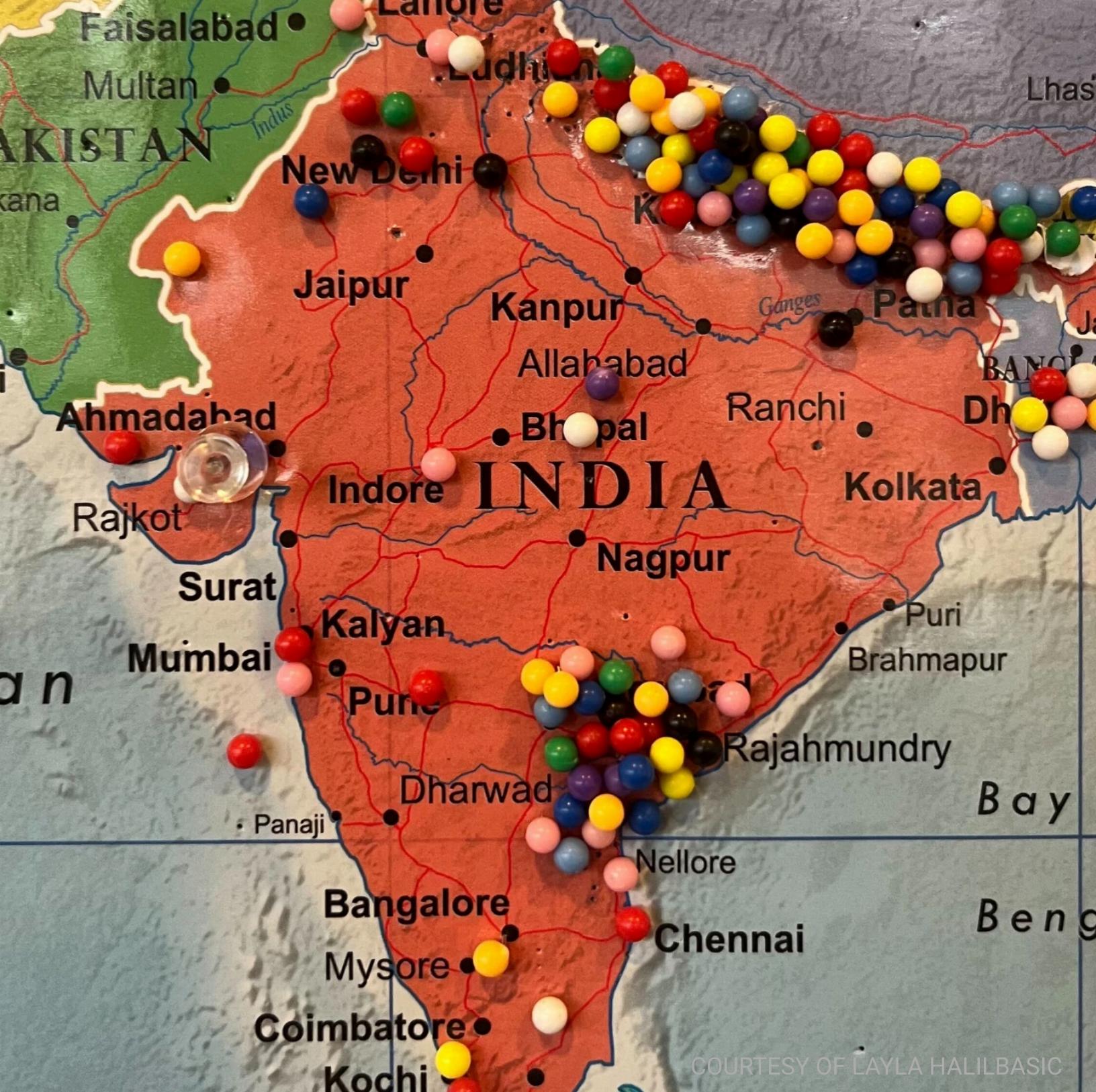




Webster U's Risky Bet

A regional college hopes to grow itself out of financial failure. But it's rethinking the approach.



COURTESY OF LAYLA HALILBASIC

INTERNATIONAL STUDENTS



By [Layla Halilbasic](#) and [Ellie Davis](#)

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A few years ago, in search of a financial lifeline, Webster University went all in on an ambitious plan: recruiting more international students to its main campus in St. Louis than ever before.

