

SIMON FRASER UNIVERSITY
Senate Committee on University Priorities
Memorandum

TO: Senate

FROM: William Krane
Acting Chair, SCUP
Acting VP, AcademicRE: International Student Recruitment
and Retention strategy (SCUP 05-069a)

DATE: January 17, 2006

At its January 11, 2006 meeting SCUP reviewed and approved the proposal dealing with International Student recruitment and retention, which includes an agreement with IBT Education Ltd.

Motion *Withdrawn from agenda*

~~“That Senate approve and recommend to the Board of Governors that the University enter into an agreement with IBT Education Ltd., as outlined in the accompanying paper “International Student Recruitment”.~~

Rationale

Increasing the presence of International undergraduate students is one of the key elements in the University's internationalization plan. A successful agreement with IBT Education Ltd. will improve SFU's recruitment of international students and their academic success once here. A detailed analysis is provided in the attached paper.

encl.

c: J.M. Munro, N. Angerilli

INTERNATIONAL STUDENT RECRUITMENT

January 13, 2006

1. Summary Terms of Affiliation Agreement

The proposal is for Simon Fraser University to sign a contractual affiliation agreement with IBT Education, Ltd., a publicly-listed Australian company. In conjunction with associated universities, IBT operates pre-university and university "pathway" programs for domestic and overseas students on a fee paying basis in dedicated campus facilities.

IBT's first operation was established in Perth, Western Australia in 1994 in association with Edith Cowan University. Over the past eleven years, IBT has expanded to 10 private international colleges with universities in Sydney, Melbourne, Brisbane and Adelaide in Australia, and internationally in the United Kingdom and Africa. Total enrollment is about 10,000 students. Further information on IBT's operations is provided in later sections of this paper.

IBT proposes to operate a college adjacent to the SFU campus beginning in September, 2006 with 120 students, expanding to 1,000 students within five years, and eventually to 2,000 students. The name of the college will be Fraser International College (FIC). FIC will be a wholly-owned subsidiary of IBT Education Ltd. and will have its own local management.

The main terms of the proposed affiliation are as follows (further information in section 11).

- a) IBT will recruit students using its network of international recruiters.
- b) Instructional and office space will be provided by SFU adjacent to the Burnaby campus.
- c) Various student and academic services will be provided to FIC students.
- d) IBT and SFU will design a curriculum that is based on SFU courses and course material.
- e) The curriculum will be designed to provide a complete first year program for transfer to a reasonably wide range of SFU undergraduate programs.
- f) An Academic Advisory Committee comprising SFU and IBT members will set academic policy and oversee the academic quality of FIC courses.
- g) SFU will establish guaranteed admission, course transfer and access to courses for FIC students who meet predetermined academic performance standards, which will also be set periodically by SFU.
- h) FIC will recruit and employ its own instructors but SFU will provide assistance in identifying possible instructors and will ensure that instructors' qualifications meet the University's own requirements for similar positions.

- i) IBT will pay SFU a share of tuition fees collected from students. SFU will use these revenues to offset the costs of providing space, to compensate departments for their work with FIC, to expand the scholarship and bursary programs available to all international students, and to expand other student services.

Over IBT's ten-year history, all relationships with associated universities have grown beyond initial expectations and continue to do so. All agreements with associated universities are current and have a 100 percent renewal rate. Student success rates have contributed significantly to the strength and duration of these partnerships. Through site visits and inquiries, SFU has been informed by universities associated with IBT that IBT students entering their programs do significantly better than students entering directly from foreign high schools.

2. Summary Rationale

This proposal is part of Simon Fraser University's objective to become more internationalized. This objective, which has been approved by Senate and is an important feature of numerous planning documents prepared over the last 15 years, is motivated by:

- the universality of knowledge in the information age,
- the competitive nature of world trade and
- the increasing rate of cultural exchange

Increasing the presence of International undergraduate students is one of the key elements in the University's internationalization plan. A successful affiliation agreement with IBT Education Ltd. will improve SFU's recruitment of our international students and their academic success once here.

