

The Rising Cost of Being Foreign: Impact of Differential Tuition on International Students

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Introduction

Differential tuition is an additional fee charged over and above the regular tuition, either by residential status, majors or fields of study, year of study in the program, or combined with two or three types from the above categories (Stange 2013; Wilkins, Shams, and Huisman, 2013). International students, account for 5.3 percent of the whole college student population in the U.S. (Institute of International Education [IIE]a 2017), also apply to multiple layers of differentiated tuition, such as residential status plus field of study. Among all these international students in the U.S., 82 percent of the undergraduates and 61.1 percent of the graduates are supported by personal and family funding (IIEb 2017). Meanwhile, college tuition has been increasing by an annual average of 3.2 percent since 2017-18 at public four-year institution (College Board 2017). Under this context, the current study seeks to explore how such increasing differential tuition may affect international students' education experience. Implications of supportive services from the host institution for international students will also be provided.

Impact of Differential Tuition on International Students

According to the 2016 *Prospective International Student Survey*, the U.S. remains the primary destination in the world, followed by UK and China (Elmes Dec 1, 2016). As an unneglectable sector through the college choice, a major choice process for college students (St. John, Asker and Hu 2001), finance continues to be reported as a major challenge confronted by many international students due to reasons such as currency exchange fluctuation and ineligibility for Federal Financial Aid (Sherry, Thomas, and Chui 2010; Hopkins 2012). An analysis of the effects of differential tuition on international students in the U.S. would provide applicable implications to international higher education systems in other countries such as Canada, UK, and Australia where differential tuition is also in practice. Perceptions from international students in the U.S. will

serve as essential policy-making reference for international higher education administrators.

A direct drive for tuition increase, or accordingly differentials here, is the budget cuts in federal or state funding (College Board 2017). The rise in differential part for international students thus provides more revenue for the host institution (Stange 2013). Given the fact that international students do not pay state or federal government tax, some institutions have been using differential increase in international students to reduce the budget pressure for other service programs on campus. Another reason for higher differentials are the monitoring, advising, and counseling costs (for international students), such as the additional costs in providing adequate academic support and other services including English language placement test or programs, especially after September 11. Further, the higher cost of educating advanced students (smaller classes) together with job market value of degree have been commonly reported as reasons for major specific differentials, such as engineering, business management and computer science, which are also the top three most selected majors for international students (IIEa 2017).

Implications for International Education

Differential tuition led to a slight 1.1 percent decline in enrollment of engineering students within 142 large public research institutions from 1990 to 2010 among all college students (Stange 2013). However, the increase in differential did not cause any decline for the differential-related major enrollment for international students (IIEa 2017). The expectation of the higher job market return value of upper division programs such as engineering, business, and computer science may contribute to the major selection for international students.

To match with the higher expectation from the increase in differentiated tuition, more supportive services should be provided to assist international students smoothly complete their degree program and transit to the job market. In addition to more scholarship opportunities, institutions should reserve fees to provide more major-

specific English classes and longer orientation programs for international students (Stange 2013).

Take Away Messages

The increase of tuition to certain majors may impact students' choice of major. This research will explore if differential tuition practices may potentially discourage students, especially those from low income families, to select upper division programs, such as engineering, finance, business, and professional programs.

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