

## Financial Aid and Funding Education Abroad

**“B**UT IT COSTS TOO MUCH.” Those words are often heard by education abroad advisers from students considering studying abroad during their college years. Prohibitive cost is one of the reasons students do not consider education abroad when planning their undergraduate careers. Unfortunately, study abroad can be much more expensive than the usual cost of education at the student’s home campus. But today there is more opportunity for students to study abroad than ever before: students can often use campus financial aid programs to help pay for the experience.

Some students may not realize that financial aid resources can be used to make an overseas experience affordable. Others may think there are endless scholarships out there waiting to be tapped for that experience in England. With the increased availability of financial aid to fund education abroad, advisers have yet another area of expertise they need to develop to help students. Not only do advisers need to provide access to affordable programs, but they also must now be experts on how students can obtain financial assistance.

### Financial Aid and Education Abroad

Most education abroad advisers are aware of the types of financial aid available to students. Basically, it comes in three forms: governmental (federal and state aid, institutional (from the college or university that the student attends) or private (foundations, ethnic groups, clubs, religious groups, associations, and private and public organizations). Financial aid is available in the form of grants, scholarships, loans, or work-study. However, there are often restrictions on financial aid. Institutional aid is sometimes awarded only to students enrolled at the institution and is sometimes restricted for use only on the home campus or in the home state because of restrictions set by the funding source or institutional budget constraints.

Because of these restrictions, students who are heavily subsidized by institutional scholarships often cannot afford to study abroad, even if a term abroad actually costs less (as it does in some cases) than a term

at the home campus. This unfortunate fact sometimes clashes with an institution’s stated goal of providing international experiences to all students. On some campuses with more advanced internationalization programs, all financial aid is usable for education abroad as an entitlement of enrollment in good standing.

Private aid, usually available as scholarships or grants, sometimes also has restrictions. For example, it may require that a student use it for specific colleges or geographic regions and so private aid may not be available to use while studying overseas.

### QUESTIONS THAT EDUCATION ABROAD ADVISERS NEED TO KNOW HOW TO ANSWER

- What is financial aid?
- How do students qualify for it?
- Can financial aid be used for study abroad or for other forms of education abroad?
- What must the campus do to help students use aid for education abroad?
- Are there funds specifically for education abroad?
- Can money be raised for this purpose?
- How can the education abroad office help students find inexpensive programs?
- Can the education abroad office assist students in investigating scholarship opportunities for study and research overseas?

Editor’s Note: This article is adapted from a chapter of *NAFSA’s Guide to Education Abroad for Advisers and Administrators*, 3rd edition.



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Additional information on this topic can be found in the Education Abroad Professional Network on the NAFSA Web site. Visit <http://www.nafsa.org/AdvisingResources>.

designed to encourage an international experience even if it does not include formal study. Some funding resources for international scholarships include grants for travel, social work, undergraduate research, the exploration of architectural trends in major world cities, and unpaid work at various ecological or biological research stations.

### **Where Can I Learn More about the Aid Available on my Campus?**

The campus financial aid office is the first and best source of information on all the kinds and sources of aid available at an institution. The office provides information that outlines the types of institutional aid available to students as well as funds available through academic departments. It also has information about the often-bewildering variety of private aid available to college students. Many universities now provide a search service for students who want to see if they can qualify for private aid. This is usually a low-cost or free alternative to the many commercial scholarship search services.

### **What Financial Aid Can Be Used for Education Abroad?**

The ideal answer to this question is “everything the student would normally receive, plus any special study abroad scholarships that can be found.” Using all types of federal financial aid for study abroad is perfectly legal as long as the student is eligible and the institution has approved the courses taken abroad

for credit. Many states pattern their financial aid rules and regulations on federal statutes and regulations, so that aid can also be used for study abroad. However, institutional and private aid may or may not be available for study abroad, depending on the restrictions placed on the award. This is a problem for students attending private schools where large scholarships are awarded.

