Developing a Budget for Study Abroad

Some commonly asked questions about general program planning

Study abroad budgets are divided into three separate and distinct sections: Students Costs, Faculty Costs and Program Costs. The Institute for Global Studies (IGS) looks at projected costs for the student section to develop a Program Fee, which is charged back to the student. Faculty and program costs are charged to the IGS budget and are used by IGS to determine the financial feasibility of the program. This handout is organized following the EXCEL blank budget form available on the web at http://international.udel.edu/faculty.html and should be helpful as you work through the form to develop your own budget.

Can I use a travel agent or other assistance to help me plan the program? Faculty receive a 1-credit administrative supplement to compensate for program planning, so we don’t encourage the use of a third party or travel agent. However, for programs with several “stops” or locations, it is sometimes helpful to use an agent to coordinate in-country travel. Agents should not be used to plan other elements and excursions for your program; they are not faculty and will generally focus on recreation and tourism, not academics. In addition, agents usually charge higher fees, which may make it more difficult to balance the program side of the budget and may add unnecessary costs to the student program fee. Before contacting any travel agent speak to your Program Coordinator.

Can the program begin before winter session and extend beyond winter session? No - we have many liability concerns with extending the program beyond the formal winter session program dates and also with our ability to provide emergency services when the university is not in session (late December, early January).

Can we teach some of our lectures in the fall semester so we don’t have to spend as much time lecturing abroad? No – students are registering for winter session and should not be expected to burden their fall semester with extra lectures. In addition, assignments from winter session should not be extended into the spring semester. Grades for winter session study abroad courses are due when all other winter session grades are due.

Some commonly asked questions about the Per Student Costs section

How many students are required for a program to be approved? For a program to be financially feasible, IGS requires a minimum of 14 students in programs with one faculty director and 26 students in programs with two faculty directors. For large-enrollment programs, IGS is willing to fund a program assistant (see program costs section).

Is ground transportation TO the U.S. airport for students covered? No, students are required to get to the departure airport on their own.

Are speakers on excursions included in excursions (Student Costs) or guest lecturers (Program Costs)? Many excursions have guest speakers/lectures associated with them. If you are paying for a guest speaker as part of an academic excursion, the honorarium for that speaker should be included in the excursion cost rather than as a separate guest lecturer in the program costs section.

What other costs are to be considered in the total costs for each excursion? Other things to consider include transportation, admission fees, tour guides, and gratuities. If there are extra meals during the excursion (which have not been budgeted somewhere else), you should include those too!

What kinds of excursions are appropriate? The majority of your excursions should be directly related to the academic content of your courses. You should also include a few cultural excursions. The number of excursions that are primarily recreational and for tourists should be limited and not included in the program fee. If students wish to engage in recreational activities, they can do so during their free time and at their own expense.

Since we may not know what we are in for when we travel overseas, are we allowed to check out excursions in advance of the excursion during the program with the students? Only in circumstances where there is not sufficient or reliable information available through newspaper reviews, guide books, local (on-site) staff or faculty who have previously made the trip. If unusual circumstances require a “preview” of an excursion, the costs should be charged to the excursion budget and borne by both students and faculty.

What are travel and meal allowances? In some cases you may want to provide the students with cash for travel or a meal. For example, you may visit a city where the students are expected to catch a bus and spend an afternoon in the city. You may want to budget funds for the bus fare and the meal, and then disburse the funds to each student once you arrive at that specific location. You must have each student sign a receipt with his/her full signature any time you distribute cash. The heading on the receipt (IGS will provide a sample) must include the purpose, date of disbursement, amount given per student in foreign currency, total number of recipients, and the calculation of the total amount distributed that day. Use a separate receipt for each disbursement.

What is the Farewell Event? The farewell event, usually in the form of a celebratory dinner, is a way of saying thank you to your hosts and host families. If you plan one, please try to keep the amount budgeted for the event in mind when making your
arrangements. In general, faculty directors budget around $35–$40 per student for their farewell event – but the range is large, depending on the location. Students bear the costs of any guests invited to the farewell event; the total cost of the event is divided by the number of students. If you do not spend any significant amount of time in one location, a Farewell Event is probably not necessary.

