



**The Economic Benefits of International Education to the United States for the 2004-2005 Academic Year:
A Statistical Analysis**

NAFSA estimates that foreign students and their dependents contributed approximately \$13.29 billion to the U.S. economy during the 2004-2005 academic year. This conservative figure is based on tuition figures from the College Board, enrollment figures from the Institute of International Education's *Open Doors 2005* report, living expenses calculated from College Board figures and analysis of the data by Lynn Schoch and Jason Baumgartner at Indiana University – Bloomington's Office of International Services.

NAFSA's annual *Economic Impact Statements* estimate the amount of money foreign students bring to the United States to support their education. This report does not rely on a "multiplier effect." Although this might provide a more accurate estimate of actual economic impact, there is no consensus on the appropriate size of such a multiplier. Along with our partners at the Institute of International Education, the College Board, and Indiana University, we are committed to continuing efforts to improve our data and methodology. By any measure, international education makes a significant contribution to the U.S. economy.

Virginia

Total Number of Foreign Students: 12,501

Part 1: Net Contribution to State Economy by Foreign Students (2004-05)

Contribution from Tuition and Fees to State Economy:	\$182,768,000
Contribution from Living Expenses:	\$181,226,000
Total Contribution by Foreign Students:	\$363,994,000
Less U.S. Support of 28.5%	- \$103,762,000
Plus Dependents' Living Expenses:	+ \$7,498,000

Net Contribution to State Economy by Foreign Students and their Families:

\$267,731,000

Part 2: Contribution to State Economy by Foreign Students' Dependents (2004-05)

Spouses' Contribution

Percent of Married Students:	11.1%
Percent of Spouses in the U.S.:	85.0%
Number of Spouses in the U.S.:	1,384
Additional Expenses for a Spouse: (% of student living expenses)	25.0%
Spouses' Contribution:	\$5,061,000

Children's Contribution

Number of Couples in the U.S.:	1,384
Number of Children per Couple:	0.6
Number of Children in the U.S.:	834
Additional Expenses for a Child: (% of student living expenses)	20.0%
Children's Contribution:	\$2,437,000

Net Contribution to State Economy by Foreign Students' Dependents:

\$7,498,000

Part 3: Foreign Student Contribution from Tuition/Fees and Living Expenses (2004-05)

Institution and City	# of Foreign Students	Tuition and Fees (thousands)	Living Expenses and Dependents (thousands)	Less U.S. Support (thousands)	Total Contribution (thousands)
Averett University, Danville	20	\$348.6	\$264.5	\$77.4	\$535.8
Baptist Theological Seminary, Richmond	6	\$39.6	\$69.3	\$41.5	\$67.4
Bluefield College, Bluefield	2	\$20.2	\$25.1	\$13.8	\$31.4
Bridgewater College, Bridgewater	13	\$233.9	\$252.8	\$169.7	\$317.0
Christopher Newport University, Newport News	2	\$31.7	\$32.4	\$22.6	\$41.5
College of William and Mary, Williamsburg	328	\$6,241.8	\$4,543.0	\$1,063.8	\$9,721.0
DeVry University - Tysons Corner Center, McLean	1	\$20.6	\$15.8	\$12.8	\$23.6
DeVry University, Arlington	15	\$186.8	\$223.8	\$20.6	\$390.0
Eastern Mennonite University, Harrisonburg	77	\$1,399.4	\$1,039.0	\$711.4	\$1,727.0
Eastern Virginia Medical School, Norfolk	2	\$29.2	\$29.0	\$13.7	\$44.5
Emory & Henry College, Emory	3	\$49.5	\$42.2	\$32.3	\$59.4
Ferrum College, Ferrum	9	\$151.6	\$118.6	\$81.7	\$188.5
George Mason University, Fairfax	1,537	\$26,457.2	\$25,275.8	\$9,683.1	\$42,049.9