### **What about Financial Support for Other Kinds of Education Abroad?**

Most undergraduate aid is geared toward helping students make progress toward their degrees. If the overseas activity involves work, internships, field experience, or volunteer activities, most federal, state, or institutional aid cannot be used. An exception can often be made when the activity generates credit. If internships, service learning, or field experiences are allowed to earn credit on the home campus, the education abroad professional should find out how that credit is arranged and see if international experiences can be added to the list. The other exception is private aid

### **Is Awarding Aid for Education Abroad More Difficult?**

Securing financial aid can become more complicated when students study abroad. Oftentimes, study abroad courses must be preapproved for credit by the home institution before the student leaves. Students have to reapply for federal and state aid each year (and for some kinds of institutional or private aid), which can be challenging if the student is abroad. Award notices and other documents must be sent to students for their signatures, or must go to a predesignated person with a valid power of attorney. It may be necessary to allow forms and other documents to arrive after normal deadlines to allow for international mail delays.

### **How Can Financial Aid Be Made More Available?**

To help make financial aid more available to students, an education abroad professional must employ knowledge, communication, and cooperation. Knowledge of what aid is available and how it is awarded is necessary to understand how aid might be used by education abroad students. Communication with several offices, including financial

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## BUILDING A CAMPUS SCHOLARSHIP FUND

An education abroad scholarship fund can be created by raising funds through the campus community. The campus development office may be able to work an appeal into its annual fund drive, perhaps targeting alumni who have studied abroad. Working with the development office allows the education abroad professional to get expert advice about raising money, plus access to mailing lists, postage, the alumni magazine or newsletter, and the local community. A campus scholarship fund would help ensure that academically qualified and interested students are not denied the educational and career advantages of an overseas experience because they lack money

aid, the registrar, the bursar, and academic departments, is needed to coordinate special policies and procedures for awarding aid to education abroad students. Cooperation is required to properly award aid, verify its use, and avoid violating federal and state law. Education abroad professionals must also be determined and resourceful activists, lobbyists, and proponents for using current funds and finding new funds. Without active leadership, opportunities for growth may be lost.

Where does an education abroad professional begin? First, the professional must accept the fact that financial aid for study abroad will probably involve more work for him or her and for the education abroad office, as well as for several other administrative offices on the campus. The extra work is generated by the need to create new procedures. Questions to help guide education abroad advisers in this process are available in NAFSA's new publication, *NAFSA's Guide to Education Abroad for Advisers and Administrators, 3rd Edition*.

### Low-Cost Program Possibilities

In addition to financial aid, there are a number of other possibilities of funding study abroad. For example, using low-cost programs, which can be a bargain for one student, may be a burden for another. Realistically, low cost will mean something different for each institution. In fact, the criteria change for each student. But the first step is knowing the possibilities.

Exchange programs sometimes permit the student to apply his or her institutional aid (or even tuition remission) to an exchange

when such aid cannot be used on other types of study abroad. If an institution does not want to manage direct exchanges, it might explore the International Student Exchange Program (ISEP) instead, which facilitates international exchange among universities worldwide. Because all fees, including room and board, are paid at the home institution, the basic cost of studying abroad remains consistent with home-campus costs.

A brief search of study abroad programs in major cities will identify many programs utilizing classes at the same "host institution" abroad, but costs for those programs may vary widely. Education abroad professionals should, of course, always caution students to carefully consider what the "cost" of a program includes when comparing programs. A lower cost may actually mean less value for the money. Students need to understand that value lies in support services as well as such items as housing and meals. There are instances in which two programs really are comparable (and the classes are the same because they are provided by the same host institution), but the price of tuition for one program is higher than the price of tuition at the other program. Some programs pass along the institutional "in-state" tuition savings to study abroad program participants. In other words, there may be some advantage for a student to apply to a program sponsored by a state school in the student's home state.