Welcoming a diverse range of students from other countries to join the SFU community enriches the cross-cultural exchange of knowledge and ideas that emerge from all aspects of the academic experience. The University's objective (S.03-37, March 3, 2003) is that international undergraduate students will account for 10 percent of funded undergraduate enrollment. Also, they will come from a more diverse range of countries and will be recruited according to the following targets:

- 60 percent from Canadian high schools and colleges
- 10 percent from the U.S.
- 30 percent directly from overseas

The strategic importance of the University's efforts to expand international student enrollment also has a financial dimension. The new fee structure for international students commits a proportion of tuition revenue to the Faculties and also finances expanded instructional space.

The environment for expanding the international student presence at SFU has some unfavourable dimensions. First, the number of new international university students arriving in Canada has declined

since 2001. Also, while SFU has been able to expand its undergraduate student enrollment, it has not yet met its international student enrollment targets. Also, the proportion of students from China has increased dramatically so that this fall China and Hong Kong accounted for 45 percent of international students. That trend works against the objective of achieving a globally diverse student body as well as exposing us to various political and competitive risks by relying so much on a single country.

We also should be concerned about the academic preparation of our incoming international students. The average entering grades of international students are lower than those of Canadian students. Once enrolled, the interaction of social, cultural and language skill issues leads to poor retention rates, especially for international students recruited directly from overseas high schools and from B.C. high schools. We must take steps to improve retention rates of international students and bring them as close as possible to retention for Canadian students.

3. Consultation Process

After earlier contacts, the University was approached by IBT Education Ltd. last summer to see if we would be interested in participating in a private college arrangement using the model that they have developed in Australia and other countries. Simon Fraser was the only North American university considered by IBT. This invitation followed a visit to British Columbia by some of their senior executives. The early fall was spent considering this opportunity and gathering information on IBT's operations and record. This information-gathering process included visits to several IBT colleges in Australia.

In November a decision was made to bring a formal proposal forward for wider consultation within Simon Fraser. Both Senate and the Board of Governors were informed of this initiative. IBT has requested that a decision be made by Simon Fraser before mid-February.

By the time this proposal reaches its first approval point at the Senate Committee on University Priorities, a summary of it will have been reviewed and discussed with the following committees and groups.

- Deans' Advisory Committees in all Faculties
- Senate Committee on Enrollment Management and Planning
- Senate Committee on International Activities
- Senate Committee on Undergraduate Studies
- Senate Committee on University Priorities
- Simon Fraser Student Society Executive
- Vice Presidents and Deans meeting

The consultation process has been guided by an International Student Recruitment Task Force comprising Associate Deans of all the Faculties. Useful feedback and questions have been received in all these meetings and have been of great assistance in preparing this proposal for formal consideration.

Outside the University we have shared the outline of this proposal with the following:

- B.C. Council on Admissions and Transfer
- Ministry of Advanced Education
- Vice Presidents, Academic of Lower Mainland community colleges

In the approval process, support from the Senate Committee on University Priorities will lead to consideration of the affiliation agreement by Senate at its February 6th meeting and consideration of the affiliation agreement and the contract by the Board of Governors at its February 10th meeting.

4. Internationalization and International Students at SFU

Simon Fraser University has approved a statement of priorities, goals and strategies to guide the development of its international activities at the institutional level. This strategy is summarized in the strategic plan of SFU International (<http://www.sfu.ca/international/About/strategic.html>). The focus is on the educational dimensions of the university but the strategy also recognizes the value of the process to the institution's research agenda and accomplishments.