In 2021, 116 international undergraduate and graduate students studied at the university's St. Louis campus. By 2024, the number had shot up to 2,646. Almost overnight, they'd come to make up almost half the enrollment.

Nearly all of the increase came from two countries. One was a usual suspect: India, the second-largest feeder of foreign students to the United States. The other was not: Nepal, a small Asian nation whose population size is similar to Texas.

These students' tuition dollars stemmed a decade of bleeding at Webster, while other regional institutions continued to suffer from shrinking enrollment and [rising operating costs](#). Four miles down the road, Fontbonne University closed its doors this past August.

An [independent financial audit](#) of Webster shows the turnaround: Between the 2023 and 2024 fiscal years, increases in international students alone brought in \$23.8 million in net tuition revenue.

But according to interviews with more than 30 international students from South Asia, Webster's strategic pivot had a flawed execution.

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Many Nepali undergraduates in particular say they chose the university largely or entirely because it presented the easiest path to a visa. Some alleged the third-party recruiting agents used by Webster misrepresented available majors and extracurricular activities. A regional director working for Webster in Nepal said the recruiters were doing their jobs: marketing the university; securing commissions, which are earned when a student chooses to enroll; and getting students to the United States.

The university's data suggest that new international undergraduates often haven't stayed at Webster for more than a semester or two. Between 2022 and 2024, as foreign enrollment surged, fall-to-spring retention for the freshman class over all

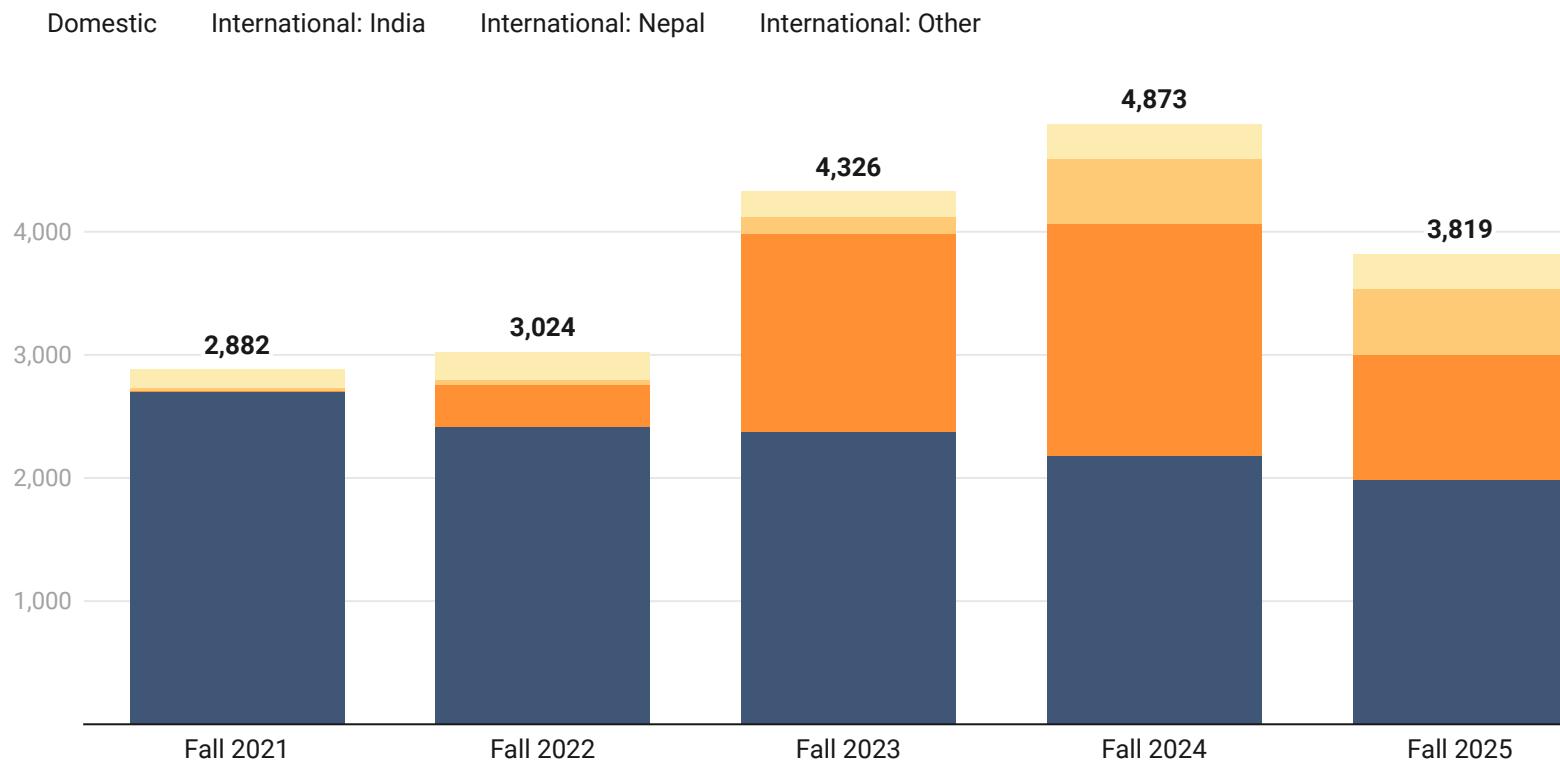
plummeted from 89 percent to 57 percent. (Historic headcount and retention data comes from the institutional-effectiveness office; an author of this story, a Webster student, used university credentials to access it.)

