

## *De-Mystifying the Cost of Study Abroad*

Program costs can be confusing since the posted program fee varies from \$100 to over \$3000. How can you, as an academic adviser, help students come to a realistic picture of what participation in a particular program will cost them? The best piece of advice is to have students carefully check what is covered in the program fee. Program fees are not uniform and do not cover the same expenses for all programs. Carefully check the brochure and web site for what is included in the program fee. If that is still unclear, contact the Office of Study Abroad and we will provide you with a full explanation. Also encourage students to check out the OSA Web site under “Financial Aid” for the *Study Abroad Cost Worksheet* as a tool for calculating total expenses.

The program fee **typically** includes application fee; pre-departure orientation; room and varying numbers of meals; program organized transportation; field trips and social activities; and accident and sickness insurance.

The program fee typically does **not** include: MSU tuition and fees; domestic/international transportation; books and other educational materials and supplies; passports, photographs, and visas; immunizations; ISIC or other student cards; spending money; independent on-site travel; transportation passes; or incidental expenses.

Program costs vary depending on a number of factors. The most important of those are listed below:

- ***Program length and timing:***

In some cases, a short-term program can be as expensive as a semester program. This is often due to the fact that the short-term programs take place during the peak tourist season, which increases the costs of both housing and travel.

Many of the semester programs involve direct enrollment at a host institution. Except for the airfare, the cost of studying at that institution may be very similar to the cost of living here on campus with comparable charges for housing and food.

- ***MSU or host country faculty:***

Many programs have accompanying MSU faculty leaders. The program fee includes a portion of the transportation and living expenses for these leaders. If the program utilizes local leaders, no such costs are incurred.

- ***Location of the program:***

Programs in expensive countries, particularly those located in major cities, typically cost more than living in East Lansing and more than programs in countries that have a lower cost of living.

- ***Type and inclusion of housing and meals:***

There is a wide variety of housing options on study abroad programs, including homestays, residence halls, hotels, and apartments. The cost of housing depends on the location, length (short-term rental is more expensive than long-term rental), and inclusions. Some facilities offer all meals (such as with host families), some meals (dormitories or Bed and Breakfast hotels), or no meals (apartments). The Office of Study Abroad can inform students of the exact meal arrangements.

Some program fees do **not** include any housing charges. Although housing arrangements are made for students, payment is made directly to the host institution or housing facility and housing charges are not part of the program fee.

- ***Number of field trips and activities:***

Programs have varying numbers of field trips and activities that affect the program fee. Some programs, by virtue of the discipline they represent (such as filmmaking), are more expensive to operate due to equipment and activities. Some programs have field trips that go overnight and may even go to other countries, whereas other programs may use public transportation to destinations in the immediate vicinity of the program.

- ***Number of credits and student status (i.e., in-state/out-of-state; class standing):***

Each program requires students to take a minimum number of credits. In addition to maintaining the academic integrity of the program, the minimum number of credits generates funds needed to cover the cost of instructional fees, faculty salary, guest lecturers, classroom facilities, etc. The number of credits, as well as the student level, class and residency status will determine the tuition and fees charge.

- ***International and on-site transportation:***

Occasionally, the cost of operating programs in these more expensive locations is offset by the less expensive airfare to those destinations. For instance, although the cost of living in London for a month is more than a month in South Africa, the airfare to London is substantially lower. Traveling programs (those programs that move regularly and do not stay in one location) often have higher costs associated with on-site transportation.

- ***Passports, photographs, visas, and immunizations:***

New US passports cost \$85 and required passport photographs cost \$9-13. A visa is an entry/residency permit for a foreign country granted by the authorities of the countries where students will study or travel. The cost and requirements of obtaining visas vary—this information can be obtained from the embassy or consular offices for the respective countries. Students are responsible for obtaining required and recommended immunizations. Immunizations to some destinations, such as countries in Africa, can cost several hundred dollars.

Preliminary cost estimates are prepared on the basis of the best available information. These estimates are used as guidelines by the Office of Financial Aid in establishing financial aid allocations to eligible students. The estimates can be used by non-aided students as guidelines for planning personal budgets. These estimates should be considered as fully adequate to cover all normal expenses and not as bare minimums. In some categories, students can reduce costs by as much as 10-15% if they shop carefully or simply learn to do without. When evaluating the cost of a study abroad program, students should be encouraged to look at the total cost to them (program fee plus expenditures not included in the fee).

The total cost of a study abroad program can be dramatically affected by the individual student's budgetary habits and the fluctuations of currency exchange rates against the dollar. Students have different life styles as well as different personal resources and must adapt their standards of living abroad accordingly. Therefore, the bottom line of each student's actual expenditures abroad may be different, but all students should approach the prospect of living abroad with maturity and a sense of financial responsibility.