



Financing Your Undergraduate Education

All information is excerpted from the book "If You Want to Study in the United States: Undergraduate Study." The entire book may be downloaded for free in both English and French at www.EducationUSA.state.gov.

Education in the United States may appear expensive, but you have probably already realized that it offers excellent value for the money invested. This chapter looks in more detail at the costs involved and the ways that you might cover your expenses, including financial aid from colleges and other sources.

Planning Ahead

It is important to understand and plan the cost and financing of your education before you prepare and submit your applications to colleges. Universities and colleges will usually require a financial statement and guarantees as part of their application procedure. In addition, to apply for your student visa you will need to prove you are able to meet all the costs of your studies. If you are married and/or have children, you will also need to prove in advance that you have sufficient funds to support both yourself and your family.

Calculating Your Expenses

The main types of costs involved in studying in the United States are tuition and fees, plus living costs. These vary widely, which gives you some control over the costs involved in your education. All U.S. colleges publish information on the costs for their institution and area. Consider the points outlined below in calculating your costs.

Tuition and Fees

Tuition is the cost of instruction, while fees are charged for services such as the library, student activities, or the health center. International students are required to pay both tuition and fees. Some universities may also charge international students an additional mandatory health insurance fee.

Although the range of tuition and fees may vary greatly from school to school, there is no correlation between the level of tuition and fees and the quality of an institution. The amount charged by a particular college depends on many factors, the most significant of which is what type of school it is. Tuition and fees are generally higher for private universities than for state universities. Community, technical, and vocational colleges charge the lowest fees of all. State universities charge out-of-state residents higher tuition than state residents. In almost all instances, international students studying at state schools will have to pay this higher rate throughout their study program since they do not qualify for residents' rates. It should be remembered, too, that not all universities charging the lowest tuition and fees also have the lowest living costs; you should examine both factors to get a more accurate estimate of your annual expenses.

Since tuition and fees vary from school to school and rise by an average of 5 percent each year, it is best to consult current college catalogs, Web sites, or reference materials available at U.S. educational information and advising centers for the latest figures. Be sure to confirm current costs with the institution at the time you apply.

Living Costs

Living costs vary widely and depend on individual lifestyles. If you are bringing family members with you to the United States, this will, of course, increase your monthly expenses.

Living expenses are highest in the large cities, in California, and in the Northeast. Costs can be much lower in the South, the Midwest, and other areas. University catalogs and Web sites are a good source of information on current living costs. Within the total living costs they quote, you will usually find an approximate breakdown of costs for items such as room, board, books, medical insurance, and personal expenses. Your U.S. educational information or advising center may also have information on the latest monthly living expenses by city or institution.

Your basic living expenses will include food and housing, of course, but don't forget to allow for the following:

Books and Supplies: Colleges estimate the cost for books and supplies for the academic year. Students studying in the United States must buy their textbooks, and book costs can be quite expensive. Most institutions have on campus bookstores. Many of these stores allow you to purchase used books at a lesser cost, or to sell back your books at the end of a semester at partial value. If you are planning to study in a field that requires special supplies, such as engineering, art, or architecture, your expenses are likely to be greater than the average.

Transportation: The living costs quoted by most universities do not include trips between the United States and your home country. Be sure that your annual budget includes expenses for return travel between your home country and your college. If you plan to live off-campus and commute to college, you should add in your commuting expenses. Commuter colleges will provide an estimate of those expenses in their living costs.

Other Personal Expenses: Personal expenses include items such as the cost of basic goods, clothing, and services. Health insurance is required. If you have dependants— a spouse and/or children — or if you have special medical needs, substantial additional funds will be needed to meet your living expenses.

FINANCING YOUR EDUCATION

It is important to start your financial planning at least 12 months before you intend to study in the United States. Financing your college education consists of:

- compiling effective applications;
- assessing personal funds;
- identifying financial assistance for which you are eligible;
- reducing educational costs.

Assessing Personal Funds

Consult your parents and other family sponsors to find out how much money they can commit each year to your education. Try to raise as much as you can from family sources, because most scholarship awards, if available, cover only part of the total educational and living costs and may not be available to first-year international students.

