

# **A Learning Abroad Financial Model that Addresses Multiple Needs**

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**May 2010**

**NAFSA: Association of International Educators**

THE CENTER FOR CAPACITY BUILDING IN  
**STUDY ABROAD**

A joint project of NAFSA and A•P•L•U

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May 2010

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# Executive Summary

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Study abroad, an increasingly important component of undergraduate programs generally, is becoming essential to academic majors across the curriculum. This paper presents a case study of an agile, successful study abroad model that features a cost-effective financial structure. This model may be of help to other colleges and universities that want to create a program on their campuses, or improve the one they already have.

**Absolutely crucial to advancing study abroad programs and enrollment at any college is the involvement of key campus decisionmakers as stakeholders—i.e., the president or chancellor, provost, deans, and key faculty.**

Without strong support from key administrators and faculty, campus study abroad staff will fail in their efforts to elevate the role of study abroad in the academic experience of students.

In 1981 the University of Minnesota–Twin Cities (UMTC) developed a user-funded model for organizing and financing study abroad programs. This financial model known as “APAAC” (Advising, Placement, Academic and Administrative Costs) currently supports 88 percent of the Learning Abroad Center’s administrative budget. It has a proven track record in controlling costs; increasing enrollment; and satisfying many student, faculty, and administrative goals

and needs. During the last decade, UMTC has made study abroad a higher priority and has created a wide range of institutional scholarship programs that have greatly increased scholarship support for a more diverse study abroad population. For many UMTC study abroad programs, the full costs are lower than the full cost of on-campus enrollment.

The UMTC model includes a variety of program types: institution-sponsored, co-sponsored, and collegiate/departamental programs. Financial support for students participating in study abroad at UMTC comes from financial aid sources and from many different scholarships available for study abroad.

**The following are the most compelling features of the UMTC financial model known as APAAC:**

- **It readily accommodates a broad diversity of program offerings.**
- **It is protected from the increasing uncertainties of state funding and tuition increases.**
- **It allows cost differentiation of individual programs, based on real costs rather than being tied to on-campus tuition.**
- **It encourages partnerships with other campuses and program providers.**
- **It facilitates the enrollment of students from other campuses or states because it is not linked to the much higher nonresident tuition.**

# Introduction

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Recent years have seen a marked upsurge in new initiatives launched by campuses and organizations to increase enrollment in study abroad programs. Institute of International Education, in *Open Doors*, its annual report on international education in the United States, reports that **“during the past decade the number of U.S. students studying abroad has increased by over 150 percent,”** with a recent annual increase of 8.5 percent. In 2006–2007 study abroad enrollment in the United States was about a quarter million.

## Study Abroad Trend Points

The following are some trend points that mark the increasing focus nationwide on the importance of study abroad programs.

***The Senator Paul Simon Foundation on Study Abroad***—proposed for Congressional support, the foundation would establish a national scholarship program with the goal of enrolling one million students in study abroad within a decade. Achieving this metric would require annual increases of about 15 percent (an approximate doubling in participation levels).

***The Forum on Study Abroad***—established as a national organization that focuses on upholding study-abroad program quality and developing standards of good practice.

***Curriculum Integration (CI)***—growing broad national interest in CI to further expand the integration of credited courses, internships, and other learning experiences abroad into undergraduate major and degree requirements.

***An increased critical linkage between study abroad and the internationalization of campuses***—illustrated by reports, symposia, workshops, and meetings sponsored by organizations such as

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Association of Public and Land-grant Universities  
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Institute of International Education (IIE)  
American Council on Education (ACE)  
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The Association of American Colleges &  
Universities (AACU)

***An increased priority on many campuses for study abroad***—evidenced by reports, expanded funding for study abroad offices and scholarships, growth of CI, increased enrollment of professional school students, and involvement of many more central campus administrators in advancing the importance of study abroad to students and their education.

***An increase in colleges and professional schools making study abroad a degree requirement***—a number of liberal arts colleges have made study abroad a requirement for graduation, and a large number of colleges send well over half of their students abroad during their enrollment. Many undergraduate business and engineering programs have greatly increased study abroad enrollment and some now require study abroad or an international experience for degree completion.

***Center for Capacity Building for Study Abroad***—established by APLU and NAFSA in 2008 to assist colleges and universities with the range of issues they will face as they expand their study abroad programs. ([www.studyabroadcenter.org](http://www.studyabroadcenter.org))

Recent progress in study abroad programming, safety, CI, and enrollment has been impressive. However, achieving the million-student mark—the goal of the Senator Paul Simon Foundation on Study Abroad—will demand much work. The need to expand funding of study abroad offices certainly presents a major challenge. Options include using funding models that extend beyond state funding or tuition; creating campus partnerships or consortia; and increasing scholarship support within states, among donors, and through campus resources.