**What about other banquets and dinners hosted by the group?** We see some study abroad programs hosting a pre-departure dinner or other functions so students may meet each other prior to travel, and others hosting a reunion function once they return. We discourage including these types of events in your program fee. Your program funds should be expended at your program location and during your program, not before or after.

**Does the “per student total” become the Program Fee?** No, the total is usually adjusted by IGS to account for unforeseen student emergencies and charges incurred by students (such as heavy baggage charges). IGS determines the Program Fee.

**Are Faculty Directors given the total amount of the program fee to spend on site?** No, faculty directors are given only what they have budgeted (requested) for expenditures on site.

**Do I have to plan every expenditure? What if I spontaneously decide to treat the students to ice cream?** We understand that you will have unexpected expenditures and that you will want to take advantage of opportunities as they arise. Keep this in mind as you plan financially, and build a cushion into the excursion portion of your budget to accommodate these items.

**Some commonly asked questions about the Faculty Director Expenses section**

**How many courses can we offer on a program?** Only under extremely unusual circumstances will programs be approved with more than two courses for a standard 5-week program and one course for a UDMicromester program, and those are usually language courses to accommodate students’ varying proficiency levels.

**Who is given the program administration salary?** That varies from program to program – but it is intended for the faculty member who does the task of organizing the program. Some directors split the admin salary (as well as the tasks) and others prefer that all of it is paid to the faculty member who handles the administration functions. It is up to the faculty directors to decide.

**Can I buy my own plane ticket?** Yes, but IGS will only reimburse you for up to the cost of the group’s airfare. If your ticket costs more, you must cover the difference. If your ticket costs less, we will only reimburse the actual amount you paid for the ticket. Note that University policy does not allow us to reimburse for airfare until travel has been completed (i.e. after your program is over).

**What about ground transportation to the departure airport for faculty?** IGS will cover reasonable costs for faculty (standard airport shuttle or personal mileage; no private limos).

**For faculty accommodations, can we travel ahead of the students or stay beyond the program termination dates?** IGS prefers that faculty directors travel with the students in order to handle any travel mishaps. However, faculty may take vacation or other time before or after the program. Expenses incurred while abroad will only be reimbursed for the actual days of the program. Faculty who arrive several days early and stay later will not be reimbursed for their housing or meals. The same is true for ground transportation. If you do not travel with the group and take advantage of the group transportation from the airport to your housing, IGS will not pay for additional transportation for you.

**How much can faculty spend on accommodations?** Approval of housing costs is based on what is considered reasonable at that site. If a program has taken place at that location before, we will use previous expenses as a guide. The University will pay for a single hotel room or for a one-bedroom apartment. If you will need larger accommodations due to guests traveling with you on the program, you must pay the difference.

**If we receive per diem, what does it cover?** We use the U.S. Department of State guidelines for per diem. It is based on the costs of an average breakfast, lunch, and dinner at facilities typically used by employees at that location, including taxes, service charges, and customary tips. It is intended to help compensate for some of the extra expenses of travel such as restaurant meals, laundry, and dry cleaning. It is not intended to cover every possible personal expense, since you would incur personal expenses even if you did not travel abroad. Note that the per diem is lower for faculty whose living accommodations include a kitchen, since it is unlikely that you would go out for every meal if you had a kitchen at your disposal. In addition, the per diem is reduced for each meal provided with your lodging (hotel breakfasts) or included in other aspects of your program (e.g. an excursion package which includes lunch).

**How should we budget excursions for faculty?** In general, you can use the same total that you use for students. Simply divide the total cost of excursions for the entire group by the number of people in the group (students, faculty and assistant).

