

# Financial Aid Policy

## **Mission of Carlisle School**

Carlisle School is an independent college preparatory school that provides a positive, safe environment for academic excellence and character development, while embracing diversity and preparing our students to become leaders as citizens in a global society.

## **Financial Aid Availability**

Financial aid is available to students in grades K-12 at Carlisle School.

## **Statement of Financial Aid Philosophy**

Carlisle School is committed to providing a quality education to qualified students who for financial reasons would otherwise be unable to attend the School. Carlisle's financial aid program is designed to help bridge the gap between what a family can contribute and what it actually costs to attend the School. Carlisle School offers financial aid on the basis of documented financial need of the family and the availability of school funds.

## **Need Based Financial Aid**

Financial Aid at Carlisle School is awarded based on a family's demonstrated financial need. The purpose of our financial aid program is to remove financial barriers. Carlisle School does not discriminate on the basis of race, color, creed, or national or ethnic origin in the administration of our financial aid program.

The issue of merit enters the financial aid process through the Admission process; only students accepted by the Admission Committee may be considered for financial aid awards. Applicants acceptable for admission and qualified for financial aid outnumber those whom we can afford to support. Although need is the first requirement for financial aid, the final selection of a new recipient is based on our evaluation of the student's overall performance in relation to the mission and needs of the school.

## **Financial Aid Priorities**

While being consistent with the school's mission and the purpose of financial aid, the administration of financial aid awards will be guided by the following priorities:

1. Applications from current financial aid recipients who complete all renewal requirements on time.
2. New applications from currently enrolled students, not receiving financial aid, who complete all application materials on time.
3. New applications from candidates for enrollment accepted by the Office of Admission, who complete all application materials on time.
4. New and renewal applications completed after the specified deadlines, provided there are funds available. Amounts awarded to this final group may be reduced as our budget nears exhaustion.

### **Administration of Financial Aid**

Within the Office of Admission, the Director of Financial Aid is responsible for:

- Accumulating and maintaining applications for financial aid and documentation related to the applications.
- Communicating with and assisting financial aid applicants, including final award notification letters.
- Recommending policy and procedures that support the financial aid program.
- Processing applications and computing a preliminary recommendation of applicant awards for the Financial Aid Committee.
- Maintaining records relating to financial aid awards.
- Producing and updating relevant admission and financial aid external publications (website, brochures, etc.).
- Providing the Development Office with information necessary to steward scholarship donors.

The Financial Aid Committee is responsible for review of financial aid award recommendations presented by the Director of Financial Aid and determining final awards. It is also responsible for adopting policy and procedural changes for the financial aid program.

### **Confidentiality**

Carlisle School will treat as confidential all financial information provided by families. Only those persons directly involved in the financial aid decision-making process or in its administration will review this information. All financial aid awards are confidential agreements between the recipient family and the school. The identity of all students on financial aid will be held in confidence and restricted to the smallest number of persons possible.

## **Expectations of Financial Aid Recipients**

Recipients of financial aid are expected to meet the same standards of performance as other students; they are not subject to special standards or other requirements that would suggest we treat them unequally. The Financial Aid Committee expects recipients to be active students who maintain an academic record commensurate with their abilities and remain in good standing in all aspects of our community.

In particular, families are expected to spend at least five hours doing volunteer work for the school at some point in the school year. Parents may serve on committees at the classroom, division, or schoolwide level to fulfill this commitment.

Normally, a family may expect that financial aid will continue throughout the student's enrollment. However, the Financial Aid Committee reserves the right to reduce or refuse financial aid renewal for a student who experiences academic or behavior difficulty. In addition, the Financial Aid Committee may withhold review of financial aid renewal if the family does not meet the contracted tuition payment deadlines. If tuition payment is not received prior to the required financial aid evaluation deadline, the student's space at Carlisle may be at risk and the subsequent financial aid award may be reduced or withdrawn.

## **Requirements for Demonstration of Need**

In applying for financial aid, families must submit the following:

- The Parents' Financial Statement (PFS) to SSS using the standard form (online or paper) *for both custodial and non-custodial parents.*
- All W-2 forms *for both custodial and non-custodial parents.*
- The most recent Federal Tax Return *for both custodial and non-custodial parents*, including all schedules.

We prefer that all documents be uploaded to the SSS web site, but we will accept paper copies mailed or delivered to the Office of Admission.

Because most awards will have been made before the annual tax deadline of April 15, we must emphasize that no award is final until Carlisle has received the most recent year's tax information and W-2 forms.

If the PFS is incomplete or appears to be non-representative of the family's financial situation, Carlisle reserves the right to re-compute the submitted information, request additional documentation to clarify the areas in question, or deny financial assistance. The family must state on the Parent Questionnaire and the PFS the dollar amount they are able to contribute to their child(ren)'s education.

## **Meeting Need**

Carlisle School will make every effort, to the extent permitted by its budget, to meet a significant portion of demonstrated need through financial aid awards.

Policies set by the Board of Trustees limit the Financial Aid Committee to maximum awards of 30% for kindergarten students, 60% for students in grades 1-5, and 70% for students in grades 6-12.

Families can expect that financial aid award levels will be consistent year-to-year as long as the financial need of the family remains the same, the application deadlines are met, and the financial aid resources of the school remain strong.

If the family's ability to contribute decreases, Carlisle will make every effort to raise the annual level of aid awarded. Likewise, if a family's financial situation improves greatly, the annual grant will be adjusted to reflect the positive gain.