## Background

This paper presents a case study of a unique funding model in use since 1981 by the University of Minnesota–Twin Cities in its study abroad office—now the Learning Abroad Center (LAC).

### The advantages of this model:

- **It accommodates a broad diversity of program offerings.**
- **It is independent of tuition and allows for cost differentiation across programs.**
- **It is protected from the uncertainties of state funding and tuition increases.**
- **It has facilitated many partnerships with other campuses and study abroad provider organizations.**
- **It has for the last two years enrolled an average of 436 non-UMTC students per year, enlarging the range of programs that can be offered for all students interested in UMTC programs.**

In response to requests for information about the UMTC study abroad program financial model, Margaret Heisel, Director of the Center for Capacity Building for Study Abroad, invited and encouraged the drafting of this paper. Please note that it is not intended as a review or critique of other financial models. The basic concepts in this paper were presented at the APLU annual meeting on November 16, 2009, in Washington, DC.

UMTC, with one of the nation’s largest campuses, has 29,921 undergraduates and a total student population of 51,659 (fall 2009). It also boasts one of the world’s most diverse program and degree offerings on a single campus. Such diversity demands that UMTC provide its students access to a wide range of learning abroad programs. Some features of the LAC in using the financial model over the last decade:

- It had dramatic growth in its learning abroad enrollment (177 percent).
- It identified a major need for additional programs through CI work with faculty and staff from many different majors.
- It increased participation of professional degree students (111 percent), undergraduate students of color (36 percent), and graduate students (878 percent) in study abroad programs.

*Table 1* provides decade comparisons of these and other UMTC campus and study abroad statistics.

**Table 1. Decade Comparison of Study Abroad Statistics for University of Minnesota–Twin Cities**

<b>Enrollment</b>	<b>1999-98</b>	<b>2007-08</b>	<b>% Change</b>
Total Undergraduates Studying Abroad	715	1983	+177
Total Undergraduate Degrees Granted	5131	6650	+30
Study Abroad as Percent of Undergraduate Degrees Awarded	13.9	29.8	+114
Total Graduate Students Studying Abroad	55	538	+878
<b>Duration (Percent of Total)</b>			
Academic Year or Calender Year	10.6	4.4	-59
Quarter or Semester (10–15 Weeks)	56.6	45.1	-20
Summer (4–10 Weeks)	26.2	22.1	-16
Short-Term (3 Weeks or Less)	0	28.4	+100
<b>Undergraduates by Collegiate Classification (Percent of Total)</b>			
College of Liberal Arts	76.5	57.6	-25
Professional Schools (Consolidated from 7 to 6 During the Decade)	17.6	37.1	+111
Other Nonprofessional Schools	5.8	5.2	-10
<b>Destination/Region (Percent of Total)</b>			
Africa	1.9	2.7	
Asia/Pacific and East	6.0	7.6	
Asia/South and Southeast	1.4	5.0	
Australia/New Zealand/Canada	3.5	5.5	
Central/Eastern Europe	2.2	2.4	
Latin America/Caribbean	27.1	15.3	
Middle East/North Africa	0.8	0.6	
Western Europe	55.7	40.2	
<b>Race/Ethnicity (Percent of Total)</b>			
African American	9.8	19.8	
American Indian/Alaskan	1.1	4.4	
Asian American or Pacific Islander	46.2	56.8	
Chicano/Latino	23.1	19.0	
Multiracial	20.9	0	
Undergraduate Students of Color to Study Abroad (Percent of Total)	12.7	17.3	+36
<b>Gender (Percent of Total)</b>			
Female	67.5	64.2	
Male	32.5	35.8	

**Note:** The major curriculum integration project started with a Fund for the Improvement of Postsecondary Education (FIPSE) grant in 2000–01 and the Walter Bush Foundation grant in 2001–02. Both grants were finished by 2004–05, but many aspects of the CI initiative have continued through internal funding. Total UMTC enrollments for the fall terms of 2007 and 2009 were 50,883 and 51,659 (29,921 were undergraduates), respectively.

# LAC Financial Model (APAAC)

UMTC study abroad programs originated in the College of Continuing Education and Extension in 1981. **The LAC financial model is referred to as APAAC (Advising, Placement, Academic, and Administrative Costs) and is characterized below.** LAC currently has 32.3 FTEs (full-time equivalents) in professional staff and eight student FTEs. The total in pass-through funds for program costs is \$16 to \$17 million. For more information about LAC programs, see [www.UMabroad.umn.edu](http://www.UMabroad.umn.edu).