**Some commonly asked questions about the Program Costs section**

**Do we have to have foreign instructors?** No, you don’t, but they are often a good option for programs where you think you may not generate sufficient enrollment to support two UD faculty.
If there is a faculty director leading the program, how many guest lecturers are permissible? Guest lecturers are different from foreign instructors. Four to six is average. If you are taking students on excursions and an on-site representative is talking to the students, you should include payment/honorarium in the cost of that excursion, not as a guest lecturer. Honoraria for guest lectures range widely depending on the credentials of the individual, the role they play in the program, and the standards for honoraria in the host country. (The standard is the host country, NOT the US). The average is $150-$250 per lecture, with total amount budgeted for guest lecturers about $600-$800. You must submit a receipt (signed by the guest lecturer or faculty member) for all foreign faculty and guest speakers if they have not been paid in advance.

What about supplies – what types of things should we consider? The average request for supplies should not exceed $150. In general the supplies category refers to consumable supplies – things like paper and pencils. It is assumed that faculty directors lead the programs as “experts” and have ownership of items related to their discipline. They should not be part of supplies. For example, if you are teaching a course in animal science and you need a video on cattle behavior for the course, we assume that your department will purchase the video using its teaching budget, and that it becomes the property of you or your dept. If you are designing a program with high technology needs – required internet use for class, DVDs, digital cameras/video/photography equipment, please talk with your program coordinator about how those costs will be covered – they are not usually included.

IGS is willing to purchase 1-2 travel guides to help you with programs to new locations. However, we ask that these guides be returned to us at the end of the program so that other faculty directors may use them. Before you purchase guides, please check our office for guides we have previously purchased as they are available to borrow.

We cannot reimburse you for personal items (travel clock, electrical adaptor, reading lamp, etc.) which you may wish to purchase to make your on-site lodging more comfortable, nor can we cover the cost of a passport or standard, routine immunizations or other medical procedures.

There is a category in the budget for communication – what does that refer to? In general this category is for phone calls, fax, and other forms of communication. The average amount varies considerably, but a good starting figure would be $150. Cell phone rentals and purchases will only be reimbursed if they stay within the communications budget.

How about postage and Fed Ex? Course materials such as textbooks and paper are heavy and we recognize that faculty directors may not want to carry them. Course handouts should be distributed prior to leaving, if possible. Textbooks, gifts and other items to be used on the program might also be distributed among students and collected once you arrive. We have not had a single complaint from a student when asked to carry heir own course materials and a gift or two for hosts overseas. If you would like to ship books in advance of your program, please plan. IGS will not reimburse for Fed Ex or other overnight carriers. We generally budget about $100 for postage.

What is an average amount we should budget for hospitality and what can it be used for? If this is your first program, a good figure to start with is $250 for hospitality and gifts. This is for HOST hospitality. It is against University policy to take University employees or students out to eat or purchase gifts for them with these funds. For hospitality meals, please include a list of all guests and exclude yourself if you are already receiving per diem for that day; also exclude any assistants, family members and UD students. Hospitality funds should not be used in lieu of gratuities or tips; for example, the purchase of extra tickets should not be purchased to “tip” the purchasing agent. You must submit a receipt for all hospitality expenses. Other forms of hospitality include gifts - which you purchase at your discretion - and thank you cards, which IGS can provide. You should consider your hosts and which one of the following types of hospitality is appropriate for each – a card, a small gift, a meal, or an honorarium.

What about medical and other emergencies? Illness which necessitates a student’s hospital care, doctor’s care, or prescription medication can be paid with University funds in an emergency situation, but expenses should be reimbursed by the student to the faculty director while abroad, if at all possible. Ideally, large expenses should be paid directly through the student’s HTH Worldwide health insurance, which is included in all study abroad programs (not domestic programs), and smaller expenses should be borne by the student, with reimbursement sought through HTH upon return to the U.S. Faculty should familiarize themselves with the HTH web site before departure and bring HTH contact information with them on their program. For some remote locations, IGS will consider a “non-budgeted medical emergency fund,” but those funds may only be used in cases of a real crisis or emergency evacuation when direct payment by HTH proves impossible.

