

Guide to Financing a Carroll Education

There are often resources available to finance a private education beyond an individual family's own immediate contribution and financial aid. There are alternatives ranging from direct loans, tax deductions, to more effective tax planning. Your understanding and pursuing the spectrum of financial solutions is crucial because Carroll is not able to meet 100% of our families' demonstrated need. Carroll is committed to helping parents find financing solutions for their child's education. However, it is also Carroll's expectation that parents needing financial aid will seek all possible sources of financial aid beyond Carroll School. To assist in making your child's education as affordable as possible, we suggest that families consult a financial advisor as part of the application and enrollment process.

A financial advisor can be critical resources in helping a family explore the myriad of techniques used by professional advisors to help their clients stretch their resources. In part, they are able to do this by incorporating a more holistic approach. Rather than looking at the next year or two, advisors can help develop a long term plan. Additionally, most families are able to claim their Carroll tuition as a medical tax deduction, and a tax accountant or financial advisor can ensure you take advantage of this opportunity.

Families may also want to investigate the possibility of a K-12 education loan, although the number of financial institutions extending this type of credit has dwindled significantly in recent years. One institution still extending K-12 loans is Your Tuition Solution (www.yourtutionsolution.com).

Carroll School's Financial Aid Process

For complete instructions on the application process, see page 4.

The process of determining Financial Aid awards is as follows:

1. Families complete admissions and financial aid application process.
2. A Reported Family Contribution amount is generated by the School and Student Service for Financial Aid (SSS) and is sent directly to Carroll School as well as to the families.
3. Families will receive a financial aid award agreement, which must be signed and returned in order to secure the award. The enrollment agreement and 10% tuition deposit will also need to

be received in order to secure the financial aid monies.

5. If any given family feels that the financial aid award will NOT be enough to complete enrollment, an appeal letter should be written and submitted to the financial aid committee, explaining the family's financial circumstances and the reason(s) for additional assistance.

6. Appeals will be reviewed in a timely fashion, and families can expect a response to their appeal within a month's time.

Family Dynamics & Exceptions

Financial Aid at Carroll School is determined by a family's ability to meet educational expenses. It is based on need, not on a willingness to pay. The position of Carroll is that divorced or separated parents retain the obligation to contribute to the education of their children whether or not there is a legal agreement between them to do so. If either natural parent remarries, we will take into consideration the obligations of the parent to his or her new family. We will include in the calculations the resources of the stepparent, bearing in mind the obligation of the stepparent to his or her own natural children.

Divorced or separated parents should complete the Parent Financial Statement (PFS) separately and send in their individual forms to SSS for processing. Carroll will receive both calculations and will be able to process the information for the individual student file.

The Financial Aid Committee may waive the requirement of financial information from the non-custodial parent and his or her spouse when the non-custodial parent's whereabouts are unknown, or when the non-custodial parent has given no financial support to the student for more than five years and has made no contact with him or her during this time.

Carroll expects parents, guardians, domestic partners and/or stepparents to play an appropriate role in financing a student's education. Any exception to this requirement must be appealed to the Financial Aid Committee in writing. Please send the documentation c/o:

Carroll School

Attn: Donna Brown

25 Baker Bridge Road

Lincoln, MA 01773-3199

Student Assets

Student assets are considered in the determination of financial need. For more information on how student assets are included in the process, please refer to the section *Computation of Need*. Regardless of the intended purpose of trust funds or other accounts, these funds are available to a family and should be included in the computation process. While it may not be possible for a family to tap into the principle of some trust or “college” funds, the existence of such funds should mean that more of the family’s current income is available for tuition. All student assets should be noted appropriately in the PFS.

Non-Working Parent

In terms of financing a child's education, Carroll School expects both adults to work if prohibitive circumstances do not exist. Financing school costs is the parents’ responsibility first and it is expected that reasonable sacrifices be made, limiting the indirect requests for the school to subsidize certain discretionary lifestyle choices families make. If a parent is voluntarily unemployed, an income will be imputed and the total family contribution will be recalculated. The imputed income will be determined by calculating the amount a person could earn working minimum wage (listed by the US Department of Labor), 40 hours a week for 50 weeks a year. Families may request an exemption by contacting Donna Brown, Accounting Manager. Acceptable reasons for exemption include age and/or disability of children, unemployed person's health or disability, or elderly parent care.

2012-2013 Financial Aid Application Instructions

Following is the procedure for applying for financial aid for the 2012-2013 school year:

1. Complete the Parents' Financial Statement (PFS) online at sss.nais.org by February 1, 2012. Supplemental materials should be submitted to SSS by February 15, 2012. The financial aid process at Carroll operates on a rolling basis after the first round of decisions in February; it is therefore in your best interest to complete your application and tax returns as soon as possible.

2. Send the following materials directly to SSS by February 15, 2012. The mailing address is SSS by NAIS, PO Box 449, Randolph, MA 02368 (also include coversheet from SSS website after submitting the PFS). To submit these documents online, go to the Manage Documents tab in the PFS Online.

- a. A **signed** copy of your 2011 Federal Income Tax Return, *including all schedules*.
- b. Copies of all W-2(s), 1099-MISC, and K-1(s).
- c. A signed, undated, Form 4506T-EZ *Short Form for Request for Individual Tax Return Transcripts*. Complete items 1-4 and sign, **do not date**, the form. For a joint return, both parents must sign. (This form can be found on the Carroll School Website)
- d. If you own a home(s), a copy of your most recent mortgage statement(s) or bill for all property reported in question #10. Mortgage statement(s) must show the monthly payment and the current balance of the mortgage.
- e. If you rent your home, a copy of your canceled rent checks from November and December 2011, or a copy of your lease.

For parents who are separated or divorced, the school requires EACH parent to complete a separate PFS.

The Financial Aid Committee will only consider applications that are complete. Incomplete applications will not be processed.

If you have any questions or concerns about the financial aid process, please contact Accounting Manager, Donna Brown, at 781-259-8342 x9735 or by email dbrown@carrollschool.org.