

# NAFSA Financial Impact Survey

**SUMMARY BRIEF**

**MAY 2020**

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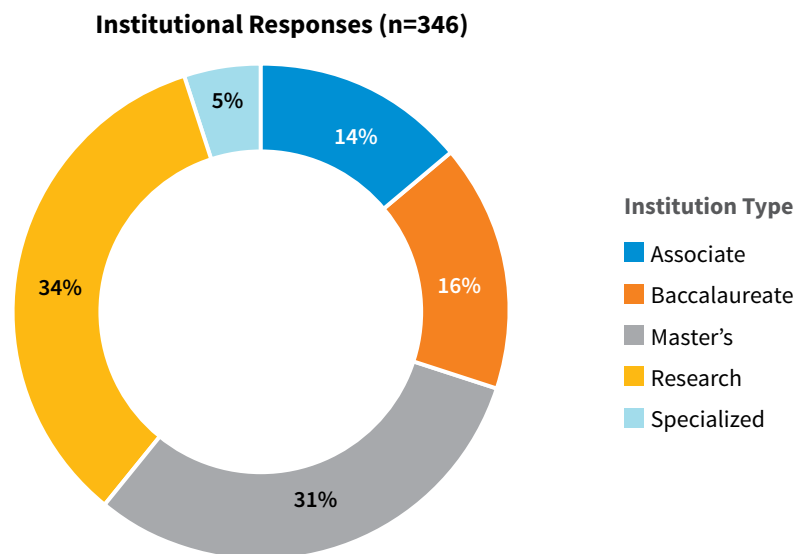
## SUMMARY BRIEF

### Introduction

The *NAFSA 2020 Financial Impact Survey* gathered information on the financial impact of COVID-19 on higher education institutions in the areas of education abroad and international student and scholar programs and services. The purpose of this survey was to better understand the needs of the field and share this information with the U.S. Congress as future economic stimulus packages and additional policy changes are considered.

### Methodology

Between April 7 and 14, 2020, NAFSA: Association of International Educators distributed a survey to individuals in international education leadership positions at U.S.-based institutions and organizations. NAFSA received 346 institutional responses, primarily representing U.S. higher education institutions (HEIs). (There were also responses provided by seven ESL providers and two other organization types; these responses are included in the “specialized” category for the results of this study.)



## Implications

The results of this survey, detailed in the following pages of this document, indicate that COVID-19 will continue to have both short- and long-term impacts on the field of international higher education. HEIs are facing significant unanticipated budgetary and operational losses and expenses due to COVID-19.

- Results indicate that U.S. higher education overall has potentially lost **nearly \$1 billion** due to shortened or canceled study abroad programs and spent approximately **\$638 million** in financial support for international students, scholars, faculty, and staff who remained on campus when courses moved online. Responses further estimate that U.S. higher education will lose **at least \$3 billion** due to anticipated international student enrollment declines for fall 2020.
- A decline in international student enrollments at HEIs in the United States will force institutions to revise international student enrollment management strategies, but they will take time to rebuild—most likely several years.
- Education abroad programs will not resume until it is deemed safe to travel, and U.S. HEIs are not certain when they will be able to offer education abroad programs again.
- HEIs across the United States are reducing staff hours, eliminating staff positions and introducing furloughs to recoup current losses, and bracing for future shortfalls.

## Recommendations and Action Items

COVID-19 and the global response to it has generated many challenges and greater uncertainty for international education. As the survey results show, additional economic relief will be necessary to help support and sustain international education through the crisis. One way to help is to engage U.S. policymakers on the importance of international education to the nation's higher education system and to the U.S. economy and job market. NAFSA has developed an issue brief for Congress, "[Revive and Restore International Education Impacted by COVID-19](#)," outlining the ways Congress can help the field. Those based in the United States should **urge the member of Congress in their district** to champion international education in the next funding package for COVID-19 relief. [A sample message is available at Connecting Our World](#), NAFSA's advocacy website, to use for contacting your members of Congress.

