary employment in the U.S. for up to 12 months via the **Optional Practical Training (OPT)** program for work connected to their field of study. Each time students submit an application for OPT with the U.S. Citizenship and Immigration Services, they pay a fee of \$410.

ADMISSION DECISIONS: FACTORING IN FINANCIAL NEED

For most international students, the ability to pay tuition will factor into the admission decisions they receive from U.S. institutions.

- A large majority of colleges and universities employ “need conscious” admission policies for domestic and international students alike. According to the 2018 *State of College Admission* report by the National Association for College Admission Counseling, ability to pay is a stronger factor in admission decisions for international students than for domestic students. Only 1.2 percent of colleges surveyed considered ability to pay to bear “considerable influence” in admission decisions for first-time freshmen. For international students, however, the number was 20.2 percent.
- Among the approximately 100 U.S. institutions with “need blind” admission policies for U.S. students, only about one-third apply this policy to international applicants. The remaining two-thirds consider international students’ ability to pay as a factor in the admission decision.
- At the small number of colleges and universities that guarantee to meet all demonstrated financial need (without loans) for admitted students (fewer than 20 of the institutions ranked in *U.S. News & World Report*), the guarantee may apply to international students—but the admission decision itself may take into account their ability to pay.
 - » For example, the University of Chicago’s website states: “In our admissions process, we must be ‘need-sensitive’ for international candidates. This means that when reviewing international applications, UChicago takes into account whether or not an applicant has requested financial assistance. Though we will meet every admitted student’s demonstrated need, we advise you to apply for financial aid only if you do not have the resources to fund your education.”
- A handful of elite private institutions have need blind admission policies and guarantee to meet the full financial need of admitted students (without loans), domestic and international alike: Massachusetts Institute of Technology, Harvard University, Princeton University, Yale University, and Amherst College.

TUITION AND FEES

Tuition Rates

The **College Board** estimates that in 2018–19 the average published cost of tuition and fees and room and board at a public four-year institution was \$21,270 for in-state students and \$37,430 for out-of-state students. The equivalent cost at a private nonprofit four-year institution was \$48,510. Tuition rates for international students attending private institutions are generally the same as for their domestic peers. However, there are a number of policy variations in the public sector, including:

- **Tuition for international students is higher than both in-state and out-of-state tuition rates.** This is the case at a number of large research universities, such as **University of Minnesota**, **Arizona State University**, **The University of Iowa**, **Purdue University**, **University of Illinois at Urbana-Champaign**, and **The Ohio State University**. At these institutions, international students are charged between \$874 and \$5,218 more in tuition and fees than out-of-state students. The added cost for international students at these institutions results from either a higher cost per credit, additional fees charged to international students, or a combination of these factors.

- **International students pay the standard out-of-state tuition rate.** Institutions that follow this model include [Santa Monica College](#), [University of Michigan](#), and [University of California, Los Angeles](#).

While a majority of public institutions charge international students out-of-state tuition or more, notable **exceptions** include:

- At [Eastern Michigan University](#), in-state and out-of-state domestic students, as well as international students enrolled in courses up to the 499 level, pay the same tuition cost per credit. Tuition cost per credit differs between resident and non-resident students (domestic and international) for higher level courses.
- All accepted international students at [Minnesota State University, Mankato](#) are awarded the Cultural Contribution Scholarship, which enables international students to pay a lower than out-of-state tuition and fee rate.
- Several higher education institutions in the U.S. offer differentiated tuition fees for subgroups of the international student population. For example, [University of Alaska Anchorage](#) offers reduced tuition for residents of Alaska's sister cities. At Georgia State University, a number of in-state tuition vouchers are available to be used at the discretion of the institution. Some of these vouchers are given to international students from institutions with which the university has a partnership.

Additional Fees

Add-on fees are a common feature of institutional—both public and private—funding structures, and are often charged to particular subsets of the student population (e.g., students majoring in engineering and other resource-intensive fields). In addition to paying the various fees required of their domestic peers, international students may be subject to:

- **General fees charged to international students.** The University of Iowa, for example, charges an [international student fee](#) of \$250. At Columbia University, all students holding a non-resident visa pay an [international service charge](#) of \$90 per term. At [New York University](#), the international student fee is \$90.
- **International student fees for specific purposes.** In addition to its general fee for international students, The University of Iowa charges a \$120 international orientation fee. University of Wisconsin–Platteville charges international students a \$50 fee designated for mental health services.

At Georgia State University, a \$5 international student fee is charged to *all* students. Half the funds raised by the fee are used to support international student services; the other half are designated for study abroad scholarships.