What is a program assistant and how are they funded? IGS will fund a student assistant if you have 18 students (single-director programs) or 32 students (co-directed programs) enrolled in your program at the time of ticketing. The assistant can be an undergraduate or a graduate student but may not be a student enrolled in the program. If the assistant is a graduate student, have your department chairperson send an approval e-mail to your coordinator. We highly recommend that the assistant be someone with travel experience, who can relate well to the students, live with them, and assist them with day-to-day questions. Assistants may be used to help you with course-related tasks, just as a TA might do on campus, but an assistant is also useful to run errands, accompany the group on an excursion if you are pulled away by some emergency, oversee the students’ behavior and well-being if they go out at night, and help them through language challenges. We will cover the assistant’s program expenses (airfare, housing, excursions, local ground transportation—whatever your program fee includes) up to the amount of the program fee and including single room accommodations if appropriate. The assistant does not receive any additional compensation. If you think your enrollment may qualify your program for an assistant, please include that person’s expenses in your preliminary budget.
Other budget questions

What if I go over budget in one category – can I use funds from another? If less money is spent in one category than was budgeted, you should not use those funds for another category unless the amount is less than $50. For emergencies, please contact your program coordinator by phone, fax or email.

How do we account for tips and other gratuities? Your budget should include gratuities. The gratuity should be accounted for in the appropriate categories rather than all in one lump sum. If the tip is associated with an excursion, it should be charged to the excursion. If the tip is associated with ground transportation, it should be charged to ground transportation. There is also a category in the program expenses section called “non-excursion gratuities” which may be used for tipping related to that portion of the budget. Such tips generally do not exceed $100. It is not necessary to present receipts for tips; however, you must keep a diary of all tips.

Do I need receipts for everything? You are not responsible for submitting receipts for per diem expenditures. However, for everything else, assume you need one. Please translate into English, explain and categorize all your receipts, and circle the amount paid. Here are some you may not have considered:

- Taxi receipts
- Bank fees
- Money exchange receipts
- Guest speakers/lecturers
- Student meals or travel allowances
- Internet cafe receipts
- Any medical expenses paid by the University on behalf of a student (which the student will have to reimburse)

Credit card receipts alone from restaurants are not sufficient. Obtain a receipt that itemizes food and beverage purchased. The tear-off bottoms of restaurant checks will not be accepted. For small amounts for which no receipt is available (bus or subway fare), please keep a diary of expenses. When using the receipt book provided by IGS, please have the receiver of the money sign the receipt. Your signature alone does not validate the payment as expense.

How should I calculate the exchange rate? Keep all bank receipts when you change or withdraw money. IGS will utilize the credit card exchange rate website if other specific documentation is not provided (i.e. credit card statements, bank exchange receipts, etc.)

Are we given a cash advance? Yes you are. Some things to remember about your cash advance:

- If there are two or more faculty directors, don’t pool cash advance monies? Cash advances are given to individuals, not programs. Procurement Services will not accept written agreements between co-directors as receipts. You must have vendor receipts for your transactions.
- If you have money transferred to a University Foreign Bank Account from the U.S., please do not reimburse the University from your cash advance unless you receive authorization from Lisa Huber in IGS.
- Do not give the Resident Director a portion of your cash advance even though they may have paid an expense for you that was originally planned to be paid from your cash advance. Pay with other funds and obtain a receipt.
- Do not mix cash advance expense receipts with University Foreign Bank Account expense receipts. These two types of transactions MUST be kept separate and require different reconciliations.
- If you pay a travel agency/hotel/school/organization from your cash advance for services, remember to have them itemize the expenses on their invoice. You will submit the itemized invoice with your expense report later.
- Your cash advance amount will be loaded onto a bank card provided to you by IGS.

Will UD cover some of my family’s expenses? No, university policy does not allow for coverage of any expenses of family members such as meals, airfare, hotel occupancy, admissions on excursions (museums, theatre tickets), and airport shuttles.

When do we have to turn everything back into IGS? Within 30 days of your return. Please note that the accounting office is strict concerning non-reconciled cash advances and is prepared to deduct the full cash advance amount from the faculty member’s paycheck if the reconciliation is not completed before the 30-day deadline.