## NAFSA Online Resources

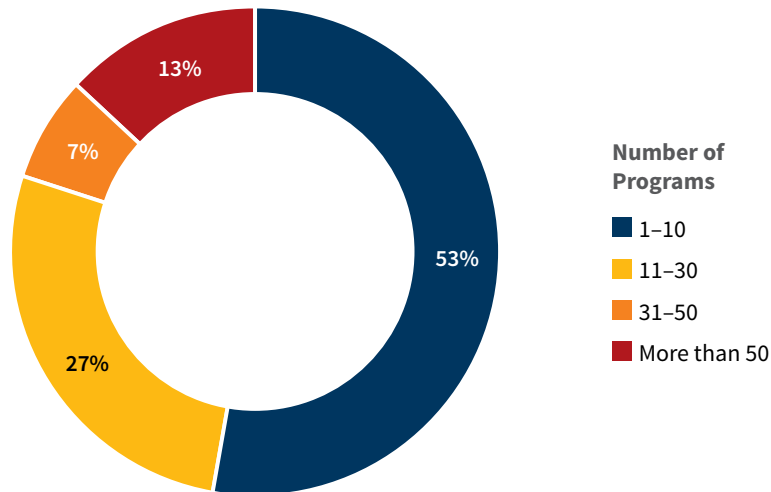
- [Coronavirus Critical Resources](#)
- [Resources for Operational Resilience](#)

## Summary: Survey Results

### Education Abroad

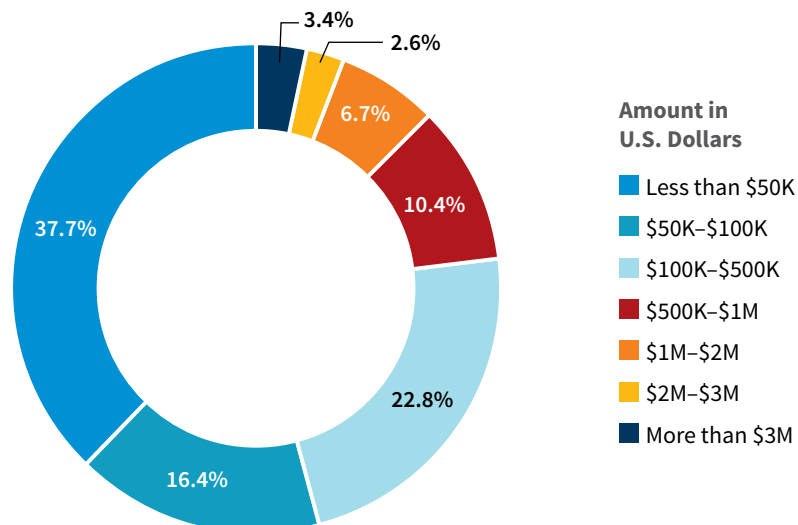
The vast majority of respondents (85.7 percent, n=295) indicated that they offer education abroad programs. Of those who offer education abroad programs, 93.9 percent indicated that education abroad programs have been canceled in response to COVID-19 and that they will not be able to recoup these funds.

**How many education abroad programs have you canceled due to COVID-19 in which you have already made a significant investment and will not be able to recoup these funds? (n=277)**



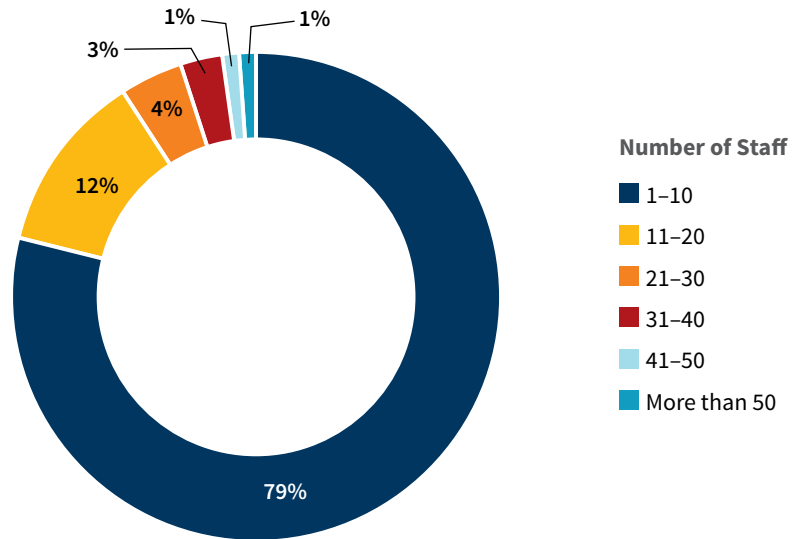
Top responses for estimated total costs of education abroad program cancellations indicate that for the largest portion of institutions (37.7 percent, n=101) the cost was less than \$50,000, followed by \$100,000–\$500,000 (22.8 percent, n=61), and \$50,000–\$100,000 (16.4 percent, n=44).

**What is the estimated total cost of education abroad program cancellations (unexpected expenses, refunds, and lost revenue)? (n=268)**



When considering the impacts on staff, the majority of the participating institutions (79.0 percent, n=215) indicated that they have between 1 and 10 staff members involved with managing and supporting education abroad programs.

