

Budget and Money Matters

Faculty-Led Group Study Abroad Kansas State University

Program Budget

One of the most important factors when students choose a study abroad program is the cost. It is important to plan for all costs, immediate and unforeseen, but at the same time to keep the budget as low as possible in order to make the program more attractive. In your program proposal, you will need to use the budget template to calculate the program cost per student (based on the minimum number of students). Faculty expenses such as travel, accommodation, and other reasonable costs should be calculated and divided by the minimum number of students. This cost will then be added to the actual student costs for airfare, accommodation, meals, and so forth. There is a K-State Study Abroad administrative fee of \$150 per student that must be included in the program price.

K-State students participating in a study abroad program should enroll for academic credit. If a community member wants to participate in a program without receiving credit, they must pay a \$250 non-credit participant fee in lieu of tuition. All program participants will automatically be enrolled in an international health insurance plan. You will need to include \$1 per day for each person's health insurance coverage, plus \$4 to allow 2 days coverage on each end of travel dates.

It is inappropriate to show the program budget to participants or to discuss it with them in detail. Students will pay for a program that includes those items detailed in the program information which they receive from the Study Abroad Program.

Faculty Leader Expenses

Faculty Leader expenses are covered by student program fees. Expenses covered include airfare, in-country travel, country-specific visa (if needed), accommodations, transportation to/from U.S. point of departure, meals, gratuities/tips, international medical insurance, admission to events/tours/excursions, and contingency fee. The Faculty Leader can also request reimbursement for other expenses as long as there is money in the course account.

Meal Expenses

As a general principle, group meals are covered in the budget for the Faculty Leader and for students. Individual meals for the Faculty Leader should also be included in the leadership expenses. Individual student meals should be paid by students out-of-pocket.

Funding a Co-Leader or Logistics Coordinator

Stationary programs in general do not require a Co-Leader or Logistics Coordinator. Generally the program provider or exchange partner will provide student and logistical support. Mobile programs may require a Co-Leader or Logistics Coordinator, especially as the number of program participants increases. The Co-Leader/Logistics Coordinator's travel expenses (transportation, accommodations, and per diem for meals) should be factored into the program budget. You may consider graduate students and faculty members who would like to lead future programs abroad as Co-Leaders or Logistics Coordinators.

Guidelines for Accompanying Family Members

Faculty Leaders may decide to bring family members with them on the study abroad program. The cost of an accompanying spouse, partner, or child's travel, meals, accommodations, etc., are not funded by K-State and therefore should not be included in the program budget. The cost of accompanying family members will not be borne by study abroad program participants nor by the Study Abroad Program. Accompanying family members must not result in an increase in the cost of the program due to changes in transportation, lodging, etc., from what would be provided if they were not accompanying the Faculty Leader.

Economy Accommodations and Travel Arrangements

Faculty-led group study abroad programs should make every effort possible to keep student program costs low by utilizing economy accommodations and travel arrangements whenever possible.

Contingency Fee

Faculty Leaders should factor in a 10% contingency fee per student in the program proposal budget. The purpose of the contingency fee is to provide a cushion for unexpected expenses such as currency fluctuation, medical emergencies, change in travel arrangements, etc. The Study Abroad Program and the Office of International Programs are not able to absorb any costs related to faculty-led group study abroad programs.

Minimum Number of Students

Faculty Leaders must calculate the program budget based on the minimum number of students that are needed to make the trip run.

When the Minimum Number of Students Is Not Met

If the minimum number of students, which are needed to make the trip run, has not been met by the program application deadline, and the Faculty Leader would still like to try to make the program run, he/she must submit a revised budget to his/her department head,

college dean, and the Study Abroad Program for review. The new budget must be approved and signed by each of these entities in a timely fashion.

Budget changes due to low enrollment must not increase student program costs or out-of-pocket expenses. Budget changes also should not reduce the quality of the program for students.

The Faculty Leader should meet with the Coordinator of Faculty Services to discuss desired budget changes before he/she submits the new budget for department and college approval signatures.