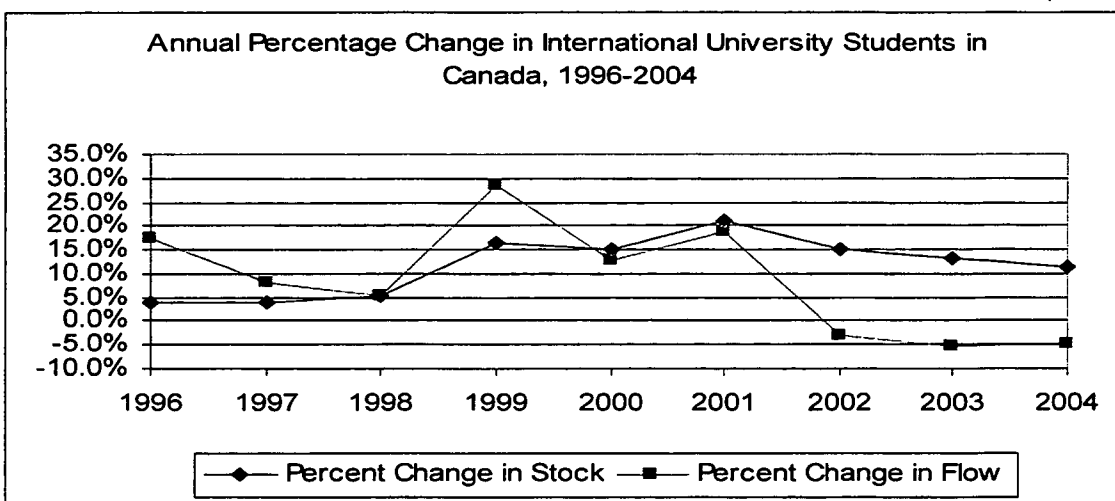
Expanding the enrollment of international undergraduate students is an important internationalization goal. When we diversify the national and cultural backgrounds of our student body we increase the opportunities for cross-cultural exchange of impressions, knowledge and ideas. International student recruitment is a challenging task for all universities. It requires sensitivity to the varied and unique requirements of the international student seeking university admission. This should be a coordinated effort with general admissions policies and processes and the Faculties.

Simon Fraser University aims to recruit and retain the best possible international undergraduate students from diverse locations including British Columbia, the rest of Canada and the world. By 2007, we want our international undergraduate applicants to come from an increasingly diverse range of countries and enrollment to comprise 10 percent of funded undergraduate student FTEs. We would like to recruit at least 40 percent of our international undergraduate students directly from abroad.

5. International Student Enrollment Patterns

Simon Fraser's international undergraduate student enrollment objective may seem quite modest when set against the large numbers of international students worldwide. The number of higher education students (undergraduate and graduate) studying abroad¹ in all countries was estimated at 1.8 million in 2000. (IDP, 2002) About 40 percent of these (500,000) were studying in the United States; Canada's total in 2000 was about 54,000 (CIC, 2004). One projection (IDP, 2002) sees this number increasing to over 7 million in 2025. According to the British Council (2004), about 45 percent of these students will study in English-speaking countries.

Data from Citizenship and Immigration Canada show that Canada's stock of international students (undergraduate and graduate) has increased substantially over the last ten years but the flow (the annual level of new international student registrants) has been successively smaller each year since 2001.



The decline in new student flow rose from -5 percent between 2003 and 2004 to -9 percent in the first six months of 2005 as compared to 2004.

The Canadian data include both graduate and undergraduate students. Data for British Columbia provided by the B.C. Centre for International Education separates graduate students (25 percent of total university in 2003/04) and undergraduate students (75 percent of total university in 2003/04).

¹ On student visas or similar documents. Note that comparisons between countries are prone to inaccuracy because of different definitions and that all comparisons over time are affected by changes in immigration regulations.

Data is not available for 2004/05 but for the 1997/98 - 2003/04 period BCCIE shows the following university international undergraduate enrollment (heads) for B.C.

1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04
1933	2338	2460	2901	3379	4395	6720

This 350 percent increase in just six years is quite impressive but there are indications that the rate of increase slowed markedly in 2004/05.

Simon Fraser's own stock of international undergraduate students shows the following changes over this period. (Headcount statistics from Analytical Studies are only available for fall semesters each year.)

1997	1998	1999	2000	2001	2002	2003	2004	2005
481	516	546	708	838	1057	1338	1624	1819

The rate of increase over the comparable period (1997-2003) is lower than for the B.C. university system as a whole but still large enough to suggest that our international student enrollment target of 10 percent is achievable.

Another dimension of Simon Fraser's international student objectives is the diversity of its international student body. As shown below, the top four origin countries (which have changed over the period) have accounted for an increasing percentage share of undergraduate international students since the fall of 2000. China and Hong Kong, which accounted for just 27 percent of undergraduate international students in the fall of 1997, accounted for 45 percent in the fall of 2005.