Also included in the APAAC is continuing work with faculty, staff, and departments/colleges on program

and CI issues, as well as program providers and other colleges and universities and many of their students.

## Program Management

UMTC grants resident credit for the majority of study abroad programs offered by LAC. LAC has the equivalent of an in-house registrar responsible for the evaluation of these study abroad transcripts and posting of courses and grades in the university's central system. A small number of programs award transfer credit; these are evaluated by the UMTC

## APAAC Structure

From the outset, these programs have been primarily user-supported rather than tuition or state funded. As shown in *table 2*, currently about 88 percent of the LAC budget comes from APAAC. In this model, all LAC-administered programs include an APAAC, but students enrolled in these programs do not pay tuition.

Cost examples incorporated into the APAAC include:

- Study abroad promotion
- Student advising
- Predeparture orientation and placement
- Registration
- Hiring of on-campus or on-site faculty
- Program reviews
- Accounting
- Scholarship administration
- Recording of grades
- Waiver and insurance programs

**Table 2. Learning Abroad Center (LAC) Administrative Support Sources for 2008–09**

Student Service Fees <sup>(a)</sup>	3.2%
Earned Income <sup>(b)</sup>	2.7%
State Allocation in O & M <sup>(c)</sup>	6.2%
Advising, Placement, Academic, and Administrative Costs (APAAC) <sup>(d)</sup>	87.9%

<sup>(a)</sup>These nonrecurring funds are based on a historical relationship with Student Affairs. The fees come from campus-wide student service fees (reviewed and voted upon by student fees committee each year) and are used to support services for advising and placing students interested in international work, volunteer, and internship programs. They are also used to fund the LAC-sponsored student group.

<sup>(b)</sup>These funds are derived from the sale of travel books and travel aids, etc., but all airfares are handled outside UMTC.

<sup>(c)</sup>These are state funds allocated to "Operations and Maintenance" within the UMTC budget. State-funded study abroad *scholarships are not included* here because they do not support administrative costs. This "cost" is embedded in the listed or "billable" program cost for all LAC learning abroad programs and is like a substitution for *on-campus tuition, which students on learning abroad programs do not pay*. The actual APAAC is based on the costs for each program.

office of admissions. The APAAC for each program relates to the costs associated with each program and are embedded in the “billable” costs for all LAC-administered programs. In UMTC protocols, the APAAC is treated as a “program cost” rather than a “fee.”

The approval process for “program prices” is also less complex than for “fees.” Thus, UMTC students on LAC learning abroad programs pay an APAAC appropriate to their program, but they do not pay tuition during the time they are enrolled in a LAC study abroad program. In a sense APAAC replaces tuition, but all funds collected from APAAC are returned to LAC for program and administrative costs associated with study abroad programs.

**Over time this highly accountable model has served student needs well and has readily responded to enrollment increases as well as some temporary income declines such as those associated with the September 11 terrorist attacks and the recent financial crisis.**

### The APAAC Financial Model

The following are some important features of the APAAC financial model.

*A compelling advantage of this model: the costs of learning abroad programs are differentiated from each other and are separated from tuition that is not based on learning abroad program costs.* This structure widens the range of program costs and increases student choices among alternative program options that may differ markedly in price. For example, over the last decade the cost of UMTC undergraduate tuition has increased 149 percent, far more than an average cost increase of 56 percent for seven of some of LAC’s most popular programs (table 3). Thus, the APAAC model has kept the price of LAC study abroad programs at increasingly competitive levels, often at a lower price than the total of on-campus tuition and required fees. Many of the program prices (including APAAC) also include the cost of home stays.

**Table 3. Decade Comparisons for Billable Program Costs for Some LAC Education Abroad Programs and UMTC Tuition-Fees<sup>(a,b)</sup>**

	Academic Year		
	1998-99	2008-09	% Change
Undergraduate Resident Tuition & Required Fees	\$4,266	\$10,634	+149
Learning Abroad Program Location Examples (“Billable” or actual program costs)			
Merida, Venezuela (language and culture)	11,000	16,495	+50
Cuernavaca, Mexico (intensive Spanish language)	9,000	13,834	+54
London, England (study and internship)	10,900	25,435	+133
Jaipur, India (MSID-MN Studies in Internat Devel)	9,500	11,500	+21
Nairobi, Kenya (MSID)	10,900	12,900	+18
Montpellier, France (language & culture-home stay)	13,900	19,975	+44
Florence, Italy <sup>(b)</sup> (three weeks, three credits) “Great Minds of the Renaissance” (flight included)	3,000	5,260	+75

<sup>(a)</sup>“Billable” or program costs are for an academic year (except Florence) and include program fees, international health insurance plus home stays for all but London and Florence. The average percent change for the above academic year education abroad programs over the decade is +56 percent.