STUDENT PAYMENTS

Types of Student Payments

- **Program Fees:** Paid to the Study Abroad Program by check, cash, or credit card. Examples of program expenses include transportation, accommodations, admissions to tourist sites, travel agent fees, tour guide fees, group meals, international medical insurance, Study Abroad Program administrative fee, airfare, instructor fees, etc.
- **K-State Tuition, Fees, and Surcharges:** Paid at the K-State Cashiers office or online through ISIS. Students register for the study abroad course through ISIS, which automatically generates a charge that is posted to the student's account. All students (in-state and out-of-state) pay in-state K-State tuition/fees/surcharges per credit hour plus a \$21.50 DCE fee per student per course. Regular K-State tuition surcharges for courses the College of Business, the College of Engineering, and the College of Architecture apply to faculty-led group study abroad courses.
- **Out-of-Pocket Expenses:** Expenses students incur before, during, or after the study abroad program including passport fee, student visa fees, text books, phone calls, internet access, immunizations, host family gifts, spending money, individual meals, gratuities/tips, transportation to/from U.S. point of departure, optional excursions, etc.

Payment Schedule

All fees that are due to the Study Abroad Program must be paid no later than two months prior to departure. Students are required to carefully track the payment deadlines for the study abroad program they are participating in and to make all of their payments on time. It is crucial that students pay for their program fees by the deadlines issued per program so that travel agents, airlines, and third party providers can be paid in a timely manner. Without exception, students who do not pay in full by the payment deadline will be considered for dismissal from the program. If a student is under consideration for dismissal, he/she will be notified by the Study Abroad Program. Although students may

be receiving financial aid, the student and his/her family are ultimately responsible for all program payments by the established deadlines. All fees that are due to the Office Study Abroad Program must be paid prior to departure for the study abroad program.

A payment schedule will be set up by the Coordinator of Faculty Services to help students plan ahead and make necessary payments before the actual study abroad program takes place. Payment will be made in three installments, each 1/3 of total program expense. Please note that the first student payment must be sufficient to cover the airfare or 1/3 of total due whichever is greater. See the table below for payment dates.

Payment Schedule Chart

Term	Program Start Date	Student Payments Due
Winter Intersession	Dec. 29	Oct. 1 Oct. 15 Nov. 1
Spring Semester	Jan. 15	Oct. 1 Oct. 15 Nov. 1
Spring Break Intersession	Mar. 16	Oct. 15 Nov. 15 Dec. 1
Summer Intersession	May 18	Dec. 15 Feb. 15 Mar. 1
Summer	May 20	Feb. 1 Mar. 1 Mar. 15

K-State tuition/fees/surcharges and the Division of Continuing Education fee should be paid according to general university guidelines and deadlines.

Methods of Student Payment

The Study Abroad Program can receive payments made by cash, check or credit card. American Express, Discover, Master Card and Visa are accepted. Checks should be made out to Kansas State University and should list the following information: student name, program name (location and name of instructor who is leading it), and student ID.