1997	1998	1999	2000	2001	2002	2003	2004	2005
46	44	47	43	47	52	56	61	60

The statistics presented in this section likely include international exchange students; for Simon Fraser they certainly do. However, Simon Fraser's international student targets have been set to by Senate to achieve 10 percent of funded enrollment from international students who enroll seeking SFU degrees and who pay SFU international student tuition fees. Thus, for 2004/05 we should have enrolled enough international students to generate 1541 FTEs; the FTEs generated by these students in 2004/05 only totaled 1380. In 2005/06 (projected) international students should generate 1595 FTEs while actual international FTEs are expected to be 1473. Each year's shortfall increases the recruitment target in subsequent years, if nothing else changes.

6. International Undergraduate Student Recruitment

Potential international undergraduate students go through a five-stage decision process before they appear as registered students at an overseas university.

- 1) Whether to study abroad
- 2) Which country to study in
- 3) Which city to study in
- 4) Which program to study
- 5) Which university to choose

Effective international student recruitment programs have to contribute to the decision process at each of these stages. (Pimpa, 2003) There are many methods of reaching international students - a list prepared by the B.C. Centre for International Education includes about thirty techniques.

At Simon Fraser, international student recruitment is the responsibility of SFU International. About 2.5 person-years of recruiting effort are aimed at the global international student market. This effort yields about 40 percent of new international undergraduate students, the balance having been recruited in British Columbia, presumably as a by-product of domestic student recruitment efforts. Students are recruited from overseas in various ways, including international high schools that we have targeted for long-term associations; public high-quality high schools in key countries that are regularly visited; highly specialized recruiting fairs in key countries organized by either the Government of Canada or by the Canadian Higher Education Committee, and, on a pilot program basis, the use of recruiting agents.

SFU also has agreements in place that intend to create a flow of international students originating in various partner institutions.

- 1) The Tsinghua-SFU Bridge Program where Tsinghua University in Beijing provides about one year of academic and English preparation for Chinese students who are then expected to meet our normal admission requirements into first year programs.
- 2) An agreement with a two year college in Malaysia of the "2 + 2" variety where students spend two years in Malaysia and two years at SFU before receiving an SFU degree, not unlike the general nature of our articulation arrangements with B.C. community colleges.
- 3) The recently launched Dual Degree Program (DDP) in computing science co-delivered with Zhejiang University in China that should result in about 25 very high-quality new international students per year arriving at SFU to complete the final two years of a degree program.

Opportunities for the further development of similar programs in several countries remain promising and at least four dual degree programs are in various stages of exploration.

7. International Student Recruitment at Other Canadian Universities

All Canadian universities recruit international undergraduate students; some are more committed and/or more successful than others. Larger and older universities with large overseas alumni numbers are likely to be more successful than newer and smaller universities with fewer overseas alumni, not least because they are able to deploy more resources in international recruitment and reap larger enrollment returns per dollar expended.

In this section the international student presence at three other Canadian universities (University of B.C., University of Waterloo, and University of Victoria) are compared to Simon Fraser University's. Unfortunately, the data (international student headcounts) are not exactly comparable but give a fairly good picture of the relative international student presence at each university. (Note that some of this data, including Simon Fraser's, includes international exchange students; increasing their presence is an important internationalization objective, but it is not addressed by this proposal.)

		2003	2004	2005
Simon Fraser University	Undergraduate	1338	1624	1819
Simon Fraser University	Total	1773	2094	2384
University of B.C.	Undergraduate	2451		
University of B.C.	Total	4054		
University of Victoria	Total	1344	1595	
University of Waterloo	Total		1360	1526

According to these data, Simon Fraser is ahead of two similarly-sized comprehensive universities in its degree of internationalization via international student enrollment and it also led, in proportion to size, the University of B.C. in 2003.

All four universities have similar geographical concentrations among their international students as shown by the percentage of international students accounted for by the top four countries. The University of B.C. had a more diverse international student population in 2003 using the "top four share" measure - using more comprehensive diversity measures would likely have reinforced this conclusion.