<sup>(b)</sup>The Florence program is an exception in this table because it is for three weeks and the airline ticket is included in the cost of the program.

However, when it comes to total price to the student, the only authentic comparison is on a “full-cost” basis. As shown in *table 4*, four of the six study abroad programs have total prices less than the full price (\$21,158) charged for a resident undergraduate on-campus. The majority of the full cost comes from “tuition, fees and international health” (column one) and “room and board” (column three). The greater than five-fold difference in these two columns illustrates why learning abroad program costs can vary significantly from each other and the full on-campus costs. Full-cost comparisons are much more meaningful and, for some programs, can even provide a financial incentive for students to study abroad. See [www.umabroad.umn.edu/financial/compare/index.html](http://www.umabroad.umn.edu/financial/compare/index.html).

*The APAAC model was borrowed from the continuing education model, which typically has its own tuition that is independent of regular tuition and nonresident tuition rates.* Similarly, nonresident students who enroll in LAC education abroad

programs do not pay nonresident tuition. For the last two years, this practice contributed to an average enrollment of 436 non-UMTC students annually in LAC programs. Also important: in general, the home institutions of these non-UMTC students grant approval of LAC programs because of their reputation for high quality and value. The APAAC model creates a “win-win” situation because:

- It helps reduce the program overhead cost/student.
- It reduces the risk of not meeting the minimum enrollment needed to make a program financially viable.
- It brings institutional diversity to LAC programs while providing program access at reasonable cost to non-UMTC students.
- It facilitates institutional partnerships (nonresident tuition rates can be a major hurdle in partnerships related to education abroad program).

**Table 4. Full-Cost Comparisons for UMTC Campus and Some LAC Education Abroad Programs Based on Full Academic Year 2008-09.<sup>(a)</sup>**

	<b>Tuition, Fees &amp; Int. Health</b>	<b>Books &amp; Supplies</b>	<b>Room &amp; Board<sup>(a)</sup></b>	<b>Transportation</b>	<b>Personal/ Misc.</b>	<b>FULL COST</b>
Undergrad-Resident	10,634	1000	7392	132	2000	\$21,158
Undergrad-Nonresident	15,476	1000	7392	132	2000	26,000
MSID in Kenya (Mn Studies in Int. Devel)	10,056	340	3094	1800	2200	17,490
Merida, Venezuela (Language & Culture)	13,415	200	3680	950	1115	19,360
Cuernavaca, Mexico (Intensive Spanish)	13,272	300	2548	700	1515	18,335
University of Oslo, Norway (Integrated Study)	2,600	1240	8200	1000	2100	15,140
Montpellier, France (Language & Culture)	11,138	265	13,546	1350	2475	28,774
Bilateral Exchange in Hiroshima, Japan	12,425	300	7,800	2000	2000	24,525

<sup>(a)</sup>All room and board costs are for home stays, *except for Oslo and Hiroshima* where room and board is based on dormitory and a 14 meal/week on-campus plan. The above amounts are for the “billable” room and board *plus* additional allocation for *meals not covered in home stays or in the dormitories*.

- It often allows on-site curriculum expansion through expansion of total enrollment. Even when non-UMTC students pay a somewhat higher APAAC than UMTC students, the extra cost is a fraction of the cost of \$4,000 for nonresident tuition.

As part of the CIC consortium (Big 10 universities plus University of Chicago) agreement, UMTC students and students from other CIC universities pay the same APAAC for LAC programs. Since APAAC rates can be more easily adjusted than tuition rates, this helps facilitate institutional partnerships and consortia arrangements. UMTC has numerous partnerships and typically has the largest incoming study abroad enrollment among CIC institutions. Last year 44 percent (190) of non-UMTC students who enrolled in LAC programs came from CIC institutions. CIC institutional cooperation on education abroad programs is mutually advantageous for non-UMTC students, their home CIC institutions, UMTC students and LAC. See [www.cic.net/Home.aspx](http://www.cic.net/Home.aspx) for CIC information.

***The APAAC model was very helpful during the last decade in accommodating the need for greater program diversity.*** Greater program diversity becomes necessary as more academic majors and programs integrate study abroad into their curricula. At UMTC dozens of majors have initiated study abroad as have professional schools (increased enrollment by 111 percent of professional school students). To meet the majority of these newly identified and nontraditional program needs, LAC identified provider-based programs and became a cosponsor of more than 100 new program options. Again, the cost of servicing these programs is covered by the APAAC that is incorporated into the billable program cost. Thus, when the increased demand for more program diversity started to expand, it would have been difficult and costly for LAC to address these diverse needs with new campus-based programs through either LAC or colleges/departments. Many campuses that have similar challenges should exercise caution in creating new programs to serve new student program needs on a single campus because inadequate

enrollment in some programs may never cover the administrative cost of such a program.