Identifying Sources of Financial Assistance

All types of scholarships and financial aid for international students are highly competitive and require excellent academic records. You will often find the terms “scholarships” and “financial aid” used interchangeably, but technically speaking, a scholarship is a financial award based on merit, including outstanding academic performance, special talent in sports or performing arts, or perhaps community service or leadership. Financial aid is a “need-based” grant based on the student's financial need, as documented by family income, assets, and other factors. Below are the main types of financial assistance available for international students who want to study in the United States:

Home Country Funds: Conduct research at home to find possible funding from local government, corporate, or foundation sources. Although these sources are not found in all countries, you could reduce your educational cost with scholarships from local organizations.

Funding From Colleges: Meet with an educational adviser to learn how to research available financial aid for international students. Careful advance research and realistic expectations are more likely to result in success. Do not assume that all colleges award financial aid. In fact, less than half of the institutions offering bachelor's degrees can provide financial assistance to students who are not citizens or permanent residents of the United States. Keep in mind that financial aid for U.S. students is separate from financial aid for international students. Be sure to tell the admissions office your country of citizenship and request information on financial aid available to non-U.S. citizens. If offered, financial aid is usually made up of a number of different types of assistance, including grants and scholarships and occasionally loans or part-time work programs.

You will discover that financial aid is very rare at state, or public, colleges and at colleges that offer professional courses such as engineering, business administration, and health professions. More financial aid may be available from the private liberal arts colleges, which offer the arts and science subjects.

As you do your research, make a table listing the colleges you would like to attend. Write down annual costs (as outlined above), then enter the average financial aid award and the number of awards made by each of the colleges. Such information is available from resources in your information or advising center. This chart can quickly allow you to see where your best chances lie, and can help you eliminate from your list the colleges where your admission with the needed funding is not viable.

International students often ask advisers about full scholarships, which cover all the costs of education except for airfare. The total number of full scholarships available each year to incoming international students in the United States is about 1,000, offered by only about 100 colleges. To get a full scholarship, you must be one of the top students in your country, usually with "A"s (excellent) in almost every subject, high SAT and TOEFL scores, and distinguished performance in other areas such as leadership and community service. There are 20 top students from all over the world competing for each scholarship, so you must distinguish yourself among a pool of outstanding students. Only a handful of wealthy colleges in the United States are able to meet the financial need of all the students they admit. (Please note that admission to these schools is usually very competitive.) Financial need is the difference between what you and your family can afford to contribute and the estimated cost of attending the college. The former is calculated on the basis of detailed information about your parents' financial circumstances, including supporting evidence such as bank statements, employers' letters, and other official documents and statements. Other universities, which make more limited awards on the basis of your financial need, will also ask to see such evidence.

Financial assistance from colleges is awarded at the beginning of the academic year and is rarely available for students entering mid-year in January or at other times. More aid is available for freshman students than for those transferring in from other institutions. Students who have already proven themselves at a college may find it easier to obtain financial assistance from that college than new students.

Sports Scholarships: Some U.S. colleges offer opportunities for gifted student athletes to play for the college team as a means of paying for their education.

International Awards: International students also ask about financial assistance from foundations, organizations, and the U.S. government. Very little aid exists through such sources, and it is usually earmarked for advanced graduate students. Again, your educational adviser can tell you whether there are special funds available for students from your country.

Loans: In limited instances, you may be able to negotiate a loan to fund part of your educational costs. Your educational adviser may have information on loan programs for which you may be eligible. You must usually have a U.S. citizen co-signer to act as a guarantor for any loans from U.S. loan programs, and in most cases you must already be enrolled in a U.S. university before you apply. Before taking a loan, make certain you know how you are going to repay it, and how a loan will affect your plans for graduate or other further study and for returning home.

Employment: Current immigration regulations permit international students to work only part-time — up to 20 hours per week — and only on campus during their first year of study. By working 10 to 15 hours a week, you could earn enough to pay for incidentals such as books, clothing, and personal expenses, but your campus job cannot pay your major expenses, such as tuition or room and board. This income also cannot be used as a source of income for any official financial statements. Campus jobs may include working at the university's cafeteria, bookstore, library, or health club, or within the university's administrative offices.