Sometimes a consortial or affiliation agreement between institutions will provide students with access to lower fees, travel grants, scholarships, and so on. If there is a particular program to which a home in-

stitution frequently sends students, perhaps a formalized association between the two institutions could be beneficial.

Often, a student can meet academic and personal goals for study abroad in more than one geographic location. Changing location slightly can sometimes bring study abroad into a student's affordable range. For instance, it is almost always less expensive to study outside a capital city. Thus, studying in a regional center may be less expensive and just as cross-culturally stimulating. Also, some less traditional study locations, for example in Central Europe, may offer a significantly lower cost of living, which is then reflected in overall savings in the cost of housing, food, and personal expenses.

Direct enrollment in a foreign university, as opposed to application through a U.S.-based program, may offer a significant savings. However, some level of support to the student is usually sacrificed in using a direct enrollment option, so this is best reserved for more independent and experienced students. It also requires that the adviser have a good working relationship with and knowledge of the international office at the host institution.

Of course, the length of study will change the cost, but a shorter program is not always less expensive. For one thing, short-term programs less frequently qualify for aid. On the other hand, a full-year student may be better able to directly enroll in the foreign institution (with an associated cost savings) or may qualify for less-expensive housing.

### Outside Funding and Scholarships

Even with greater access to federal and state aid, numerous students still do not qualify for need-based financial aid and yet also cannot find an extra \$1,000 to \$4,000 to participate in a study abroad program. For these students, the slight increase in scholarships developed to encourage undergraduates to study abroad is good news. Assisting students in locating viable sources of financial aid is perhaps the easier half of the challenge. What remains is the need to work

See the **IE Web Extra!** "Common Policies Used as Excuses for Not Allowing Aid to Be Used Abroad" online on the NAFSA Web site at <http://www.nafsa.org/CurrentIssue>.

with them to make effective and potentially successful applications for special scholarships, knowing that they will be competing with similar students from other institutions. Competing for scholarship support can be time consuming, and even plenty of hard work does not guarantee success. Thus, before the education abroad office becomes involved in advising students about scholarship opportunities or administering such scholarship competitions, it is worth spending some time thinking through what is involved with such endeavors.

### Identifying Funding Sources

Every campus should have a library of books that describe all scholarships that exist in support of undergraduate study abroad. Other sources of funding are the general grants, loans, or fellowships awarded by private organizations, businesses, churches, and others. Scholarships that can often be used for study abroad may be awarded on the basis of personal attributes (ethnic or religious background, parents' field of employment, children of veterans, descendants of immigrants from specific countries), or academic focus, major, or career path. The challenge for the education abroad office and for students is to locate appropriate and relevant funding for the student's specific need level. An extensive list of federal and state scholarships is included in the recently published *NAFSA's Guide to Education Abroad for Advisers and Administrators*.

To find this appropriate financial aid, students do not necessarily have to pay the high fees that are sometimes charged by commercial search services. Most financial aid offices or campus libraries have resource books that list private scholarships. Many financial aid offices offer their own search services, which cost less than those offered

by commercial companies, or students can use FastWeb (Financial Aid Search through the Web), a free service on the Web.

### Sending Students on Their Way

The lack of adequate funding for education abroad is of course related to the national problem of how to guarantee equal access for all students to all of U.S. higher education. While this problem remains, and thus major economic barriers continue to exist for many students, education abroad administrators should do everything possible to make study abroad a viable alternative for as many students as possible. With a thorough knowledge of what aid is available, and through effective communication between the education abroad office and other campus administrators, students, faculty, and alumni concerning the need for more financial support, regular and alternate sources of financial aid can be found to help students

afford the costs of study abroad. The time and effort involved may seem daunting, but the benefits to students make the effort worthwhile. Education abroad professionals have an experienced and resourceful team of colleagues in the education abroad and financial aid fields prepared to assist with developing a strategy for growth and increased access for students to embark on a twenty-first century international educational opportunity. **IE**

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