***Declining enrollment can be a challenge to the APAAC funding model because it depends on sustained participation rates.*** While the model easily accommodates needed staff increases with enrollment growth, enrollment decline can be more problematic. The challenge of enrollment fluctuations is best addressed by creating a reserve fund or contingency plan for unforeseen circumstances that result in program cancellations owing to health or safety issues, and short-term, unexpected downturns in enrollment such as those associated with the September 11 terrorist attacks and the recent financial crisis. In addition, such circumstances can be exacerbated by institutional hiring or classification policies and union regulations that limit management's ability to quickly downsize staffing. Although not unique to the APAAC model, its dependence on enrollment increases the urgency of the need to balance staff costs and income to support them.

***Finally, the APAAC model also facilitates internal budgeting.*** This structure supports such needs as program reviews, CI, the creation of reserve funds for emergencies (e.g., program cancellations owing to on-site health or safety issues and temporary income declines). Despite the fact that all of these examples are real needs in a well-run study abroad office, their support and maintenance is less likely in a state- and tuition-supported financial system, especially in these difficult times of decreasing state funding and increasing tuition.

## **Different Program Types and Application of APAAC**

Detailing the APAACs that LAC applies to different program types, requires first a discussion of the programs themselves. *Table 5* provides an overview of program types and the major features that characterize each.

***Sponsored Programs***—developed and managed by the home institution's central office such as UMTC's

**Table 5. Programs Features Summary Chart for Different Types of Learning Abroad Programs**

Category	Notable Features	Specific Benefits	Specific Challenges
Sponsored Programs (includes centrally managed short-term, faculty-led Global Seminars)	Programs developed and managed by home institution central office at a <b>study center, traveling, or with a local institution;</b> can be <b>faculty led</b> or taught by local instructors, may include traditional exchanges	<ul style="list-style-type: none"> <li>• Ability to control curriculum, cost, and program features</li> <li>• Opportunity for optimal campus “buy-in”</li> <li>• Development can be based on institutional needs, priorities, and connections or relationships</li> <li>• Can accommodate students from multiple programs, departments, etc</li> </ul>	<ul style="list-style-type: none"> <li>• Not always cost effective, may rely on enrollment targets</li> <li>• Can reflect “pet projects” rather than student interests or curricular needs</li> <li>• If driven by specific individuals sustainability can be challenging</li> <li>• Greater staffing and management requirements</li> <li>• Can limit student choices</li> </ul>
Cosponsored Programs	Programs offered through consortia or relationships and affiliations with international educational organizations (program providers)	<ul style="list-style-type: none"> <li>• Low commitment (financial or enrollment)</li> <li>• Can provide diverse and multiple options individual institutions cannot offer alone</li> <li>• Often excellent local infrastructure and experience in program management</li> <li>• If controlled, can give institution opportunity to choose appropriate programs and “short-list”</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of specific control of program and curriculum</li> <li>• Costs can be higher</li> <li>• Less campus buy-in or involvement</li> </ul>
Custom or Collegiate/ Departmental Programs	Programs administrated by individual colleges or units, at a <b>study center, traveling, or with a local institution;</b> can be <b>faculty led</b> or taught by local instructors, may include traditional exchanges	<ul style="list-style-type: none"> <li>• Ability to control curriculum, cost, and program features</li> <li>• Opportunity for optimal departmental “buy-in”</li> <li>• Development can be based on collegiate or departmental needs, priorities, and connections or relationships</li> <li>• Can focus on discipline in a unique way</li> </ul>	<ul style="list-style-type: none"> <li>• Not always cost effective, may rely on enrollment targets</li> <li>• Can reflect “pet projects” rather than student interests or curricular needs</li> <li>• If driven by specific individuals sustainability can be challenging</li> <li>• Greater staffing and management requirements</li> <li>• Can limit student choices</li> </ul>

LAC. These programs can be of any length, may be faculty-led, or they may be taught by local instructors at the program site. LAC examples include centrally (versus department or college) managed exchanges, short-term, faculty-led Global Seminars, and the semester or year-long LAC programs in Venezuela, Mexico, India, Kenya, and France (see table 3). Such programs are key to an institution’s study abroad program reputation. For example, all of the 436 non-UMTC students who studied abroad through LAC enrolled through LAC-sponsored programs.