		2003	2004	2005
Simon Fraser University	Undergraduate	56	61	60
Simon Fraser University	Total	52	57	57
University of B.C.	Undergraduate	50		
University of B.C.	Total	48		
University of Victoria	Total	51	55	
University of Waterloo	Total		62	68

It is difficult to ascertain exactly what other Canadian universities do to recruit international students and how much they spend doing it. Anecdotal evidence suggests that the University of B.C. spends about five times as much as Simon Fraser as well as benefiting from a larger international presence and reputation and a larger alumni network.

8. The Risks of Not Diversifying International Enrollment

The most distinctive feature of Simon Fraser's international student population over the last three years is the rapid increase in students from China. Students from China now comprise a large majority of international undergraduate students from the top ten origin countries as shown in Appendix 1 on page 16.

Students from China clearly deserve special consideration in the long term international student recruitment plans of the University because of their rapid growth and the huge future potential. China's university system has experienced many drastic policy shifts since 1950. During the 1950s and 1960s, higher education was based on the Soviet model up to and including the assignment of university graduates to jobs by their sponsors after graduation. The Cultural Revolution demolished this system. Universities closed and students were exiled to rural areas for "re-education". Reconstruction of the system began in 1978 and proceeded rapidly. By 1994, 2.8 million full-time students were enrolled in courses offered by more than 1,000 public higher education institutions.

The trend to increasing enrollments, at both the undergraduate and graduate level has continued. In 1994, about 2 percent of the relevant age group in China attended higher education institutions. Compared to other countries in the region this proportion was low. For example, enrollment rates were 10 percent in Indonesia, 19 percent in Thailand and 51 percent in Korea. Even India, a poorer country than China, enrolled 8 percent of its 20- to 24-year olds in higher education. However, by 2003, massive investment in the post secondary education system, coupled with system reform, had changed the enrollment ratio to 17 percent, comparable to the average 14 percent for the East Asia

and Pacific region and far surpassing India's 12 percent. In 2004, there were more than 16 million undergraduate students in China and the government target is 30 million by 2010. This expansion program has been described as "the biggest university expansion in history." (The Economist, September 10, 2005)

At Simon Fraser last fall, students from China represented nearly 40 percent of all international undergraduate students and almost 80 percent of all international students from the top ten sending countries. China has been virtually the only source of significantly increasing numbers of undergraduate students. It is not likely that any other country, including India, can replace China as a source of international students in the near future and we are thus very exposed to variation in numbers of Chinese students. Recent changes in Canadian immigration processing for student authorizations from China and China's rapidly developing post-secondary capacity indicate that we should act to improve our recruitment of students from China while at the same time doing everything possible to diversify our international student origins.

8. International Undergraduate Student Retention at SFU

Simon Fraser's international students have a much lower retention rate than do its domestic students. Recent one-year retention rates are approximately 15 percent lower for international new students than for domestic new students and the retention of international students admitted from BC or foreign Grade 12 is as much as 40 percent poorer. Low retention has a personal cost for students who are unable to continue but it also increases the University's recruitment targets in subsequent years because the enrollment expected from these students must be replaced by enrollment from new international students.

The reasons for the poorer retention experience of international students are still being explored but possible causes include:

- weak English language skills;
- study skills acquired in a learning environment where rote memorization is emphasized;
- insufficient academic advice on suitable program choices for individual students.

Various social and cultural adaptation issues also challenge international students.

9. Other Measures to Improve International Student Recruitment

Besides the proposal for an affiliation with IBT Education, Ltd., the University will be undertaking the following steps to improve international student recruitment.

- 1) Combine international and domestic student recruitment for more strategic recruitment and efficient admissions processing.
- 2) Improve the conversion ratio of new admits to registrants through better contact and admissions procedures.
- 3) Expand the number of recruiter-advisors at the Faculty level
- 4) Review procedures for articulating courses and programs with other institutions
- 5) Expand in-house recruiting and develop a global network of recruiting agents and agencies that feed students either directly to SFU or to a local college partner
- 6) Create partnerships with one or more community colleges in B.C. to serve as bridging institutions for international students who require additional academic preparation or acclimatization to our academic environment prior to entering SFU.
- 7) Strengthen existing articulation agreements with B.C. Community Colleges by giving stronger guarantees of program and course access.