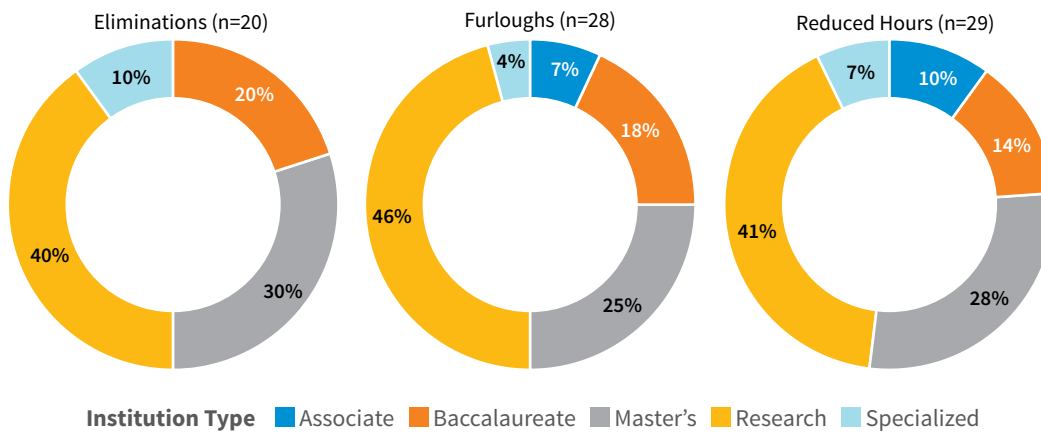
**What is the total number of staff at your institution/organization involved with managing and supporting education abroad programs? (n=273)**



When asked whether any staff positions have been or may be impacted by the cancellation of programs, 18.0 percent (n=53) indicated that there were effects on staff (e.g., positions eliminated, staff furloughed, hours reduced, etc.), while 47.4 percent (n=140) were unsure, and 27.8 percent (n=82) indicated no positions would be affected at their institution. When asked to predict future program offerings, the majority of respondents (61.0 percent, n=180) indicated that it was too soon to know if education abroad programs will be offered in fall 2020.

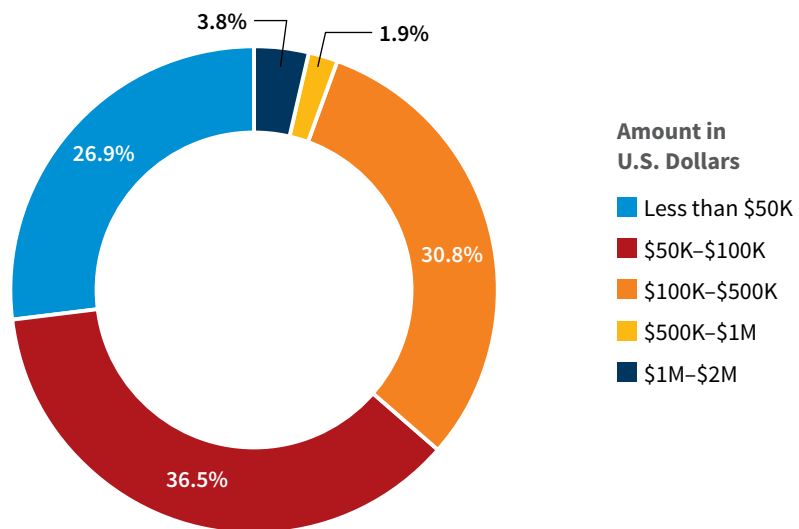
Other responses provided about the effects on staff included not filling vacancies, reassigning duties, postponing promotions, reducing salaries, and combining positions.

**How have/will any staff positions be affected by the cancellation of your education abroad programs? (n=53)**



Of the 52 institutions that indicated costs associated with impacted positions in education abroad (salary/benefits), the largest portion of respondents (36.5 percent, n=19) indicated the total cost to be \$50,000–\$100,000, followed by \$100,000–\$500,000 (30.8 percent, n=16).

