Strategic Budgeting for Internationalization

- Jill Blondin, Virginia Commonwealth University
- Paulo Zagalo-Melo, Western Michigan University
## Strategic Budgeting for Internationalization

### Predominant Budget Models in Higher Education

<table>
<thead>
<tr>
<th>Incremental Budgeting and Centralized Budgeting</th>
<th>Activity-Based Budgeting</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budget allocations based upon levels of previous year. Decision-making in the hands of upper-level administration.</td>
<td>Awards financial resources to activities with greatest return (increased revenues).</td>
</tr>
</tbody>
</table>

<table>
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<tr>
<th>Zero-Based Budget</th>
<th>Performance-Based Budgeting</th>
</tr>
</thead>
<tbody>
<tr>
<td>Previous year’s budget for each unit is cleared. Every unity must request new funding levels.</td>
<td>Awards funds based on performance (outcomes &amp; standards).</td>
</tr>
</tbody>
</table>

### Responsibility Center Management (RCM)
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Discussion

• Explain funding model for your international office
  o ESL model
  o International tuition, fees or other per student basis
  o SA tuition fees or tuition
  o Funded mainly by general funds?
• If you are under RCM, are you service or a RC unit?
  o Is it an internal RCM model or did you hire an external consultant?
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We want goals that we can achieve, even in an environment of budget constraints.

• What is in your portfolio?

• What are you trying to do in your office? What are your priorities?

• If you don’t have a strategic plan: are your goals aligned with the budget?

• Is there space for friction/budgeting in your quest for goal accomplishment?
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Budgeting is a fundamental part of vision and strategic planning:

- How do you bring your ideas and initiatives to fruition?
- How do you sustain your initiatives?
- What resources will be needed each year to sustain your initiatives?
- How do you measure the success of your initiatives?
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TYPES OF FUNDING FOR INTERNATIONAL OFFICES

- ESL tuition
- Immigration services fees
- Government-sponsored student fees
- Partnerships’ development fees
- Academic programs abroad (teaching programs abroad)
- International student activities fees
- Orientation fees
- Application fees
- Grants
- International student fees
- International student tuition
- SA fees charged to faculty-led SA programs
- SA course credits tuition (including SA faculty-led programs)
- International visiting scholars mentoring program fees
- ...?
DELUSIONAL REVENUE STRATEGIES

- The case of the van fleet
- The case of subsidized housing
- The case of the passport facility
What are some of the revenue-generating strategies you have implemented in your office?
Strategic Planning for Internationalization

Discussion

CONCERNS ABOUT THE FUTURE OF THE INTERNATIONAL OFFICE (IO):
• IO as a ‘service unit’ might affect mindset about internationalization and IO funding will be seen by deans as a tax;
• Impact of contribution (or lack thereof) to the bottom-line on IO leadership and IO staff.