Hampden-Sydney College, Hampden-Sydney	21	\$459.4	\$355.7	\$284.4	\$530.7
Hampton University, Hampton	72	\$872.4	\$1,073.9	\$253.6	\$1,692.7
Hollins University, Roanoke	22	\$459.6	\$524.4	\$318.3	\$665.7
J. Sargeant Reynolds Community College, Richmond	89	\$558.5	\$1,316.2	\$94.0	\$1,780.7
James Madison University, Harrisonburg	168	\$2,465.2	\$3,259.2	\$732.0	\$4,992.4
Liberty University, Lynchburg	464	\$6,280.4	\$7,809.2	\$1,893.7	\$12,196.0
Longwood University, Farmville	28	\$277.3	\$350.3	\$77.2	\$550.3
Lynchburg College, Lynchburg	20	\$452.8	\$240.9	\$92.3	\$601.5
Mary Baldwin College, Staunton	18	\$356.6	\$236.2	\$72.4	\$520.3
Mary Washington College, Fredericksburg	17	\$186.2	\$268.0	\$56.0	\$398.2
Marymount University, Arlington	256	\$4,339.7	\$4,425.4	\$1,052.2	\$7,712.9
New River Community College, Dublin	40	\$251.0	\$589.7	\$42.3	\$798.4
Norfolk State University, Norfolk	70	\$997.9	\$1,024.3	\$271.9	\$1,750.2
Northern Virginia Community College, Annandale	2,148	\$13,478.7	\$31,817.4	\$2,269.5	\$43,026.6
Old Dominion University, Norfolk	1,072	\$15,924.9	\$17,354.2	\$13,389.3	\$19,889.8
Paul D. Camp Community College, Franklin	5	\$31.4	\$72.4	\$5.3	\$98.5
Radford University, Radford	96	\$1,087.0	\$1,299.6	\$308.9	\$2,077.7
Randolph-Macon College, Ashland	19	\$417.8	\$284.9	\$245.1	\$457.6
Randolph-Macon Woman's College, Lynchburg	89	\$1,901.0	\$1,682.3	\$1,249.8	\$2,333.6
Rappahannock Community College, Glens	2	\$12.6	\$29.0	\$2.1	\$39.4
Regent University, Virginia Beach	123	\$1,346.9	\$1,947.6	\$395.0	\$2,899.5
Richard Bland College, Petersburg	3	\$27.0	\$43.5	\$3.6	\$66.8
Roanoke College, Salem	56	\$1,204.2	\$888.8	\$730.7	\$1,362.3
Shenandoah University, Winchester	139	\$2,653.5	\$2,313.1	\$683.7	\$4,282.9
Southern Virginia University, Buena Vista	24	\$351.0	\$354.2	\$344.8	\$360.4
Southside Virginia Community College, Alberta	1	\$6.3	\$14.5	\$1.1	\$19.7
St. Paul's College, Lawrenceville	6	\$53.4	\$71.4	\$38.2	\$86.6
Sweet Briar College, Sweet Briar	26	\$542.9	\$511.8	\$366.7	\$688.0
Tidewater Community College, Norfolk	202	\$1,267.6	\$2,990.4	\$213.4	\$4,044.5
Union Theological Seminary, Richmond	38	\$250.8	\$468.4	\$239.6	\$479.6
University of Richmond, Richmond	187	\$4,951.7	\$2,323.6	\$884.4	\$6,390.9
University of Virginia, Charlottesville	1,743	\$34,180.3	\$24,601.3	\$24,504.9	\$34,276.7
University of Virginia's College, Wise	17	\$207.5	\$220.2	\$148.6	\$279.1
Virginia Commonwealth University, Richmond	817	\$12,993.6	\$13,786.3	\$10,025.9	\$16,753.9
Virginia Intermont College, Bristol	68	\$986.0	\$882.2	\$566.0	\$1,302.2
Virginia Military Institute, Lexington	37	\$647.9	\$464.3	\$388.6	\$723.6
Virginia Polytechnic Institute and State University, Blacksburg	2,102	\$31,963.0	\$28,166.1	\$28,007.6	\$32,121.5
Virginia State University, Petersburg	14	\$126.1	\$203.5	\$39.2	\$290.4
Virginia Union University, Richmond	14	\$155.3	\$176.7	\$115.0	\$217.0
Virginia Wesleyan College, Norfolk	10	\$204.5	\$152.2	\$124.3	\$232.4
Virginia Western Community College, Roanoke	52	\$326.3	\$770.0	\$54.9	\$1,041.4
Washington and Lee University, Lexington	91	\$2,302.3	\$1,429.2	\$1,230.6	\$2,501.0