Tim Keane, Webster's president, acknowledged that agents often focus on enrolling as many students as possible, without ensuring they are the right fit. "Trying to fill the pipeline and get as many recruits as they can, that's probably their orientation," he said.

Meanwhile, this fall, Webster's international enrollment took a hit at both the undergraduate and graduate levels — mirroring a trend at many institutions as the Trump administration sought to restrict immigration.

A Dramatic Increase in International Students

Foreign undergraduates and graduate students have grown to nearly half of the total population at Webster's main campus, with students from India and Nepal making up most of the growth.



Note: Students are classified into countries based upon their country of citizenship.

Source: Webster University's Office of Institutional Effectiveness • [Get the data](#) • Created with [Datawrapper](#)

Keane said that “international students are a critical part of who we are” and that the university will continue to recruit them. At the same time, he said that the university plans to take “a more informed approach to recruiting international students” moving forward. The regional director previously hired by Webster in Nepal said the university terminated its contract this fall; Keane declined to comment on any specific partnerships.

International students have long been seen as an [essential tuition source](#) for higher education. But Webster’s case shows how dependence on that strategy can be a risky bet.

Webster's biggest problem is that it got too big — not in enrollment, but in real estate.

With roughly 4,000 undergraduate and graduate students on its main campus, plus four other campuses in the United States and campuses in seven other countries, the 110-year-old university has always looked outward. According to Keane, who has led Webster since 2024, a historical overreliance on in-person education with too many physical campus locations got too costly.

As a result, Webster lost money for eight straight years. It also faced years of declining enrollment, resulting in [a roughly 60-percent decrease](#) in full-time-equivalent students on its American campuses between 2009-10 and 2022-23.

Even after closing several of its international campuses, the university's financial situation became dire two years ago. Robert Kelchen, a professor at the University of Tennessee at Knoxville who studies college finance, described Webster's 2023 fiscal year as a "calamity." [The university lost nearly \\$40 million, pulled nearly \\$50 million](#) from its endowment, and [received a financial-distress designation](#) from its accreditor, the Higher Learning Commission.

Those kinds of challenges, Kelchen said, suggest a university may not be able to keep its doors open. “As I look at their financials, I’d be worried beyond about a three- to five-year runway,” he told *The Chronicle*.

Webster decided to try and grow itself out of financial failure, a common strategy in higher education, Kelchen said. The university began accepting nearly every undergraduate-student application — 85 percent of applicants who applied to attend the St. Louis campus in fall 2024, compared to 61 percent in fall 2021.

Webster also focused on attracting more undergraduate and graduate students from South Asia through building “a robust network with international recruiting agencies,” according to its 2024 [audit](#).

Most students in South Asia work with what they call an “education consultancy” — companies that, for a fee, help students apply to study abroad. In return for a newly enrolled student, some U.S. universities will pay that company a commission of 15 to 20 percent of that student’s first-year tuition. (Colleges are banned by [federal law](#) from paying a recruiter for domestic-student enrollments — a rule intended to prevent predatory recruitment practices.)