Explanation of Student Fees

EXPLANATION OF FEES FOR FACULTY-LED STUDY ABROAD PROGRAMS		
<i>SAMPLE FROM 2008-2009 - Fees Are Subject to Change -</i>		
PROGRAM FEES		
KSU Study Abroad Program Fee: This fee is assessed to all persons participating in faculty-led group study abroad programs to cover basic administrative costs and services provided by the Study Abroad Program. This fee is non-refundable and must be paid in full before the application will be reviewed.	\$150.00	Collected by the Study Abroad Program
Study Abroad Program Deposit: The deposit is applied towards the program fees and must be paid in full before the application will be reviewed.	Varies	Collected by the Study Abroad Program
General Program and Program Provider Fees: These are expenses that participants pay directly to the Study Abroad Program. These fees may or may not include expenses such as general program fees, instructor fees, entry/exit taxes, airfare, in-country transportation, accommodations, contingency fee, group meals, admission to museums, galleries, plays, tours, etc...	Varies	Collected by the Study Abroad Program
Mandatory International Medical Insurance (\$1/day + 4 day grace period)	Varies	Collected by the Study Abroad Program
Study Abroad Non-Credit Participant Fee: Participants who are not enrolling in the study abroad course for academic credit will be assessed a \$250 participant fee in lieu of tuition.	\$250.00	Collected by the Study Abroad Program
ENROLLMENT AND ACADEMIC FEES		
<i>*Rates subject to change based on K-State tuition and fee fluctuation</i>		
K-State Undergraduate Tuition: Payment for 3-hour undergraduate academic course (\$198.47 per credit hour)	\$595.41	Billed on ISIS
K-State Graduate Tuition: Payment for 3-hour graduate academic course (\$269.40 per credit hour)	\$808.20	Billed on ISIS
K-State Division of Continuing Education Fee: Administrative and Service Fee (per student per course)	\$21.50	Billed on ISIS
K-State College of Engineering Tuition Surcharge (per credit hour) <i>(If applicable)</i>	\$20.00	Billed on ISIS
K-State College of Engineering Equipment Fee (per credit hour) <i>(If applicable)</i>	\$19.00	Billed on ISIS
K-State College of Business Tuition Surcharge (per credit hour) <i>(If applicable)</i>	\$20.00	Billed on ISIS
K-State College of Architecture Equipment Fee (per credit hour) <i>(If applicable)</i>	\$19.00	Billed on ISIS
OUT-OF-POCKET EXPENSES		
Out-of-Pocket Expenses: These are expenses that participants will pay out-of-pocket. These fees may include passport fee, individual meals, gratuities/tips, optional excursions, immunizations, visa fees, books/course materials, and to/from airport in U.S. miscellaneous personal expenses.	Varies	Out-of-Pocket
LATE PENALTY FEES		
K-State Special Handling for Late Enrollment Late Enrollment Fee: Penalty fee for enrolling in course after established university deadline (cost based on one K-State course).	\$50.00	Billed on ISIS

FAMILY EDUCATIONAL RIGHT TO PRIVACY ACT (FERPA)

FERPA Regulations

The Family Educational Records Protection Act of 1974 (FERPA) limits the amount and type of student information that educational institutions can release. In your capacity as a university employee, FERPA allows you access to online printed academic and personal student information on a need-to-know basis. Access to this information is given by the K-State Registrar's Office and is governed by specific responsibilities and limitation.

How Does FERPA Relate to Faculty-Led Group Study Abroad Programs?

As official university activities, faculty-led group study abroad programs at K-State are governed by FERPA *even when students are out of the country*. This is important to remember since FERPA procedures may be very different than the way in which foreign institutions handle educational records. For example, a foreign institution might permit access to information concerning a K-State student that you, in your capacity as a Faculty Leader, could not permit or disclose.

When Can a Faculty Leader Release Student Information?

K-State does not permit access or release of personally-identifiable information to certain parties without the consent of the student in some situations. Those that are most applicable to faculty-led group study abroad programs are:

- Appropriate persons in connection with an emergency may access information if the knowledge of such information is necessary to protect the health or safety of a student or other person(s).
- Persons or organizations providing financial aid or making decisions relating to providing financial aid may have access to information about students associated with individual programs.
- Parents or legal guardians of a student, who have established the student's dependency status according to Internal Revenue Code of 1954, Section 152, may access information about that student's educational and financial status. Student account information will not be given to parents or others without written permission from the student. An *Authorization to Release Information* form is available online at <https://www.ksu.edu/pay> (*click on forms*). The completed *Authorization to Release Information* form will be kept on file in the Cashier's Office and will remain in effect until it is changed by the student in writing.

STUDENT FINANCIAL ASSISTANCE

Program Cost Sheets

After students are accepted into a faculty-led group study abroad program, the Coordinator of Faculty Services creates official student cost sheets which outline the comprehensive costs of the program including program expenses, tuition/fees expenses, and out-of-pocket expenses. Students who wish to receive financial aid should schedule an appointment to meet with Ben

Kohl, Assistant Director in the Office of Student Financial Assistance. The Study Abroad Program will send all original cost sheets to Ben Kohl directly.

Important Notice on Disbursement of Financial Aid

According to U.S. federal regulations, K-State disburses financial assistance into student ISIS accounts 10 days before a faculty-led group study abroad course begins. This means that in most cases financial assistance will not be available before a faculty-led group study abroad course begins. Therefore, students are responsible to make alternative arrangements to pay for ALL program fees due to the Study Abroad Program for their study abroad program.