After the first year, you can also apply for employment as a resident assistant (RA) in a university dormitory. RAs serve as the first point of contact for students needing assistance or who have queries regarding dorm life. In return, RAs receive free accommodation and sometimes a small salary and/or meal plan.

Under current regulations, after your first year of study, you may apply to the Immigration and Naturalization Service (INS) for permission to work off campus for up to 20 hours a week. You should note, however, that there is no guarantee that this request will be granted. If you are married and are in the United States on an F-1 student visa (see chapter 11), your spouse does not have permission to work. However, if you are in the United States on a J-1 student visa, your spouse is allowed to request a temporary work permit.

You should always check with your international student adviser before considering any form of employment.

Reducing Educational Costs

When planning your finances, consider these ways to reduce your costs:

Best Buys: Look for the colleges that offer you the highest quality education at the lowest cost.

Accelerated Programs: Completing a four-year bachelor's degree in three years saves thousands of dollars. Students can accelerate their programs by:

- earning transfer credit or advanced standing for college-level studies completed in the home country (for example through A-levels, International Baccalaureate, advanced placement exams, or courses taken at local accredited post-secondary institutions in your country, if accepted by the U.S. institution);
- taking courses at a nearby community college if tuition is lower and credits are transferable;
- attending classes during the summer, if they are available;
- taking one additional course each semester.

Tuition Waivers: Based on your first-year grades, some colleges award partial tuition waivers. A superior academic record could save you thousands of dollars.

Living Expenses: Becoming a resident assistant in a dormitory could save thousands of dollars in living costs. Working in the dining hall offers a modest salary plus "all you can eat" meals. Living off campus with a relative or friend saves money if suitable accommodation is available and public transport is efficient.

Two-Year and Community Colleges: Many students save thousands of dollars in tuition by attending community colleges for their first two years and then transferring to four-year institutions to complete their degree.

Time for a Recap

- Start your financial planning at the same time you begin choosing colleges — at least 12 months before you wish to study in the United States.
- Tuition costs vary from college to college. Private universities charge more than state universities, which in turn charge more than community colleges. You must research actual costs very carefully.
- Cost is not an indication of the quality of an institution.
- Living expenses vary depending on location and your lifestyle.
- Many colleges expect you and your family to fund the full cost of your education.
- The main source of possible financial assistance is the college where you are applying; however, funds available for international students are limited, and full funding is very rare.
- Financial assistance can be awarded as scholarships, grants, and, in some instances, through work-study or loans. Aid, if available, is usually based on merit, but sometimes on need.
- Opportunities to work in the United States are limited and cannot be used as official sources of funding.
- Talented athletes should try to obtain sports scholarships
- You can reduce the costs of your education in the United States in a number of ways; taking courses at community colleges and accelerated programs are just two examples.

Useful Web Sites

General Information on Financial Aid for International Students

<http://www.edupass.org/finaid>

<http://www.nafsa.org/students/funding.html>

<http://www.bibl.u-szeged.hu/oseas/aid.html>

Schools With Financial Aid for International Students

<http://www.edupass.org/finaid/undergraduate.phtml>

Scholarship Search Site — Some Awards for International Students

<http://www.fastweb.com>

Loan Information for International Students

<http://www.edupass.org/finaid/loans.phtml>

Tax Information for International Students

<http://www.edupass.org/finaid/taxes.phtml>

<http://www.irs.ustreas.gov/>

Financial Statement

Most universities include a form called a “Declaration and Certification of Finances” or “Affidavit of Financial Support” in their application packets. This must be signed by your parents or whoever is meeting your college expenses, and must be certified by a bank or lawyer. Keep a copy of this form since you will also need it to apply for your student visa. Schools usually need to know that you have at least the first year’s expenses covered, although many may also ask you to indicate your source of income for the entire period of study. If you know when you apply that you will need some form of assistance from the college, indicate how much you plan to request from the university. Many U.S. universities operate a need-blind admissions policy. This means that your financial position is not a consideration in the decision whether to grant you admission. Please note, however, that the university will issue the relevant certificate of eligibility for a student visa only if you are able to document fully your source(s) of income.