Vincenzo Raimo, a United Kingdom-based global higher-education researcher and consultant, said U.S. colleges have long offered commission payments to international recruiters. But the arrangement has become more common in recent years.

“For many private as well as public universities in the U.S., international recruitment has become a financial lifeline,” Raimo said.

The higher-education sectors in Canada, the U.K., and Australia have grown especially dependent on international students.

Colleges in those countries offer the highest commission rates — up to 30 percent of a student’s first-year tuition — to recruiters. Raimo says the United States is heading in the same direction.

“The U.S. is following a path we’ve already seen in other countries: growing reliance on agents, rising commission levels, and limited public discussion about the implications,” he said.

One of Webster’s key recruitment partners in South Asia was a company called InUni. Subas Thapa, its U.S. regional director for South Asia, said the company’s work helped spur the dramatic increase in Nepali students coming to St. Louis.

InUni is part of the Global University Systems (GUS) network, which [has long been criticized](#) for misleading students and

providing what some have described as profit-driven, low-quality education. During the 2024 fiscal year, Webster University [paid GUS \\$4.4 million](#), up from [\\$1.1 million](#) for the 2020 fiscal year.

Thapa said that when he started representing Webster in Nepal in 2021, the university wasn't well known. Thapa marketed Webster to more than 100 education consultancies in Nepal, which presented the university as an attractive option to students, he said.

The consultancies trusted InUni because of the company's reputation for passing along the commission money from U.S. universities on time, Thapa said. Webster would funnel the money through InUni, which would then pay the consultancies. For these companies in Nepal, a country with an average annual GDP per capita of [roughly \\$1,500](#), getting a few thousand dollars in commission from Webster for each new student enrolled was a big incentive.

"I made Webster a household product," Thapa said. "Everybody knows about Webster."

Lisa Blazer, Webster's senior vice president for strategic enrollment management, told *The Chronicle* that the university directly trains each recruiter who is marketing Webster in foreign

countries. Blazer said her office provides webinars to ensure each recruiter has accurate information about programs and campus life. If the university got wind of any misinformation or discrepancies, she said, it would take action.

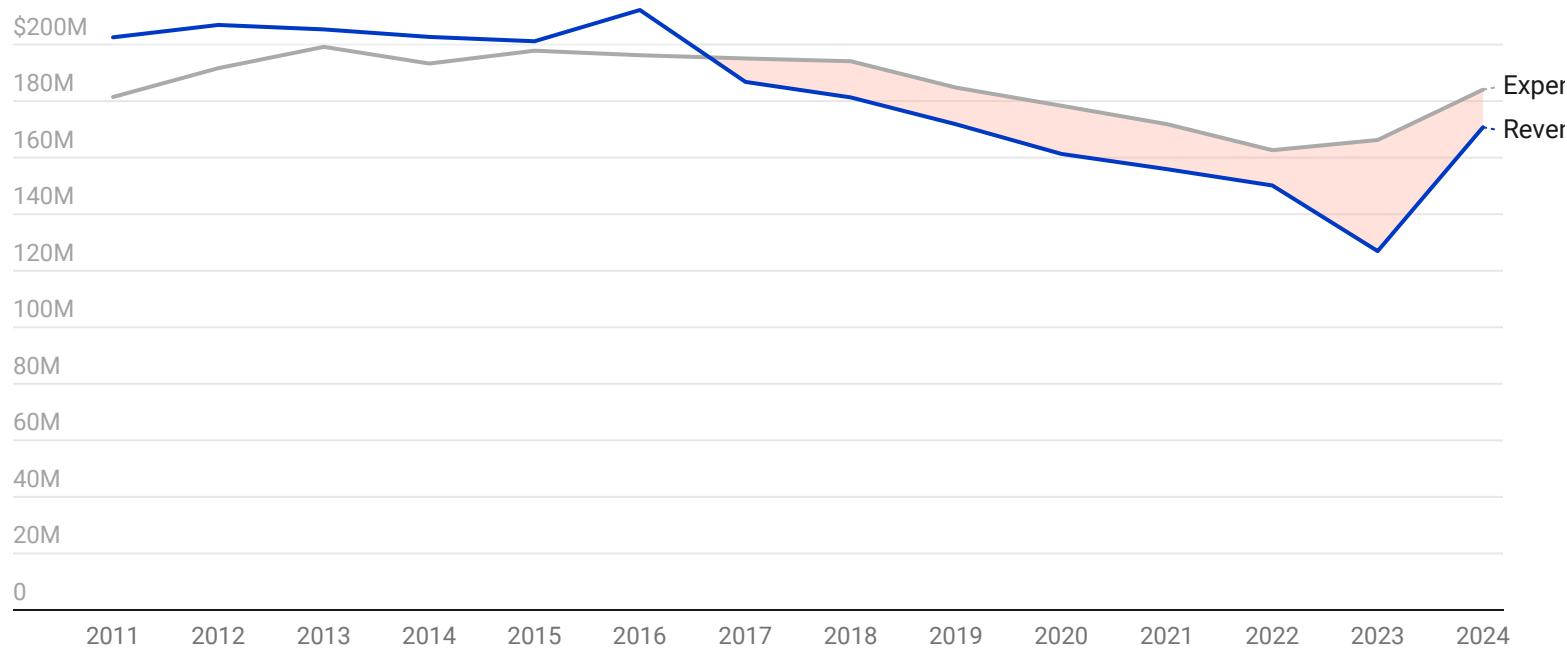
Thapa told *The Chronicle* that he used to visit education-consultancy offices himself to offer training on Webster to the recruiters, but that the university was not involved in that effort. Recruiters in Nepal rarely tune into university webinars that are scheduled during the middle of the night, Thapa said.