**What is the total cost of impacted positions in education abroad (salary/benefits)? (n=52)**

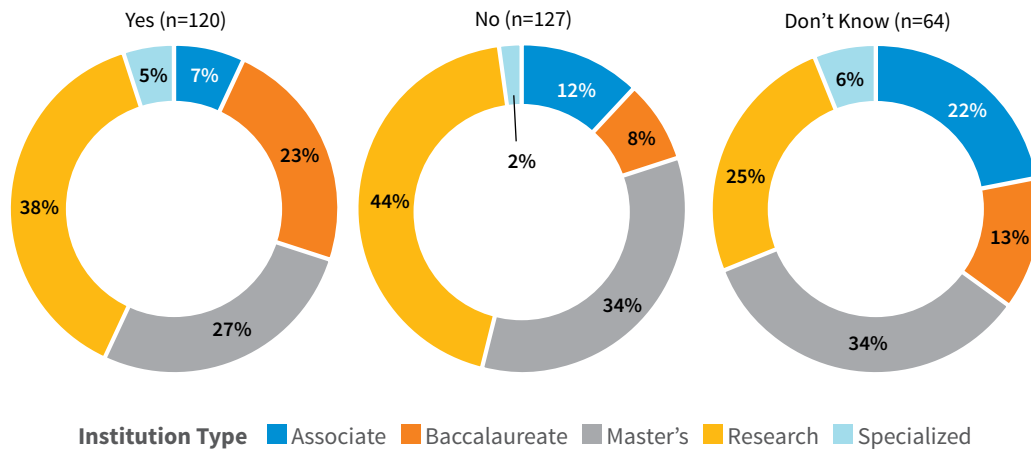


### International Student Programs and Services

The vast majority of respondents (91.9 percent, n=318) indicated that they enroll international students. The top response was for enrollment between 101 and 500 students (31.1 percent, n=99), followed by 1,001–5,000 students (17.0 percent, n=54).

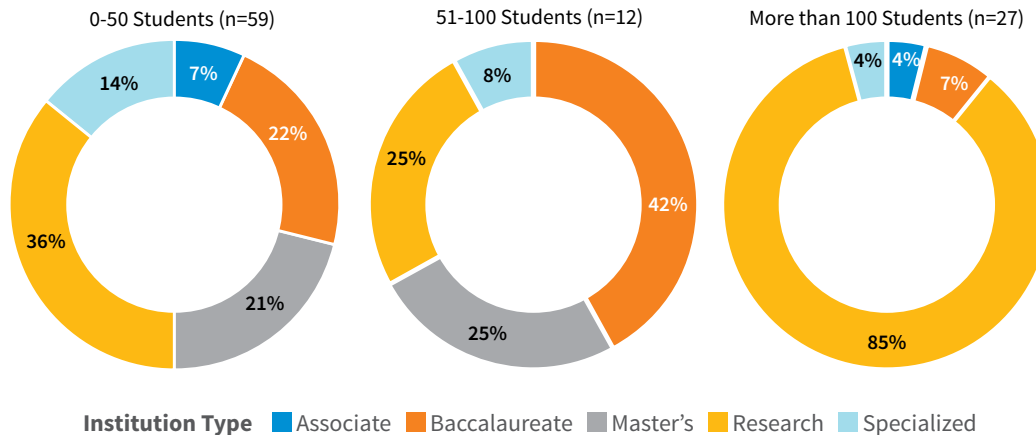
COVID-19-related financial support for international students has been implemented on approximately one-third of U.S. respondents' campuses (n=120). In response to this question, 37.7 percent said yes (n=120), (2) 39.9 percent said no (n=127), and (3) 20.1 percent did not know (n=64). When considered by institution type, the following data emerge.

**Do you have international students in the United States who you are supporting financially right now during this crisis? (n=311)**



The number of international students currently financially supported by individual U.S. HEIs ranged from (1) 0 to 20 (49.2 percent, n=59), (2) 21 to 50 (12.5 percent, n=15), and (3) 51 to 100 (10.0 percent, n=12). When considered by institution type, the following data emerge.