**Cosponsored Programs**—offered through partnerships, consortia, or international educational organizations (program providers) with the home institution’s central office. Examples for LAC include partnership agreements with providers such as Council on International Education Exchange (CIEE), GlobaLinks, and IES Abroad (Institute for International Education of Students Abroad). Through such programs, LAC was able to address the needs of many professional school students while

minimizing LAC costs and providing much greater program diversity.

**Custom or Collegiate/Departmental Programs and Exchanges**—leadership and lead management come from units other than the central study abroad unit (UMTC’s LAC) of the home campus. Such programs frequently include faculty-led, short- or long-term programs, as well as more traditional exchanges. These programs provide a direct opportunity for faculty buy-in and can be tailored to department or collegiate programmatic needs. Minimal support in registration, insurance, and processing is provided by the central office (LAC) to ensure that university-required standards are met. Given the greater opportunity for college or departmental ownership, these programs can be helpful in furthering partnerships with academic partners that go beyond learning abroad to include offerings such as joint research, teaching, and workshop programs.

Each of these three program types has benefits beyond those discussed here, and each can be associated with challenges such as those outlined in *table 5*. Study abroad programming for the UMTC campus has greatly benefited from having strong programs and interest in all three program types. See *table 6* for distribution of 2007–2009 enrollments. The majority (59 percent) of participants (48+11) enrolled in LAC-sponsored programs, 18 percent enrolled in cosponsored programs, and 20 percent

(18 + 2) enrolled in custom or collegiate/departmental programs. As a result only three percent of enrollment was in outside programs. UMTC’s rather rapid increases—177 percent over a decade to an enrollment total of 2,184—would have been very difficult and costly to accomplish without using cosponsored and custom or collegiate/departmental programs.

Also, for several reasons, including the decentralized nature of UMTC administration, centrally managed exchange programs (especially those that require balancing) are not a realistic option; they have been only a minor (two percent of total) factor in expanding UMTC study abroad enrollment. However, some UMTC department and college exchange programs have worked very well because of faculty and unit ownership and, unlike centrally managed programs, there are no tuition transfer issues across colleges.

**Assignment of Advising, Placement, Academic and Administrative Costs (APAAC)**

As previously indicated, the costs for APAAC are part of, and therefore embedded in, the listed (billable) program costs for all programs that LAC promotes to students. These costs support 88 percent (see *table 2*) of all LAC functions and operations. All APAAC funds are administered and used in LAC in support of programs on behalf of many different student and program needs.

**Table 6. Enrollment in Learning Abroad Center (LAC) Education Abroad Programs by Type at University of Minnesota–Twin Cities (UMTC)<sup>(a)</sup>**

Program Type	Total Enrollment (%)
Learning Abroad Center Sponsored Programs	48
LAC Cosponsored Programs	18
UMTC “Custom Short-Term” Programs with Leadership from Colleges and Departments	18
LAC-Led “Global Seminars” or Short-Term Programs	11
Outside or Non-LAC or UMTC Affiliated Programs	3
Exchange Programs Through LAC or Academic Units	2

<sup>(a)</sup> Average Learning Abroad Center program enrollment for last two years (2007–2009) was 2293 total. Of these 1857 were UMTC students and 436 were non-UMTC students.

For discussion purposes, differences in APAAC charges can be categorized in four ways plus differences for program duration. The four broad categories follow.

***LAC-Sponsored Programs with No In-Country LAC-Directed Staff.*** Some program examples include the Language and Culture program in Merida, Venezuela, and the Study and Internship program in London, England. APAAC is \$2,500 and \$1,250 for an academic year and a semester, respectively. The APAAC makes up about 9 percent to 15 percent of the listed or billable program price to a student.

***LAC-Sponsored Programs with In-Country Staff (not official UMTC employees) hired and directed by LAC staff.*** Some program examples include the MSID (Minnesota Studies in International Development) programs in Ecuador, Kenya, India, and Senegal, and the Language and Culture program in Montpellier, France. APAAC is \$4,500 to \$5,000 for an academic year and \$2,500 for a semester. The APAAC makes up about 13 percent to 30 percent of the listed or billable program price to a student. The range in these figures primarily reflects labor-intensive differences in program models.

***LAC Cosponsored (Primarily) Programs*** include partnerships with other U.S. campuses and study abroad program providers where there is an opportunity for some customizing of programs and LAC oversight of program offerings. Examples include IFSA-Butler and SIT (School for International Training). APAAC ranges from \$1,000 to \$1,500 for an academic year and \$1,000 for a semester. The APAAC makes up about 4 percent to 10 percent of the listed or billable program price to a student. These programs are not open to non-UMTC students through LAC.