Several U.S. colleges are [currently partnering](#) with InUni, according to its website.

For Webster, the strategy of international recruitment has largely paid off. In May, Webster's accreditor [removed](#) the financial-distress designation, and the university ended the 2025 fiscal year cash-flow positive, according to an audit finalized in November. The same audit showed that total revenue gains were still roughly \$10 million less than total operating expenses — largely due to depreciation, mostly in building values. But that gap marked a roughly \$12-million improvement from the previous year.

Amid Enrollment Drops, Expenses Outpaced Revenue

From 2017 to 2023, Webster finished each fiscal year with negative net income. But in 2024, revenue grew for the first time in years as the number of international students jumped.



Note: Data reported by fiscal year ending in May.

Source: Chronicle analysis of Webster U's 990 filings • Created with [Datawrapper](#)

Recent college applicants from Nepal confirmed that Webster is well known in the region. Just not for its academics.

Prasiddha Man Dangol, who just finished his bachelor's degree in Nepal and works part-time at an education consultancy, said based on his interactions with students, many apply to Webster because "it's the easiest college to get into and get an F-1 visa." Once accepted, Webster quickly sends international students the documents they need to schedule their visa interviews, Dangol said.

The Chronicle spoke to more than 30 international undergraduate students who currently attend or have attended Webster. For many, Webster served as a convenient entry point to U.S. higher education. After one or two semesters, many transferred to a cheaper community college, an institution closer to family, or a university in a larger city where they perceived more job opportunities.

Several students — like Shanti Tamang, who is originally from Nepal — told *The Chronicle* that Webster in particular was pitched as an easy path to a visa. Tamang applied to Webster but never intended to complete her degree there. “I just went with what my agency said,” she said.

Webster also enrolled students who didn’t have adequate financial resources, potentially without realizing it. Some students said their families temporarily pooled their money into one bank account to give immigration officials the impression that they could afford the tuition, only to withdraw the funds after the student got their visa.

Tamang found the reality of living and studying in the United States more challenging than anticipated. Her tuition totalled \$17,000, and even with her scholarships, she still owed about \$9,500 each semester.

Now a sophomore enrolled at the College of San Mateo, a two-year institution in California, Tamang lives with her brother and pays \$368 per semester in tuition.

Students like Tamang first apply to Webster, and not the community college they ultimately want to attend, because an acceptance from a community college is less likely to lead to a visa from the U.S. embassy in Nepal, said Dangol, the recent graduate working at the Nepali consultancy.

Others left Webster because it didn't meet their expectations. Some students said the consultants they met with in South Asia promised majors that Webster doesn't offer, cricket courts that didn't exist, and more on-campus jobs than were actually available.