Methodology: How We Compute Economic Impact 2005

We define economic impact as the amount of money that foreign students collectively bring into the United States to pay for their education and to support themselves while they (and in some cases, their families) are here. The goal of our economic impact formulas is to use data already collected for other purposes to provide a reasonable estimate of the economic resources that foreign students import to the United States to support their education here each year.

The data sets used for these reports come from two sources:

1. The Institute of International Education's *Open Doors 2005* report, funded by the Department of State, provides numbers of foreign students at universities and colleges throughout the United States during the 2004-05 academic year. In many cases, this data provide separate totals for undergraduate, graduate, and non degree students.
2. The College Board provides cost figures for tuition, living, and miscellaneous expenses at U.S. institutions for the 2004-05 academic year.

The extensive data provided by these two sources (which collect it directly from surveys of the institutions involved) allow us to make our estimates sensitive to differences between institutions. However, there are still areas where our estimates and formulas could be improved. For example, we compute economic impact only for students reported in *Open Doors*. Universities that do not provide information to the Institute of International Education are not represented. Also, enrollment reports represent peak enrollment, and not necessarily enrollment levels throughout the year.

Tuition, fees, living expenses, and dollar estimates are derived from College Board data collected on surveys completed by institutions every year. We try to make our calculations sensitive not only to differing costs at institutions, but differing costs for ESL students, undergraduates, graduate students, and students on practical training.

Students on Practical Training: We assume these students earn enough in their U.S. jobs to pay living and educational expenses for the year, and so import no funds for their support. Therefore, net economic impact of students in practical training is zero.

Undergraduates and English Language Programs: The number of undergraduate students at an institution is specified by *Open Doors* data. College Board data provide undergraduate tuition and fee amounts, on-campus room and board amounts, and miscellaneous expenses. These categories are sometimes broken down into averages for international, out-of-state, flat rate, and in-state, students. When multiple averages are available, we choose averages in the order given above.

Economic impact of an undergraduate equals tuition and fees, plus room and board, plus miscellaneous figured at 50 percent of room and board, less U.S. support. We assume: (1) that spring enrollment figures are the same as the fall figures reported, (2) that all students are enrolled full time for two semesters or three quarters a year, and (3) that students live on campus for the full year. Miscellaneous expenses, enumerated in College Board data, average about 40 percent of room and board expenses. We use a 50 percent figure as an approximation that includes *all* extra expenses except for travel. The percentage of U.S. support for an undergraduate is based upon the institution type. For example, research institutions (based on Carnegie code) provide on average 10.7 percent support for undergraduates; community colleges provide 7.8 percent for undergraduates.

Estimating Support. The *Open Doors survey* asks schools to report the percentage of their students who are self-funded, the percentage who have U.S. source income, etc. We use these percentages, adjusted for different types of institutions, as though they represented percentages of funding, not percentages of individuals. This aspect of our analysis could benefit from further study. We have done local comparisons to data reported to SEVIS and the percentages align closely, but wider research into funding percentages could be valuable.

NOTE: “U.S. support” includes funding from a U.S. college or university, the U.S. Government, a U.S. private sponsor and current employment.