

Guide to Financing a Carroll Education

There are numerous resources available to finance a private education beyond an individual family's own immediate contribution and financial aid. In fact, there are many different resources potentially available to make the dream of a private education a reality. The alternatives range from direct loans and tax deductions to more effective tax planning.

Your understanding and pursuit of 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 seeking financial aid will explore all possible sources of financial aid both at The Carroll School and beyond. 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 a valuable resource to help families explore the myriad of techniques available to them to 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).

The 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 enrollment and financial aid application process (including the submission

of a 10% tuition deposit and signed enrollment agreement).

2. A Reported Family Contribution amount is generated by the School and Student Service for Financial Aid (SSS) and is sent directly to The Carroll School as well as to the families.
3. The Financial Aid Committee meets in mid to late March to review financial aid applications and to determine financial aid awards. Priority is given to returning families, and then secondarily to newly enrolling families.
4. Families will receive a financial aid award agreement, separate from enrollment documents, in the mail. This agreement must be signed and returned within 10 days in order to secure the award.
5. If any given family feels that the financial aid award will NOT be enough to complete enrollment, an appeal letter explaining the family's financial circumstances and the reason(s) for additional assistance should be written and submitted to the financial aid committee.
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 The 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 to:

The 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, The 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 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, 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.

2010-2011 Financial Aid Application Instructions

Following is the procedure for applying for financial aid for the 2010-2011 school year:

1. Complete the Parents' Financial Statement (PFS) online at www.sss.nais.org.

The first round of processing of the Financial Aid Committee will take place in mid March, and processing time is approximately two weeks; therefore families should submit this form promptly in order to be considered in the first round. **Materials should be submitted to SSS by March 1, 2010.** The second round of consideration will be in May, and applications received after March 1st will be considered at that time as funds are available.

2. Send the following materials directly to SSS by March 1, 2010. The mailing address is SSS by NAIS, PO Box 449, Randolph, MA 02368 (also include coversheet from SSS website after submitting the PFS).

- a. A **signed** copy of your 2009 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 4506-T *Request for Transcript of Tax Return*. Complete items 1-4 and sign, **do not date**, the form. For a joint return, both parents must sign.
- d. If you own a home, a copy of your most recent mortgage statement or bill for all property reported in questions 18 or 19. Mortgage statement(s) must show the monthly payment and the current balance of the mortgage.
- f. If you rent your home, a copy of your canceled rent checks from November and December 2009, 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 x3035 or by email dbrown@carrollschool.org.