It's no surprise to Dangol that recruiters sometimes exaggerate to convince students to attend a particular university that will pay them a commission. "They'll try to push you into universities that will profit them," he said. Dangol isn't a recruiter, but he acknowledges the consultancy he works for uses such tactics.

Thapa, of InUni, pushed back on the idea that students are misled. He said they aren't just relying on what recruiters say; they're doing their own research.

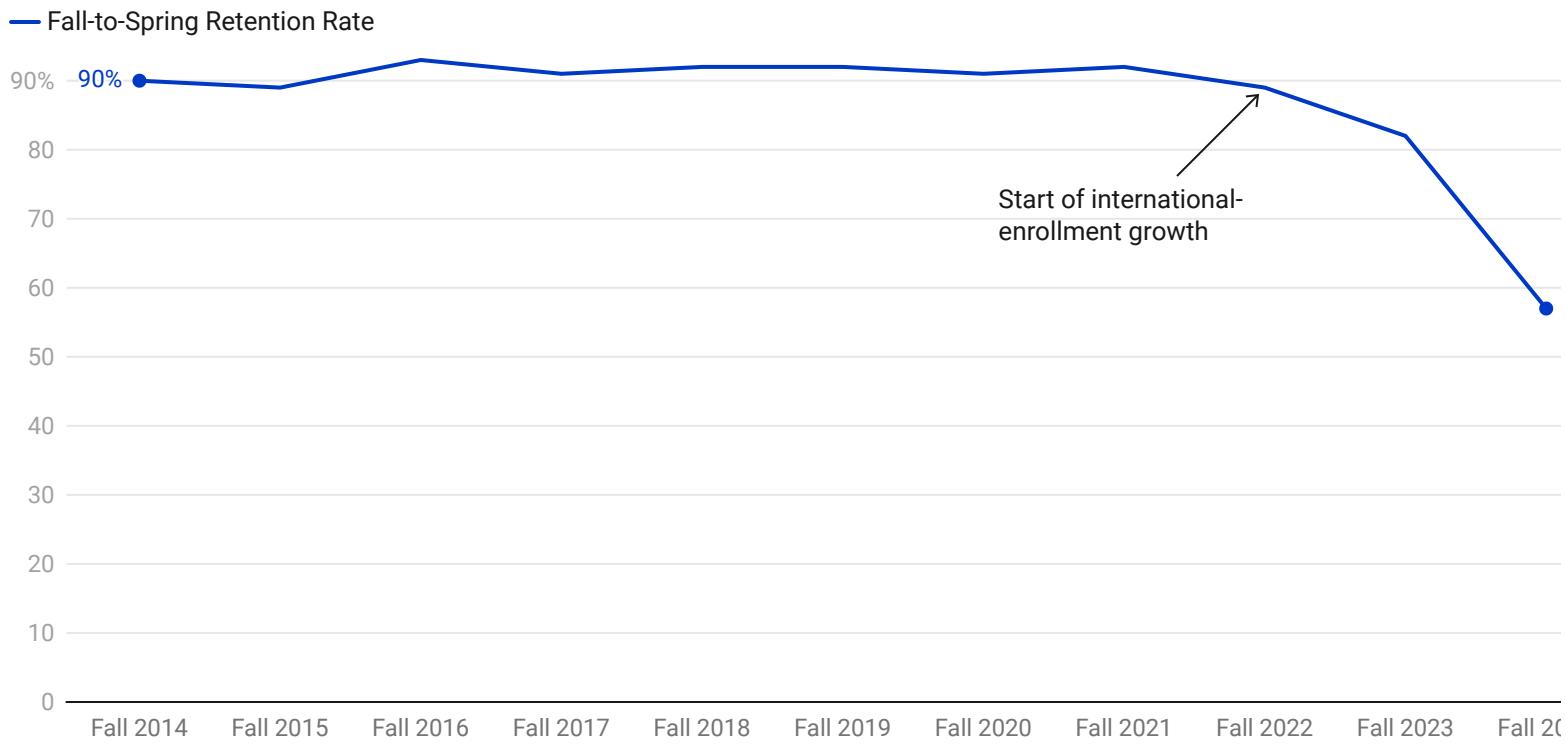
Still, international-education leaders are concerned that students often don't know their consultant will get paid if they attend a certain college, said Eddie West, senior international officer at California State University at Fresno and the co-author, along with Raimo, of a book on international-student recruitment.