FINANCIAL AID

While tuition and fee levels vary between domestic and international students, the most significant difference between the two groups lies in the financial support structures to which they have access. The U.S. Department of Education offers [\\$120 billion](#) a year in financial aid, but little of it is available to international students. Instead, international students rely on other sources of aid—both domestic and international—to

supplement personal financing and support their study. These often include scholarships provided by their home country governments, private scholarships, and private loans.

In addition, a growing segment of U.S. colleges and universities themselves are providing targeted financial aid for international students. *ACE's Mapping Internationalization on U.S. Campuses* study indicates that the percentage of institutions offering such aid has increased steadily across all sectors since 2001:

	2001	2006	2011	2016
Doctoral	52	61	69	71
Master's	48	55	64	76
Baccalaureate	59	62	73	77
Associate	10	15	16	24
Special Focus	-	-	20	39
Total	35	37	38	49

Along similar lines, the *College Board Annual Survey of Colleges* suggests that both the number of higher education institutions and the total amount of financial aid awarded to international students have increased over time. In 2011–12, 701 institutions awarded a total of \$796 million. In 2014–15, 815 institutions—about a third of respondent institutions—awarded a total of \$1.16 billion.

Private not-for-profit institutions are more likely to offer financial aid to international students than their public counterparts. In 2014–15, 36 percent of international students at private not-for-profit institutions received financial aid, compared with only 13 percent of their peers at public four-year colleges and universities.

The College Board runs the **CSS profile platform**. The platform makes it easier to collect information on individual students' financial need, and helps institutions make financial aid and admissions decisions for those students. Both domestic and international students can complete the CSS profile. In contrast to the Free Application for Federal Student Aid (FAFSA)—which is free and available to domestic students only—completing the CSS profile costs \$25 for the first application and \$16 for each subsequent application. Fee waivers may be obtained if a user qualifies for the SAT waiver and based on parental income, but are not available for international students. Currently, fewer than 200 institutions use the CSS to collect information about need from international students.

Among those institutions that offer financial support to international students, examples of the type of aid and assistance provided include:

- **Need-based financial aid.** In addition to those institutions noted previously that guarantee to meet all financial need for all admitted students, **Berea College** is committed to providing full institutional financial aid to all international students only. Some institutions, such as **The George Washington University**, provide need-based grants to international students after they complete a certain number of credits; others—including Georgia State University—offer micro-grants to both domestic and international students to cover institutional cost toward completion.

- **Merit-based financial aid.** At [George Mason University](#), international students are eligible to apply for the same range of merit-based scholarships open to out-of-state domestic peers. At [University of Arkansas](#) and [University of San Francisco](#), international students are eligible to apply for some of the scholarships available to domestic students. In addition, some institutions offer merit-based scholarships specifically for international students, including [The University of Iowa](#) and [University of Nebraska-Lincoln](#).
- **A combination of need- and merit-based financial aid.** At [Vanderbilt University](#), [College of Wooster](#), [Wartburg College](#), and [University of Oregon](#), international students are eligible for both need- and merit-based aid opportunities.
- **Loans.** Higher education institutions themselves traditionally do not offer loans to either domestic or international students. However, exceptions exist. A few institutions offer loans to international students in emergency situations, including [University of Michigan](#), where the loan cannot exceed \$2,500, and [University of Wisconsin-Madison](#). Other institutions offer low interest loans to both domestic and international students, such as [Dartmouth College](#) and [Yale University](#). [St. Olaf College](#) offers institutional loans to international students only.
- **Information about private loans.** Most higher education institutions provide information on private loans to their students. Because eligibility requirements for private loans differ between domestic and international students, however, distinct information is needed for the two groups. Institutions such as [Boston College](#) provide information on private loans to both domestic and international students, but make no recommendations on what loans students should take. Other institutions both provide information and make recommendations on the private loans domestic and international students should take if needed, including [Columbia University](#), [Emory University](#), [University of Wisconsin-Madison](#), and [University of Michigan](#).

LOANS AND PROOF OF FUNDS

Both domestic and international students need to provide institutions with proof that they are able to cover the cost of attendance. Higher education institutions and private loan providers for domestic students work together to ensure that private loans may be used as proof of funds. For international students, private loans may cause delay or difficulties in enrollment if the institution does not consider conditional loan approvals as a proof of funding. Some institutions, such as [Illinois Graduate College](#), do not consider conditional loan approvals as proof of funding. At other institutions, including the [University of California, Berkeley](#) and [Columbia University](#), conditional loan approval is considered acceptable proof of funding in situations where the condition for loan approval is receiving immigration-related documents such as a visa or I-20.