### **Evaluating Need**

Carlisle School follows the guidelines of the National Association of Independent Schools (NAIS) Principles of Good Practice for Financial Aid Administration. Financial Aid decisions are based on a family's ability to finance their child's education based on the methodology of the School and Student Service for Financial Aid (SSS), a division of Educational Testing Service.

Within the limitations of its budget, and according to its own financial aid policies, Carlisle uses the SSS recommendation as a guideline in determining individual awards.

Carlisle School has adopted the following policies and computation guidelines:

### **Parental Obligation**

Recognizing that each family bears the primary responsibility for financing a student's education costs, Carlisle School holds the position that biological/legal parents, even if separated or divorced, retain the obligation to contribute to the education of their children. Expectations hold regardless of any legal agreements, including custody, pre-nuptial, alimony, or child support. In the case where a parent is "absent" or his/her parental rights have been terminated, the School must receive a statement to this effect from a lawyer, member of the clergy, school official or other third party for verification.

If a biological/legal parent has remarried, Carlisle will require all paperwork, including tax documents, from both individuals, bearing in mind the obligations the other individual might have to his or her natural children.

All forms will be sent to the custodial parent, and the custodial parent should forward them to the non-custodial parent. If the non-custodial parent refuses to

submit the necessary information to the Financial Aid Office, the application for aid may not be processed.

### **Unemployed or Under-employed Parents**

When a parent does not work and there are no preschool aged children at home, Carlisle School will impute an income for the non-working parent. The imputed income will be equal to the current year upper school day school tuition. If either parent returns to school and is not working, we will impute an income for that parent using this same standard.

An exception will be made if a parent is caring for a disabled or critically ill child, parent, or grandparent. Consideration will also be given for a parent who is homeschooling a child.

### **Multiple Tuition Charging Schools**

If one or more child in a family attends a tuition-charging institution, Carlisle requires that families apply for aid at each of the institutions their children attend. It is important to note that SSS computes the total funds available for education then divides that amount by the number of children attending tuition-charging schools. If one of the tuition charging schools has lower tuition, Carlisle expects that the additional funds are available for Carlisle tuition.

### **Student Assets**

Savings, investments, or other assets in a student's name are considered available resources for use in funding a student's education at Carlisle. When determining available resources, the students' assets will be equally distributed over their years at Carlisle, plus four years of college/university.

### **Other Financial Resources**

Any financial support that may be available beyond the parents' own income and assets must be reported on the PFS for consideration by the school. These include resources that might be expected from grandparents or other relatives, church funds, direct scholarship grants, etc. Identified funds will be included in the calculation of family contribution, decreasing the financial need of the student and therefore the amount of a Carlisle financial aid award.

### **Business and or Farm**

If either parent owns a business or farm, the business or farm should be listed as an asset on the PFS and the required schedules must be submitted with the Tax Return. Tax documents for partnerships and corporations are also required (Schedule K-1, Form 1065, Form 1120, or Form 1120S).

The Financial Aid Office reserves the right to request additional information, including but not limited to, cash flow statements, balance sheets, and any other information relevant to the business, if necessary to determine financial status.

Business losses and expenses that do not affect cash flow (such as depreciation and home office write-offs) may be disallowed when computing financial need.

Any adjustments in income as a result of these add-backs will be treated as non-taxable income.

### **Award Appeal Process**

In exceptional circumstances, an Appeal Committee consisting of officers of the Board of Trustees will consider appeals within the limitations of available funding. *Beginning with applications for the 2018-19 school year, a family may appeal a financial aid award one time during a student's time at Carlisle School.*

Appeals to this Committee must be made prior to the submission of a signed enrollment contract. All appeals must be made in writing with a full explanation of any mitigating circumstances or information not addressed during the initial process. Appeal letters must be delivered to the office of the Head of School. The Committee will review the appeal, and the Head's Office will notify families of the decision in writing.

### **NAIS Principles of Good Practice for Financial Aid Administration**

**Recognizing that each family bears the primary responsibility for financing a student's education costs, NAIS has designed its Principles of Good Practice for Financial Aid Administration to serve as guideposts in the development of professional policies and orderly procedures among schools. Through these principles, NAIS affirms its belief that the purpose of a financial aid program is to provide monetary assistance to those students who cannot afford the cost of attending an independent school. Furthermore, these principles reflect the standards of equity and fairness NAIS embraces and reassert NAIS's ongoing commitment to access and diversity.**

1. The school adheres to local, state, and federal laws and regulations that require non-discriminatory practice in the administration of its financial aid policies.
2. The school operates within the context of both short- and long-range financial aid budget and policy goals.
3. The school uses objective research to measure the effectiveness of its progress towards its goals, and communicates the outcomes as appropriate.
4. The school provides outreach, education, and guidance to students and families on all aspects of its financial aid process and options.
5. The school determines eligibility for admission without regard to a student's application for financial aid.

6. The school commits to providing financial aid dollars to applicants who demonstrate that their family resources are insufficient to meet all or part of the total educational costs.
7. The school continues to provide support to students as long as financial need is demonstrated.
8. The school maintains the same standards of behavior and academic performance for recipients of financial aid as it does for non-recipients.
9. The school enacts documented procedures that ensure a fair, consistent, and equitable assessment of each family's ability to contribute toward educational expenses.
10. The school makes and communicates financial aid decisions in a manner that allows families to make timely, careful, and fully-informed enrollment decisions.
11. The school establishes administrative and accounting procedures that distinguish the school's need-based financial aid program from tuition assistance programs that are not based on financial need.
12. The school safeguards the confidentiality of financial aid applications, records, and decisions.
13. The school supports collaboration between the financial aid office and other offices within the school.

*Revised and approved by the NAIS board in 2003.*