Faculty-led group study abroad programs are not eligible for deferred payments or the Tuition Installment Payment Plans. Please note that due to U.S. federal restrictions, intercession courses are not eligible for financial aid. However, if the faculty leader plans the course dates to overlap into the fall, spring, or summer semester, students may be eligible for financial aid.

Student Financial Aid Documents

- *Letter of Student Financial Responsibility*
- *4 Steps to Financial Assistance for Study Abroad*
- *Frequently Asked Questions about Financial Aid for Faculty-Led Programs*
- *Scholarships*
- *Student Refund and Cancellation Policies*

FACULTY LEADER COMPENSATION

Faculty Leaders have three different options for compensation. They are as follows:

- **Salary:** Tuition generated from a three-credit hour course must be sufficient to cover 100% of the salary and benefits of a faculty leader's 1/9 or 1/12 contract salary amount. If tuition generated is not sufficient to provide 100%, final salary will be based on actual enrollment.
- **Development Reserve Account (DRA):** Instead of salary, a Faculty Leader may choose to receive DRA. The Accountant for Faculty-Led Programs will transfer to the department DRA account 80% of tuition generated, up to a maximum of 1/9th or 1/12th of the faculty leaders salary. DRA funds may be used at the department's discretion.
- **Receive Only Travel Expenses, Housing, and Per Diem:** A Faculty Leader may choose only to receive reimbursement for program costs instead of salary or DRA. Some Faculty Leaders choose this option in order to reduce the students' program costs. If needed, after all students are registered, the tuition generated can be transferred into the course account to cover group expenses. If students withdraw after the transfer is made, an adjustment will be made to the group travel account.

How the Faculty Leader's Compensation Is Calculated

- **Compensation Contract:** As part of the program proposal, Faculty Leaders submit a completed *Compensation Contract*, which outlines the number of student enrollments

needed to cover 100%, 70%, and the minimum acceptable amount of the Faculty Leader's salary and benefits. These formulas are calculated by the Accountant of Faculty-Led Programs. The *Compensation Contract* was created by the K-State Faculty Senate and approved by the Kansas Board of Regents. This contract serves as a mutual agreement between the Faculty Leader and the Study Abroad Program for the Faculty Leader's compensation for teaching a faculty-led group study abroad program.

- **Student Tuition Dollars:** Student tuition is used to pay the Faculty Leader's salary and benefits or DRA.
- **Non-Credit Participant Fee:** Participants who do not take the course for academic credit are required to pay a \$250 non-credit participant fee, which is paid to the Faculty Leader in lieu of salary.
- **Development Research Account (DRA):** A Development Research Account (DRA) holds funds which are to be used by the academic department and/or college for education directly related to their employee's present job skills or to fund other academic department and/or college needs. For faculty-led group study abroad programs, up to 80% of the tuition generated can be deposited into a DRA. According to the *Compensation Contract*, employee benefits are not calculated into DRA.
- **Compensation Calculation Worksheets:** The Faculty Leader's compensation is based on the academic year salary contract which the Faculty Leader has with K-State, a 9-month or a 12-month contract. Salaries are paid by academic departments. 12-month employees can choose DRA as the compensation option or elect to only receive reimbursement of their travel expenses. 9-month employees can choose salary, DRA, or only reimbursement of travel expenses.

Finalized Salary Agreement

Final salary, based on actual enrollment, will be confirmed no later than 30 days prior to program departure by the Study Abroad Program and the Faculty Leader.

PROGRAM CANCELLATION POLICY

- Programs that do not meet the minimum number of participants needed to make the program a "go" may be cancelled at the joint discretion of the Faculty Leader, the Coordinator of Faculty Services, the Director of Study Abroad, and the Associate Provost of International Programs.
- Courses that do not generate the agreed upon compensation (salary plus benefits) may be cancelled at the joint discretion of the Faculty Leader, the Coordinator of Faculty Services, the Director of Study Abroad, and the Associate Provost of International Programs. This must be done no later than 30 days prior to departure.