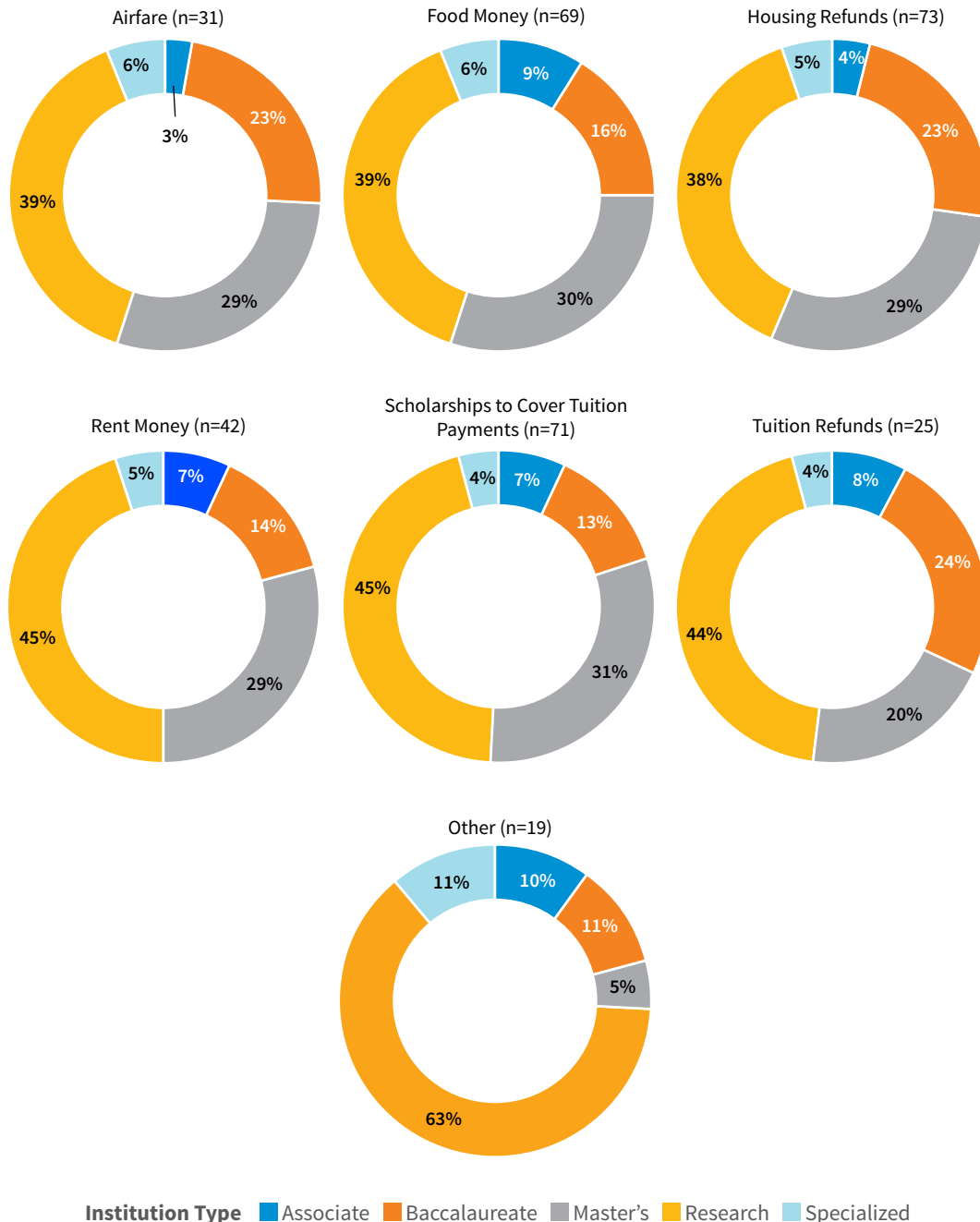
**If you have international students in the United States that you are supporting financially right now during this crisis, what is the total number of students you are supporting financially? (n=98)**



For the institutions that are providing financial support to international students, the top types of financial support for international students include (1) housing refunds (60.0 percent, n=73), (2) scholarships to cover tuition payments (59.2 percent, n=71), (3) food money (57.5 percent, n=69), and (4) rent money (35.0 percent, n=42).

Other support provided includes food pantries, continued pay to student workers, emergency support loans, local transportation funds, graduate research assistantships, and stipends for additional housing support or arrangements (15.8 percent, n=19). When considered by institution type, the following data emerge.

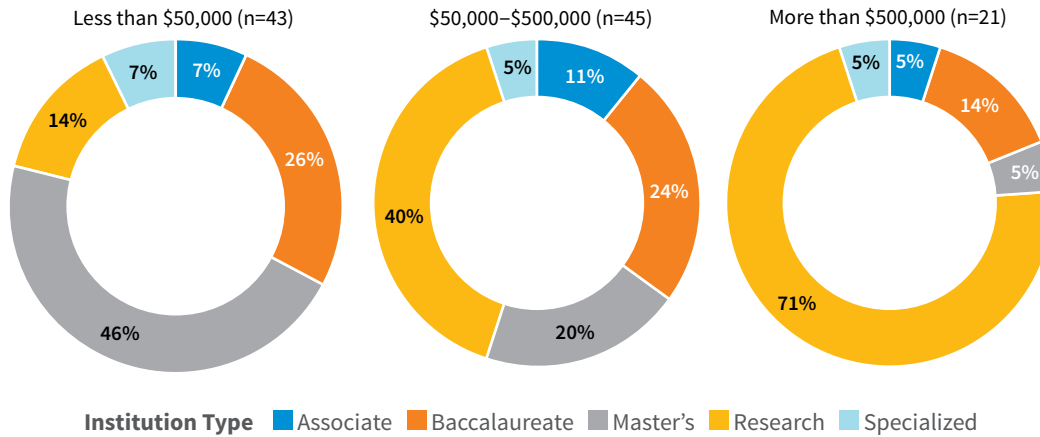
**How are you financially supporting international students during this crisis? (n=120)**