10. Background of IBT Education Ltd.

IBT Education Ltd. is an Australian company that provides pre-university and university pathway programs for domestic and overseas students at separate colleges. Information on the company is available at <http://www.ibteducation.com/>. Almost all IBT's programs are offered in conjunction with associated universities in an on-campus college model. The programs provide an opportunity for students to enter the associated university's programs and subsequently obtain a university degree. IBT's business model is based around three core principles:

- providing superior education services, including advising support;
- associating with quality selected universities;
- marketing effectively to prospective students.

IBT's first operation was established in Perth, Western Australia in 1994 in association with Edith Cowan University. Over the past ten years, the IBT Group has grown to provide similar pathway programs with associated universities in Australia in Sydney, Melbourne, Brisbane and Adelaide, and internationally in the United Kingdom and Africa. The company was listed on the Australian Stock Exchange in 2004.

The pathway/access programs were developed to facilitate access to university degree level programs for students with Year 12 (or equivalent) grades and other preparation that falls marginally below what is required by universities for direct entry to first year courses. To remedy this problem, a tiered or staged university pathway/access system with different entry and exit points was developed. In this system, students can, if necessary, enhance their English language and mathematics skills and then

undertake study at either first year university level (Diploma) or, in cases where Year 12 results were too far below university entrance level, a university entrance program followed by the Diploma program which then leads to university access at second year level. Recently, a "Pre-Masters' Qualifying" program has been developed for students wishing to undertake graduate study.

IBT Education Ltd. operates the following private higher education colleges:

- Perth Institute of Business and Technology (PIBT) - Perth, Western Australia
- Sydney Institute of Business and Technology (SIBT) - Sydney, New South Wales
- Melbourne Institute of Business and Technology (MIBT) - Melbourne, Victoria
- Queensland Institute of Business and Technology (QIBT) - Brisbane, Queensland
- South Australian Institute of Business and Technology (SAIBT) - Adelaide, South Australia
- Curtin International College (CIC) - Perth, Western Australia
- Eynesbury Institute of Business and Technology (EIBT) - Adelaide, South Australia
- London International College of Business and Technology (LIBT) - London, United Kingdom
- HIBT - Hatfield, United Kingdom
- Australian Institute of Business and Technology (AIBT) - Lusaka, Zambia
- Australian Studies Institute (AUSI) - Nairobi, Kenya

The first of these colleges (PIBT) commenced operation in 1994 and with the exception of EIBT, AUSI and AIBT, each college is located on a campus of an associated university, making use of the resources and facilities of those universities on a fee-for-service basis. The combined enrolment of these colleges in early 2005 was in excess of 9500 students.

The universities with which IBT is associated are:

- Curtin University of Technology (Western Australia and New South Wales)
- Edith Cowan University (Western Australia, Kenya and Zambia)
- Griffith University (Queensland)
- Macquarie University (New South Wales)
- Deakin University (Victoria)
- The University of South Australia (South Australia)
- Flinders University (South Australia)
- The University of Adelaide (South Australia)
- Brunel University (London)
- The University of Hertfordshire (Hatfield)

Over IBT's ten-year history, all relationships with associated universities have grown beyond initial expectations and continue to do so. All agreements with associated universities are current and have a 100% renewal rate. Student success rates have contributed significantly to the strength and duration of these partnerships. It is generally agreed that IBT students entering partner universities do as well or better than those students entering directly from foreign high schools.

IBT's success seems to be based on the advantages of their exclusive specialization in preparing certain groups of international students for degree-level study in Western universities. Recruitment, admission, educational, and support programs are all focused on this special group of students and IBT has developed models and experience that are superior to what is available from their associated university partners. Of particular importance is small class size (maximum 50) and instructional approaches geared to students for whom English is not a first language. IBT's partners are striving to develop successful comprehensive universities with a research agenda and a varied mix of teaching programs along with community service. IBT is able to specialize in a particularly demanding portion of the educational mission of traditional universities and to deliver better results.

