



## *A Message from Ned and Brooke*

### *Thoughts on Opening Your Doors to International Students*

According to a study performed by US News & World Report, Chinese student enrollment in US colleges and universities increased by 21% in 2012-2013. So it would make sense that there has been an increase in international high school enrollment. These students want to immerse themselves in American culture and learn English before they begin college. With some of the local and domestic enrollments dropping, Schools are eager to open their doors to the international market. With this, however, come some accounting issues to consider. For instance, many international students pay tuition in considerable advance of the upcoming school year. Any tuition payments related to the following year should be recorded as deferred revenue in order to maintain proper cut off.

We've also seen many host families open their doors to international students. This is great for the School, student and host family. We recommend that the School ensure that these host families provide timely receipts for reimbursable expenses.

Also, upon graduation or leave of the student, make sure to consider if the enrollment deposit can be refunded or donated to the School. It is best to confirm this understanding with the parents at the beginning of the student's tenure as it may be difficult to determine the parents' intentions after the student has left.

Please contact us if you have any specific questions about how to record or handle an accounting transaction related to an international student.

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## STATISTICS

- International students make up about 15% of the student population in American boarding schools, according to The Association of Boarding Schools.
- Nearly 24,000 Chinese students study in private American high schools.\*
- New international student enrollment in Fall 2012 increased 9.8% over the previous year.\*
- Massachusetts is in the top five states for hosting the most international students. The other four states are California, New York, Texas and Illinois.\*

*\*Source: The Institute of International Education*



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Return Service Requested

### **Things to Know:**

- » Depending on the number of international students that your School has, it might be beneficial to hire one individual whose primary responsibility is to manage international enrollment and its requirements.
- » Besides accounting rules, there are a number of legal rules and regulations that both the School and the student have to adhere to. Visit the Immigration and Customs Enforcement (US Department of Homeland Security) website and contact your attorney for questions related to these.