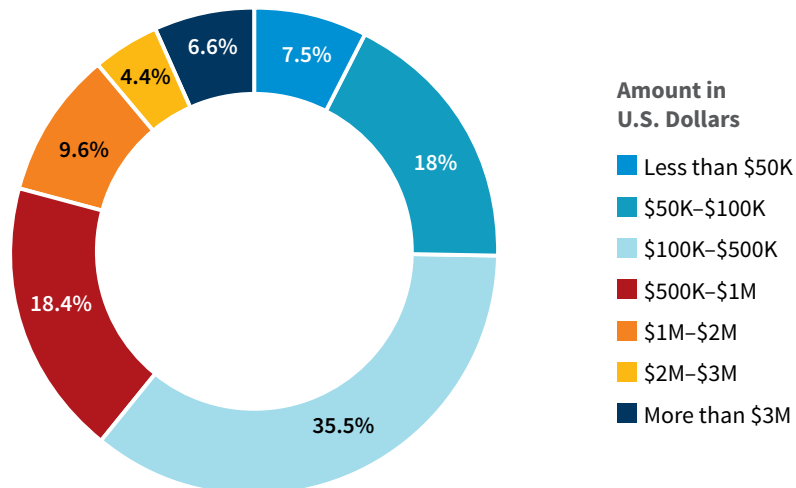
For the institutions that are providing financial support to international students, the cost of this institutional financial support ranges from (1) less than \$50,000 (39.0 percent, n=43), (2) \$50,000 to \$500,000 (41.0 percent, n=45), and (3) more than \$500,000 (19.0 percent, n=21). When considered by institution type, the following data emerge.

**What is the total estimated cost incurred by your institution/organization in providing ongoing financial support for international students? (n=109)**



Many respondents (77.7 percent, n=247) indicated that they anticipate reduced international student enrollments in fall 2020, which would result in a financial loss. Respondents anticipated the financial loss to their institution to be (1) \$100,000-\$500,000 (35.5 percent, n=81), (2) \$500,000-\$1,000,000 (18.4 percent, n=42), and (3) \$50,000-\$100,000 (18.0 percent, n=41).

**In projecting a decline in international student enrollments in fall 2020, what will be the estimated financial impact or loss to your institution/organization? (n=228)**

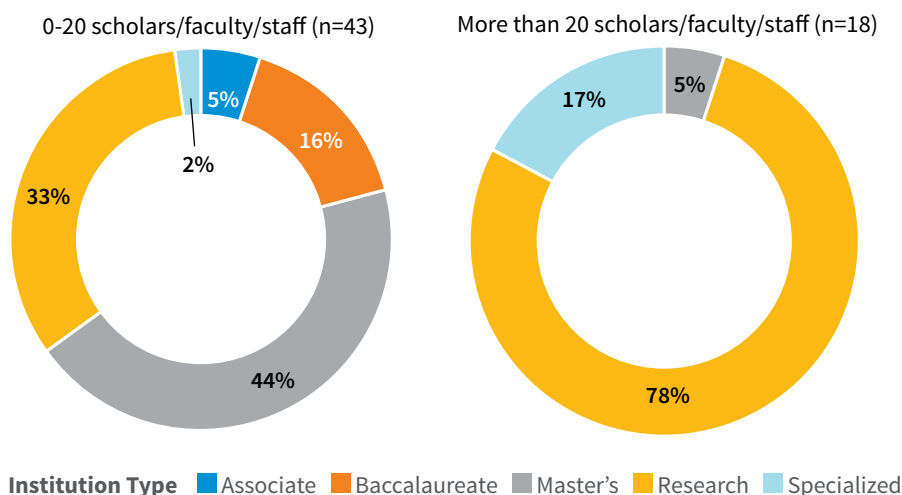


### International Scholar Programs and Services

The majority of respondents (54.6 percent, n=189) indicated that they host and employ international scholars, faculty, and staff, and 77.2 percent (n=146) of those HEIs have continued their employment.

Programs providing financial support for international scholars, faculty, and staff have been implemented by 36.0 percent (n=68) of respondents. The majority of participating institutions are supporting between 0 and 20 international scholars, faculty, and staff through these programs. The graphs below indicate the total number of international scholars, faculty, and staff being supported by institution type.