11. Proposed Relationship between IBT and SFU

The most important features of the proposed relationship between IBT and SFU are listed below.

- 1) IBT Education Ltd. will operate an affiliated but independent college adjacent to Simon Fraser's Burnaby campus. SFU will provide and furnish instructional and office space according to a plan for the development of the college.
- 2) Students will be recruited mainly through IBT's network of recruiters and recruiting agents. Applicants who were interested in Simon Fraser and who met our standards for direct entry will be referred to SFU for direct admission.
- 3) The initial target enrollment for September, 2006 is 120 students. This is expected to increase to 1,000 students by 2010/11.
- 4) FIC students will have access to the SFU campus and to SFU services such as the Library. FIC will pay for certain services at the same rates as SFU students.
- 5) IBT will recruit international students for FIC using their own recruiters and recruiting agents. The affiliation with SFU will be emphasized in promotional material; SFU will approve this material. Qualified students who were interested in direct admission to SFU will be referred to us. While we should expect Asian origins to dominate, IBT has recruiting capability in about 40 countries and is aware of Simon Fraser's international diversification objectives.
- 6) When students are admitted to FIC they will be provided with a qualified letter of admission to the SFU program that they have selected. The qualification will require completion of the first year curriculum for that program at FIC with whatever GPA we

have designated for admission to that program for the year in which transfer was expected.

- 7) The programs that will be available will be selected by mutual agreement between SFU and FIC. Over time, SFU is interested in having as wide a variety of programs available as is practicable, given the size of FIC in various years and the program interests of prospective international undergraduate students. The curriculum will consist of a typical first year for each program that is selected.
- 8) Departments and Schools at SFU will have an important role in advice and liaison with FIC in order to ensure the academic equivalency of FIC courses. SFU units whose courses are taught by FIC may be asked to carry out some or all of the following tasks. Appropriate compensation for work with FIC will be provided to Departments and Schools by the University.
 - a) Appoint a Liaison Coordinator to work with FIC
 - b) Ensure that FIC instructional staff have equivalent qualifications to instructional staff appointed at SFU
 - c) Review course outlines and grading schemes
 - d) Advise FIC instructional and administrative staff as required
 - e) Arrange for review of a sample of in-course assignments
 - f) Arrange for review of final exam and answer key
 - g) Arrange for review of a sample of final examinations
 - h) Approve course grades and supporting information as submitted by institute
- 9) An Academic Advisory Committee will be appointed with three members from the University and three members from FIC. The Chair will be appointed by the University. The purpose of this Committee will be to oversee the academic quality of FIC's courses and provide appropriate advice to FIC and SFU.
- 10) FIC will charge tuition fees that are comparable to SFU's international student tuition fees. SFU will receive a portion of the revenue collected from tuition fees. This revenue will be committed to the following purposes:
 - paying capital and operating costs for facilities provided to FIC;
 - compensating Departments and Schools for services provided in connection with the affiliation agreement;
 - expanding the scholarship and bursary programs available to all international students;
 - expanding other student services.
- 11) The initial term of the contract would be five years. The contract contains various provisions for early termination for non-performance. Renewal, which would be for

additional five-year terms, would be preceded by a comprehensive review conducted by the Vice President, Academic.

13. Risks of the IBT Proposal

It is recognized that this proposal, while it has many advantages and attractions for Simon Fraser, also carries risks of falling short of our expectations or of outright failure. Some of these risks are listed below.

- Inability of FIC to hire suitable instructional staff
- Recruiting shortfalls due to market shifts or international political developments
- Poor outcomes in terms of number and quality of transfer students

14. Alternatives to the IBT Proposal

Those responsible for international education at Simon Fraser do not believe that any organization with IBT's record of success and effective relationships with affiliated universities exists. Nonetheless, if this proposal is rejected, there are three alternatives that could be chosen.

- 1) Accept the probable shortfall in SFU's international student targets
- 2) Expand, with significant expenditure, SFU's own international student recruitment resources
- 3) Initiate efforts to find another international student recruitment partner, perhaps building on the "2+2" model referred to earlier in this paper on page 7.