CONFLICT OF INTEREST

The Kansas Board of Regents considers it of utmost importance that all Faculty Leaders conduct their faculty-led group study abroad programs in such a way as to avoid or minimize conflicts of interest. If a situation raising questions of real or apparent conflict of interest arises, affected Faculty Leaders should meet with their department chair. For detailed information on the Kansas Board of Regents Policies concerning Conflict of Interest, please visit: <http://www.k-state.edu/conflict/policies/kbor.htm>

METHODS OF GROUP PAYMENTS

Invoices, Wire Transfers, and FedEx

If a vendor will be submitting an invoice or requires a deposit, please submit the invoice to the Accountant for Faculty-Led Programs along with the vendor's information for a wire transfer. There is a fee for wire transfers, which will be charged to the program account. Sometimes it is necessary to utilize FedEx for the delivery of payments and other program materials. The Study Abroad Program strongly recommends that you factor \$100 into the program budget to cover wire transfers and FedEx fees. Please allow two weeks for a wire transfer from the day that the Study Abroad Program receives the invoice.

HANDLING FINANCIAL TRANSACTIONS

Paying for Services

It is best to pay for as many services as possible before the program departs the United States. This will greatly minimize the Faculty Leader's work load while abroad, and may reduce costs as exchange rates tend to rise near peak travel seasons. Faculty Leaders and the Coordinator of Faculty Services will take into consideration program provider payment due dates (if applicable) when planning the student payment schedule to ensure that the course account has funds available to cover expenses. Please allow 2 weeks for payments to be processed. Holidays will delay processing.

Such payments can be handled in several ways:

- **Pre-Payments:** Third Party Providers (travel agencies, hotels, tour companies) can invoice the Study Abroad Program directly for program expenses. Money must be available in course account in order for the Accountant for Faculty-Led Programs to pay invoices. Invoices are paid with student program fees collected by the Study Abroad Program and are made by institutional check, foreign currency drafts, or bank wire transfer. It is most economical for the Study Abroad Program to pay invoices with institutional check when possible in order to reduce bank fees. Charges for wire transfers should be built into program budget. Wire fees will be charged by K-State and may also be charged by the receiving bank. Wire fees range from \$12 to \$40 per transfer.
- **Airfare:** Airfare for K-State students and professors may be charged to the Office of International Programs business travel credit card if sufficient funds are available in the course account to cover the expenses at time of purchase.
- **On-Site Payments:** The Study Abroad Program discourages faculty leaders from carrying large amounts of cash with them at any time while overseas. Faculty leaders may request a cash advance one month prior to departure. This cash advance may be

exchanged for traveler's checks or deposited into a faculty leader's US bank account so that he/she can then utilize ATM machines or credit cards. ATM user fees are reimbursable as program expenses. The Study Abroad Program is not responsible for lost or stolen cash, checks, traveler's checks, etc.

- **Travel Cash Advance:** The faculty leader may request a cash advance to cover on-site travel expenses for the group one month prior to departure. This would cover such things as lodging, transportation, group meals, tour guide fees, tips, and per-diem for him/herself that can not be paid in advance. One month prior to the program departure, the faculty leader should meet with the Accountant for Faculty-Led Programs to review his/her program's available funds and to determine a travel advance amount.
- **Reimbursement:** Faculty Leaders may be personally reimbursed if they incur expenses on behalf of the group. The Accountant for Faculty-Led Programs will reimburse the Faculty Leader from the course account (as long as there are sufficient funds in the account). The reimbursement process takes about two weeks. In order to receive a reimbursement, the Faculty Leader should:
 - Obtain appropriate receipts or a copy of a credit card statement for any expenses he/she pays.
 - Maintain a record of expenses with date, description, and country. This will be the expense log which should be turned in with receipts within 30 days of the course travel end date. If no receipt is available, Faculty Leaders should reflect that on the expense log.
 - No receipts are needed for Faculty Leaders' meals. Faculty Leaders should add a line item to the expense log using the number of travel days multiplied by the amount budgeted per day for Faculty Leaders' meals.

Partially adapted from "Financial Planning for a Successful Faculty-Led Program," the "Faculty-Led Programs Manual" from the Education Abroad Office at Washington State, Kansas Board of Regents Policies on "Conflict of Interest," and Michigan State University's "Memorandum re: Conflict of Interest in Study Abroad"