**If yes, what is the total number of scholars, faculty, and staff you are supporting financially? (n=61)**

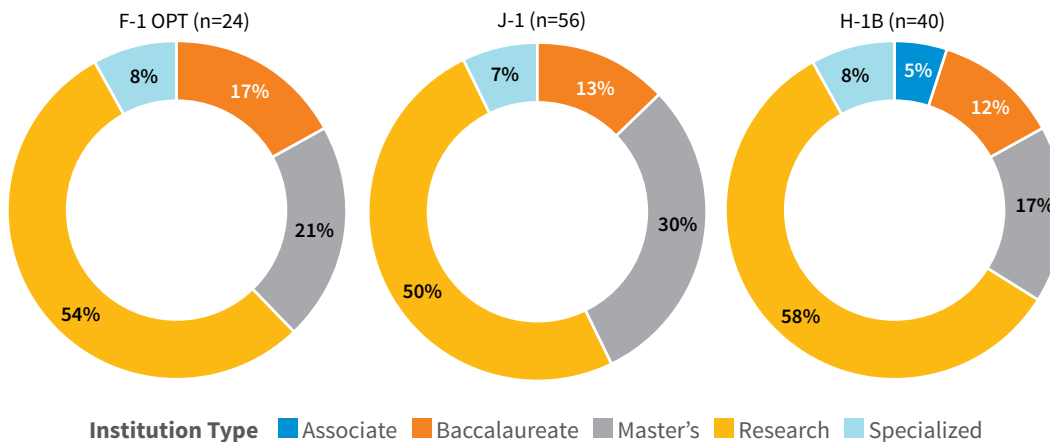


When considered by immigration status, the programs are primarily supporting the following scholars, faculty, and staff:

J-1	82.4 percent (n=56)
H-1B	58.8 percent (n=40)
F-1 OPT	35.3 percent (n=24)
Legal Permanent Resident (Green Card)	32.4 percent (n=22)
O-1 International Scholars	19.1 percent (n=13)
TN	17.6 percent (n=12)

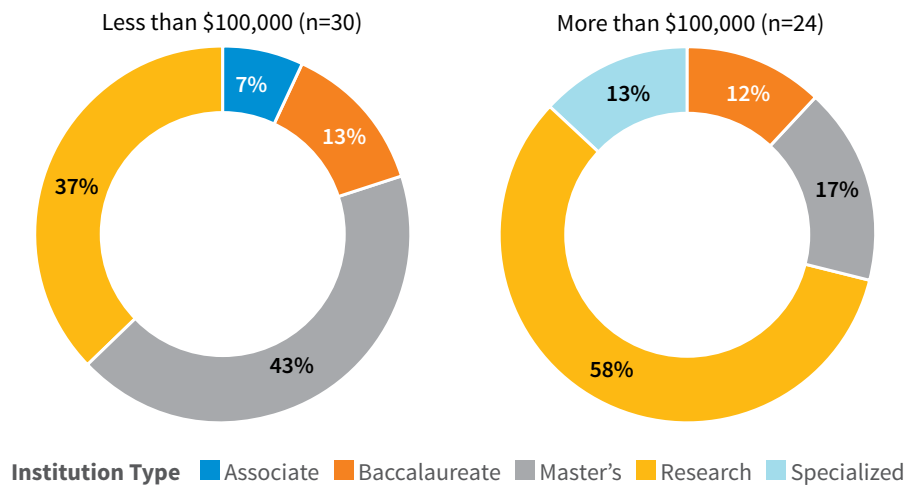
When considered by institution type, the following data emerge for the top three immigration categories.

**What is the immigration status of the scholars, faculty, and staff you are supporting financially? (n=68)**



Respondents reported the costs incurred by the institution to provide this financial support to international scholars, faculty, and staff to be nearly equally split overall between less than \$100,000 (55.5 percent, n=30) and more than \$100,000 (44.4 percent, n=24). When considered by institution type, the following data emerge.

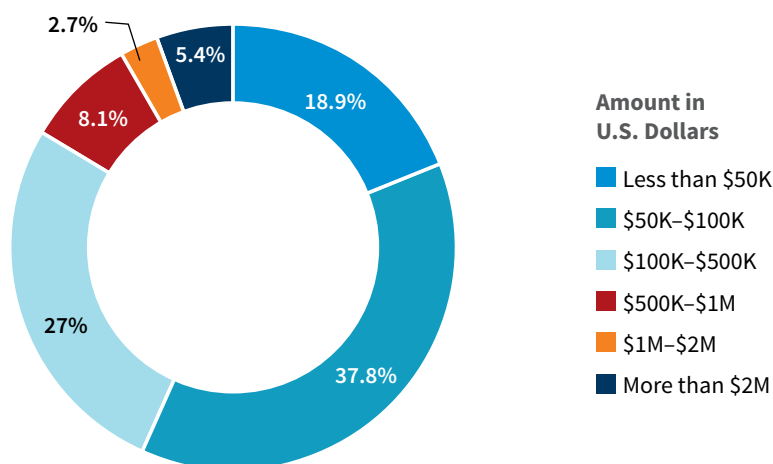
**What is the total cost incurred by your institution/organization in providing ongoing financial support to international scholars, faculty, and staff? (n=54)**