"In the worst scenarios, it's as if the students are being auctioned off to the highest bidder," West said.

The instability of Webster's undergraduate population affects the character of the campus and the educational experience, some students said. When so many international students transfer out, they leave behind a smaller, more isolated group of peers navigating their final semesters.

Fewer First-Year Students Stayed at Webster

After several years of fall-to-spring retention rates near 90 percent, the university's main campus saw a steep drop from 2022 to 2024, the same period that its international population increased.



Note: Retention rate represents the fall-to-spring retention rate for first-time, first-year, full-time, degree-seeking students.

Source: Webster University's Office of Institutional Effectiveness • Created with [Datawrapper](#)

Muaz Mohammed arrived at Webster from India in 2022, just as the number of freshmen from abroad was growing rapidly. In 2021, among the first-time, full-time, degree-seeking freshmen at the St. Louis campus, 3 percent were not U.S. citizens. By 2024, that number grew to 46 percent.

At first, Mohammed was one of many South-Asian students in his class. Since then, he's watched the international-student population dwindle. His first-semester programming classes were packed with as many as 60 students, many of them international.

Now, some of the upper-level classes in the same major don't have enough students to be taught, and Mohammed said he is struggling to recruit enough students to lead the computer-science club after he graduates.

According to West, at Fresno State, Webster isn't the only university dealing with high transfer rates for international undergraduates. It's become such a common problem that the [U.S. Department of Homeland Security proposed a rule](#) in September that would require all international students to complete at least one year of their degree before they are allowed to transfer. (That rule would also impose fixed expiration dates on how long students are allowed to stay in the country, a change many education advocates oppose.)

Blazer, Webster's enrollment manager, echoed West's point about retention. "That actually is happening across the U.S., not just at Webster," she said. "I don't think it [has] anything to do with, 'Oh, Webster's easy to get a visa.'"

Dangol argues that Webster does stand out because of its reputation among many South Asian students as being the easiest path to a visa. "Everyone in Nepal applies through Webster University," he said.

Though Webster's financial turnaround shows initial promise, Keane, the president, said the university is making changes in how it recruits international students to try to fix the undergraduate-retention problems.

Keane hopes to move toward a "more surgical, more informed recruitment process" that aligns what Webster offers with what international students actually want. A better system wouldn't just "fill the pipeline," he said, but would "find students that are enthused about what it is that's different about Webster."

According to Thapa, Webster stopped working with InUni in October. Thapa said he didn't know why; the decision was made above his level.

Blazer would not confirm that Webster had cut ties with GUS, InUni's parent company, but said the university is continually evaluating its partnerships with recruitment companies and ends contracts with agencies that don't accurately represent Webster.

Keane acknowledged another potential barrier for Webster's strategy: The Trump administration is imposing fresh restrictions on international students' entry into the United States.

Amid the government's [added scrutiny](#), the number of new international students in the United States fell an estimated [17 percent](#) this fall. At Webster, the drop was more pronounced. More than 30 percent fewer international students are at the St. Louis campus this year: 1,808 compared to 2,646 last fall. The most substantial loss of international students was among [graduate students](#), who historically have nearly equaled the number of undergraduates at Webster.

Other measures indicate that international enrollment will continue to fall. [New data from the Common App](#) shows that fewer international undergraduates, especially those from India, are applying to U.S. institutions for the next academic year.

West, of Fresno State, said that going all in on international-student recruitment to the point that a university's budget depends on the income is risky for any institution, especially with the Trump administration's policies. "They're subject to the volatility of this environment where the readiness of this many students to come to Webster might not be the same one or two years down the line," he said.

Despite the headwinds, Keane said the university is doubling down on international enrollment. He hopes Webster can adapt

more easily than some peer institutions because the university's international reach gives it some flexibility. Students who have a hard time getting a U.S. visa could opt to study, for example, at Webster's Uzbekistan campus.

He is optimistic that the university's finances will continue to improve.

"If some of the policy changes that have cascading impacts on us don't hurt us dramatically, then I think we have a robust future," Keane said. "I think it's a bright horizon."

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