***LAC Global Seminars and UM Department- or College-Sponsored (Custom) Short-Term Programs and Exchanges.*** These thematic, faculty-led programs are typically three weeks in length, vary greatly in location and topic, and typically enroll 12 to 25 students. This year the APAAC was raised from \$400 to \$500, which is about 8 percent to 12 percent of the

listed program price to a student. Global Seminars with a \$400 APAAC have been the most challenged in meeting costs while trying to keep the total price as low as possible. LAC typically promotes about 15 Global Seminars per year, of which one or two often do not reach minimal enrollment of 12; those offered usually achieve an average enrollment of 18.

Cancellations or low enrollments can depress the overall budget of these short-term programs, which now typically have a listed or billable price of \$3,100 to \$5,600 for three weeks, with an average in the mid-\$4,000 range. The billable program costs include the flight, housing and, depending upon the program, varying amounts of food. Faculty who lead Global Seminars are currently paid \$4,000 regardless of rank. In 2008–2009, 6.8 percent of the enrollment in these programs involved non-UMTC students, which for some programs is very helpful in attaining the minimum enrollment for the program to be offered.

***Custom or UMTC Department- or College-Sponsored Short-Term Programs and Exchanges.*** The leadership for custom short-term programs comes from departments or colleges through faculty. In contrast to the lower division and no-prerequisite nature of Global Seminars offered by LAC, custom programs are typically more upper-division or capstone courses; competition between custom and Global Seminars is thereby minimized. Each year there are typically 12 to 15 custom programs offered and a similar number of Global Seminars. The APAAC is \$200 per student out of a typical custom program price of \$3,800 to \$4,200. LAC is responsible for insurance and waiver issues, and frequently provides some advice, assistance, or contacts to address on-site needs such as housing, transportation, etc.

Department, collegiate and other exchanges have APAAC variable charges owing to different administrative and advising workloads that range from \$400 (all terms) for department/collegiate exchanges to \$1,250 (all terms) for bilateral exchanges. The APAAC for other types of exchanges is either \$500 or \$1,000 (all terms).

# Expanding Scholarship Support for Education Abroad

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Scholarships—coupled with strong, compelling program options—are very important to expanding education abroad enrollment on a campus.

**In the LAC experience, in order to influence students' decisions about education abroad, individual scholarships and the number of them need to be substantial.**

The challenge lies in determining how to award scholarships that—singly or in a combination with other campus scholarships—reach a level substantial enough to cover such costs as the average price of a round-trip airfare.

Over the last decade, UMTC has markedly increased its scholarship funds for study abroad. This was primarily accomplished through a number of recurring allocations from central UM officers, some increase in endowment funds, some reallocation of LAC funding, and broad approval for the use of collegiate and departmental scholarships in support of study abroad or other credited international experiences. The exact amount of the latter is not known, but in any year could be significant.

In 2001–2002, the total amount of scholarship funds for students enrolled in LAC programs was \$50,000, whereas currently LAC administers \$524,000 in study abroad scholarships. As a result, the average for LAC study abroad scholarships on a per student basis increased about 4.5 times from about \$65 to almost \$300. This support does not include scholarships from departments, colleges, and other sources that now can also be used in support of study abroad programs. In addition

\$60,000 was centrally allocated for UM campuses at Duluth, Morris, and Crookston.

One factor that indirectly led to this marked increase in scholarship funding was a major foundation grant. In 2001–2002, the Walter H. Bush Foundation awarded a grant of \$899,935 in support of study abroad curriculum integration (CI) on the four UM campuses. This grant was focused on CI and required recurring significant UM commitments during and upon completion of the grant. The grant was helpful in leveraging recurring matches from central administration to expand study abroad scholarships. This is the largest recurring central allocation of funds to study abroad since 2002. In addition, selected parts of the CI initiative were (and continue to be) funded by APAAC. **The growth in these scholarship funds was well beyond that required by the grant and was made possible by the sustained commitment of numerous key UM administrators during two different UM presidential administrations.** This support made a real difference in expanding scholarships for students in study abroad programs.