The majority of respondents who host and employ international scholars (85.7 percent, n=162) indicated that 1–10 employees are involved with advising and supporting international scholars, faculty, and staff. Though 21.2 percent (n=40) of the institutions that host or employ international scholars, faculty, and staff indicated that university staff positions involved with advising and supporting international scholars, faculty, and staff have been or will be impacted by COVID-19, 51.3 percent (n=97) indicated they would not be impacted, and 24.3 percent (n=46) indicated it was too early to know.

Respondents who replied that staff positions involved with advising and supporting international scholars, faculty, and staff would be impacted indicated the following outcomes: (1) reduced hours (42.5 percent, n=17), (2) eliminated positions (42.5 percent, n=17), and (3) furloughed positions (32.5 percent, n=13). Other responses on the impacts to staff positions include unfilled positions, hiring freezes, and salary reductions. The total cost of the impacted staff positions (salary/benefits) is most commonly estimated to be between \$50,000 and \$100,000 (37.8 percent, n=14), followed by between \$100,000 and \$500,000 (27.1 percent, n=10).

**What is the total cost of impacted positions (salary/benefits)? (n=37)**



### Other Negative Financial Impacts

Approximately one-third of respondents (36.4 percent, n=126), reported experiencing other financial impacts that include

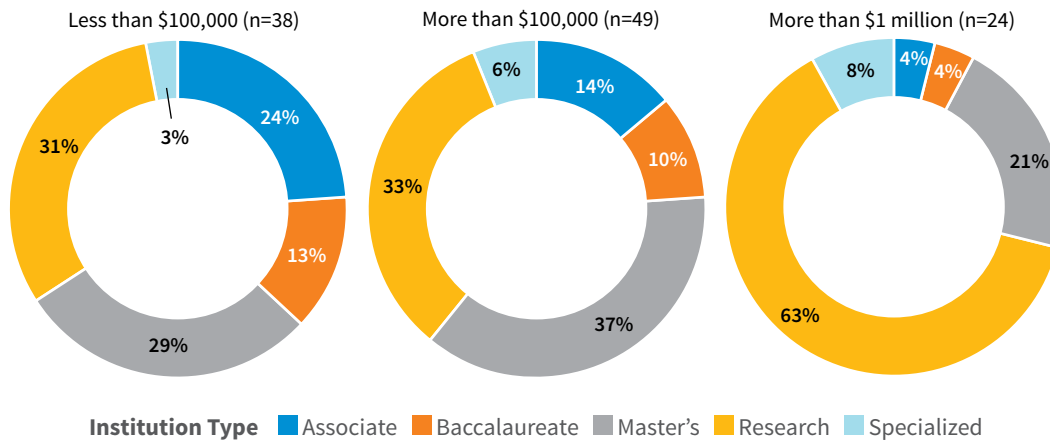
- support to international students who are not able to go home long-term;
- loss of grants and contracts;
- declined enrollments due to the shift to online instruction;
- compensation paid to students for canceled programs;
- lost revenue from the U.S. passport facility; and
- accelerated courses that allow students to complete programs early.

For those providing estimated costs of the other financial impacts (n=111), the breakdown is as follows:

less than \$100,000	30.0 percent (n=38)
more than \$100,000	39.0 percent (n=49)
more than \$1,000,000	19.0 percent (n=24)

When considered by institution type, the following estimated costs of additional negative financial impacts related to international education and exchange due to COVID-19 emerge.

**Are you experiencing any other negative financial impacts related to international education and exchange due to COVID-19? Provide dollar estimation, if possible. (n=111)**



**Conclusion**

The results of this survey indicate that U.S. HEIs are experiencing multiple financial challenges related to study abroad and international student and scholar programs and services due to COVID-19. These financial challenges are influencing decisions on staffing, future study abroad programs, and enrollment management strategies at HEIs. As institutions shift gears to promote online learning, it must also be recognized that there are institutional costs to transitioning to a fully online platform, both in training faculty and students and providing access to appropriate learning management systems and resources. Issues of access and equity are perpetuated by this sudden transition as institutions work to ensure all students have access to technology and the internet to continue their educational programs.



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