

# MAKING THE MOST OF YOUR MONEY



**T**he Global Education Office at the University of New Mexico (UNM) implemented a new—and somewhat controversial—fee about a year ago to help cover indirect costs. The public research university in Albuquerque, New Mexico, had been charging students a \$50 application fee for faculty-led programs and a \$275 application fee for semester-long exchange programs. Now it also charges inbound exchange students spending a semester at UNM the same \$275 fee.

Some international partners were upset about the fee, but the Global Education Office is trying to create equity among payments between inbound and outbound student fees. “It has made a huge difference in our budget by spreading out the costs of our office between a small fee for faculty-led programs, a fairly hefty one for outbound exchange students and an equivalent one for inbound exchange students,” says David Wright, Ph.D., Director of Education Abroad at UNM.

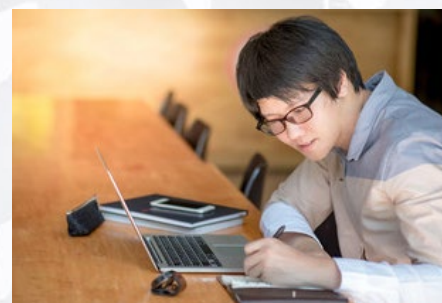
The funding model for the Global Education Office is mixed, with staff salaries covered by the university’s general fund and direct costs, such as marketing materials, travel, and professional development, supported by student application fees. “There is no one-size-fits-all formula for funding a study abroad office,” admits Wright. “If you’ve looked at one budget model for a study abroad office, then you’ve only looked at one model for budgeting.”

Some education abroad offices are fully funded through the university’s administrative budget or the student affairs department, while others are faced with raising their funds solely through application fees. For many schools, like UNM, the funding model is derived from an amalgam of sources.

NO MATTER THE  
FUNDING MODEL,  
STUDY ABROAD  
OFFICES NEED TO  
CAPITALIZE ON THEIR  
REVENUE STREAMS  
TO AVOID A BUDGET  
CRUNCH.



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## NO PERFECT FUNDING MODEL

The University of Pittsburgh's Study Abroad Office relies on mixed funding. "We receive about 15 to 20 percent of our total budget for overhead costs—things like staffing and operations—from the university," says Jeff Whitehead, Director of the Study Abroad Office. "The rest is raised from student fees, as well as a built-in portion of salary for the program managers obtained from the programs they run."

Approximately 2,000 students from the University of Pittsburgh study abroad each year, and the fees they pay help subsidize the salaries for 10 of Pitt Study Abroad's 17 staff members seated across the university. "It's a small portion, but it does raise the price of the study abroad program," says Whitehead. "That's how we are able to staff—and continue staffing up—as we grow the number of programs and students going abroad."

There are challenges to this model, the primary one being lack of predictability. About 80 percent of the University of Pittsburgh's study abroad programs are home grown. If the school has stable upward growth in these programs, then Whitehead's office can use that as predictor for staffing operations and place a lighter burden on individual programs. Although the number of students studying abroad has risen by 33 percent in the last five years, any projections made by the Study Abroad Office are just that—projections.

"Predictability is a major challenge—making sure we continue to have students to drive this office given that they provide a lot of our revenue," says Whitehead. "If numbers declined, we wouldn't close because we have a safety net and strong support from the university. But it would change the operation dramatically."

While Whitehead grapples with the unpredictability of a largely self-funded office, Wright envies the flexibility. "At the University of New Mexico, we are lucky because our salaries are covered by the school's general fund. But there are pros and cons to this," he says. "Study abroad offices that are self-funded may be more nimble and their funding more responsive to their actions."

Wright explains that New Mexico's economy is tied to the gas and oil industry, so university funding from state appropriations is highly dependent on the cost of fuel. "When tax revenue from these sources is higher, the university does better. When the revenue is lower, state support may decrease," he says. "And that can trickle down to the Global Education Office. Over the past few years, we have had to manage staffing needs based on a paradigm that is not in alignment with the tremendous growth we have experienced in the same time period."





# ADVICE

## FOR BOOSTING FUNDS

Study abroad offices must work within the funding framework established by their universities, but their hands aren't completely tied when it comes to advocating for more money and implementing creative ways to raise funds. Whitehead and Wright offer the following advice for making the most of your funds:



- **Know your costs.** “The most important thing for the functioning of a study abroad office is for staff to brainstorm exactly what their direct costs are and then outline what the university is willing to cover,” says Wright. For instance, technology costs at UNM’s Global Education Office are split: The provost supports the office’s Terra Dotta global education software through general university funds, while the Global Education Office picks up the tab for computers and Smartsheet®, a collaboration and work management software program. Universities must understand their costs before they can assess funding needs.
- **Create relationships with administrators.** “We have a very supportive administration that puts an emphasis on global education and recently named the first-ever vice provost for international affairs,” says Whitehead. “My advice for peers is to get to know these people. Work with them, and have them interface with students who have benefitted from study abroad programs personally and professionally.”
- **Encourage faculty to advocate for education abroad.** “Work closely with faculty and departments,” says Whitehead. “Ensure that their needs are met and you are building programs with them that appeal to students. Then faculty can advocate for you, and they have a pretty strong voice with administration.”
- **Conduct benchmarking studies.** One of the strongest ways to make an argument for additional funding is by using data. Wright plans to do a benchmarking study this year comparing the case load of program advisors around the country with that of the three full-time advisors at the University of New Mexico, which

sends more than 900 students abroad each year. “We need to not only get faculty to speak positively about us, but we also need to provide data that shows the advising load of each advisor in this office,” says Wright. He also plans to analyze the grade point averages and graduation rate of study abroad participants compared to the general student population, hoping to make the case that both are higher for those who study abroad.

- **Be a responsible steward of your money.** “We are constantly trying to find operational efficiencies, and that doesn’t mean reducing head count. In fact, it’s the opposite,” says Whitehead. “I like to cut costs so I can increase head count and maintain a stable budget.” He carefully reviews the Study Abroad Office’s processes for ways to become leaner. For example, the office is nearly paperless. “Most of what we do is housed within electronic systems that talk to each other, which saves time, money and space,” says Whitehead.



**The primary mission** of a study abroad office is to facilitate transformative educational experiences for students. But the hard reality is that to do so, offices are beholden on funding. It’s up to you to advocate for your office, allocate funds wisely and pursue alternative income avenues. Ultimately, it will benefit the office, your staff and the faculty and students you serve.



T E R R A D O T T A

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