***Centrally Administered UMTC Undergraduate Education Abroad Scholarships***—These range in size from \$1,000 to \$3,000, depending on the length and cost of a student's program. The application for all scholarships awarded by LAC requires a short essay from the applicant; those awarded by the admissions office do not. This essay is the sole or major criterion for awarding all study abroad scholarships in LAC. It is also a major factor in awarding scholarships specifically for need or for first-generation college students. For details about the essay, see [www.umabroad.umn.edu/financial/scholarships/applicationProcess.html](http://www.umabroad.umn.edu/financial/scholarships/applicationProcess.html)

### **Awarded by LAC and totaling more than \$500,000**

1. \$315,000 in general education abroad scholarships open to all UMTC students who enroll in a program.
2. \$25,000 in diversity scholarships for education abroad with “diversity” defined as “students of color and international students.”
3. \$73,000 for students of “financial need” or who are “first-generation college students.”
4. \$11,000 for “non-U of M students” enrolled in a UMTC education abroad program.

In addition, UMTC has some centrally endowed and outside provider education abroad scholarships for not only undergraduate but also graduate and professional degree students. Although UMTC has raised significant endowments in support of education abroad scholarships, it has not yet been as successful as some other universities in this area.

### **Awarded to freshmen by the UMTC office of admissions**

\$100,000—A few years ago, the admissions office found that study abroad scholarships were very helpful in recruiting outstanding students to UMTC. The total amount of these was then doubled. In addition, awarding these scholarships at the time of admission reduces the overhead cost of awarding them in the LAC office. This early notice also encourages students to start planning earlier for their study abroad program. Currently these “UMTC Study Abroad Freshman Scholarships cover \$1,000 of a program fee for participation in a University of Minnesota endorsed study abroad program of the student’s choice.” Freshman matriculating in FY2009 must use these scholarships prior to the end of May session 2012.

### **Other UMTC scholarships for or in support of study abroad**

In conjunction with work on CI, all undergraduate colleges agreed to allow department and collegiate scholarships to be used in support of study abroad programs if the recipient chose to do so. The total amount of these is not known, but the potential in

any year is quite large. This was another example of encouraging study abroad by making these scholarships a more seamless part of study abroad programs.

### **UMTC students also are eligible for additional scholarships from partner program providers**

In addition to scholarships, LAC continues to negotiate “fee reductions” with most of our providers for all of our students going on one of their programs. These reductions are NOT linked to any quotas, and all reductions are passed on directly to our students in these programs. The ability to leverage the curriculum matches and number of participants enrolled in these Co-Sponsored programs impacts our negotiations. In many cases, this reduction is equivalent to about half of the net APAAC (or about \$500) the student is billed. For additional education abroad scholarship and fee reduction information. See: [www.umabroad.umn.edu/financial/scholarships/index.html](http://www.umabroad.umn.edu/financial/scholarships/index.html)

## **Conclusions**

**The APAAC financial model has served students and UMTC with great success since 1981. The following are the most compelling features of the APAAC model:**

- **It readily accommodates a broad diversity of program offerings.**
- **It is protected from the increasing uncertainties of state funding and tuition increases.**
- **It allows cost differentiation of programs based on real costs rather than being tied to on-campus tuition.**
- **It encourages partnerships with other campuses and program providers.**
- **It leads to the enrollment of students from other campuses or states because it is not linked to the much higher nonresident tuition.**

Also significant, the APAAC model has allowed LAC to manage and adjust to student, program, faculty, or curricular needs during a decade of constant change—large increases in enrollment, changes in the distribution of student majors and backgrounds,

and developments associated with CI initiatives. In addition, the diverse nature of UMTC academic programs requires a mix of study abroad program types that address different student and academic program needs. The APAAC financial model easily accommodates these factors by providing access to many co-sponsored programs.

No single financial or program model will work for all, or even the majority, of campuses. Some features of the APAAC model, however, should be transferable to a range of colleges and universities. Creating a program or improving an existing program on any campus requires appropriate support for study abroad professionals in the areas of campus goals, priorities, and funding. No financial model can overcome issues associated with underfunding, poor program coordination and management across campus, and/or inappropriate or weak programs.

Absolutely crucial to advancing study abroad programs and enrollment at any college is involvement of key campus decisionmakers as stakeholders—i.e., the president or chancellor, provost, deans, and key faculty. These leaders need

to support strategic planning, goals, funding and expansion of scholarship support. Without strong support from key administrators and faculty, campus study abroad staff will fail in their efforts to elevate the role of study abroad in the academic experience of students.

Today's graduates will be well served by curricula and experiences that provide them with opportunities to appreciate and better understand other cultures, the breadth and significance of global issues, and to prepare for living and working in a global world. Quality study abroad programs, properly integrated into the curriculum, can help address these twenty-first century needs, which are rapidly becoming essential to a quality education.

The APAAC funding model has allowed the University of Minnesota-Twin Cities campus to better serve student and academic program needs related to study abroad. This was done while greatly expanding program diversity, increasing enrollment, and for the last decade, keeping cost increases for these services much lower than on-campus tuition increases.