



RUDOLF STEINER SCHOOL
NEW YORK CITY

RUDOLF STEINER SCHOOL

FINANCIAL AID POLICY MANUAL

2014-2015
SCHOOL YEAR

TABLE OF CONTENTS

I. FINANCIAL AID MISSION STATEMENT	3
II. FINANCIAL AID POLICY STATEMENT	3-4
III. FINANCIAL AID COMMITTEE	4
IV. FINANCIAL AID CALENDAR	5
V. NAIS PRINCIPLES OF GOOD PRACTICE	6
VI. KEY POINTS OF FINANCIAL AID ADMINISTRATION	7-8
VII. FINANCIAL AID BUDGET	9
VIII. RECORD KEEPING AND REPORTING	9
IX. HOW FINANCIAL AID IS AWARDED	10-11
X. HOUSEHOLD & FAMILY STRUCTURE POLICIES	11-12
XI. EMPLOYMENT AND WORK RELATED POLICIES	12
XII. ASSESSING NEED	13-14
XIII. REVIEW OF OTHER ASSETS	14-15
XIV. NON-FINANCIAL AID STUDENTS REQUIRING AID	15
XV. CONFIDENTIALITY	15
XVI. APPEALS PROCESS	15

**RUDOLF STEINER SCHOOL
FINANCIAL AID POLICY
2011-2012 SCHOOL YEAR**

I. FINANCIAL AID MISSION STATEMENT

Rudolf Steiner School (RSS) offers financial aid to enroll academically competitive students who could not otherwise afford to attend and to increase the socio-economic diversity of its student body. In the administration of its financial aid program, RSS admits students without regard to race, religion, national origin, gender, or sexual orientation. RSS' financial aid funds are reserved for families who have no other alternate sources of aid.

II. FINANCIAL AID POLICY STATEMENT

The financial aid policy set forth in this document has been approved by both the Administration and Board of Trustees. The purpose of this policy is to clearly define the various components related to the financial aid award decisions based on demonstrated need, and to ensure a transparent and disciplined process that will ensure these funds are distributed in the most equitable way to the students who demonstrate the greatest need.

All aid is awarded on the basis of financial need as demonstrated through the analysis of documents evaluated by a company named TADS. RSS reserves the right to request additional financial information at any time. There are presently no merit-based, athletic, or other non-need based scholarships awarded by RSS at this time (in the 12-13 school year), although the school is evaluating the possibility of doing so.

Financial aid is funded by general operating income. On principle, with the goal of achieving socio-economic diversity, the School has usually committed approximately 17-20% of its operating budget to financial aid. **As a result, at best, RSS is not always able to meet 100% of need that TADS recommends. In addition, the maximum award RSS is able to give may not exceed 80% of the total tuition for grades K-12.**

Example 1: The Smith family's tuition is \$30,000 for their child in the Upper School. The maximum award RSS will be able to award the Smith family is 80% of the tuition. Hence, the maximum award will be \$24,000 and the tuition to be paid will be \$6,000.

Example 2: TADS analysis shows the Smith family's demonstrated need is \$29,000 out of \$35,000 tuition, which would result in a 83% award. The maximum award RSS will be able to award the Smith family for their child is 80% of the tuition, or \$28,000.

Based on the 2013-2014 tuition levels, the following will be the maximum award that will be granted to a student based on 80% of total tuition:

1 st Grade Mixed	\$37,900 X 80% = a maximum award of \$30,320
1 st Grade Full	\$38,500 X 80% = a maximum award of \$30,800
Grades 2	\$38,500 X 80% = a maximum award of \$30,800
Grades 3-8	\$40,000 X 80% = a maximum award of \$32,000
Grades 9-12	\$41,200 X 80% = a maximum award of \$32,960

Due to the limitation of available funds, awards will be granted on a first-come, first-served basis. Aid is applied proportionately to the periodic tuition payments, but aid can be withdrawn if a family is not current in all payments to the School. In addition, the student must remain in good academic and behavioral standing in order to continue to receive aid. Expelled students may forfeit awards.

Priority in financial awards is determined to serve the overall goals of the School, but consideration is given to returning students and siblings. Admissions and financial aid decisions are not related. Admissions decisions are made prior to consideration of financial need.

Final decision is made by the Financial Aid Committee. Appeals can be made to the Committee within two weeks from the date of the decision letter, only if additional documentation is provided that warrants reconsideration.

III. FINANCIAL AID COMMITTEE

The Financial Aid Committee is a committee made up of RSS employees. The committee meets frequently during the financial aid season in order to review the information provided by TADS, based on the families' personal financial statements, and makes any adjustments to the calculated family contribution, based on the additional financial information provided in the Parent Confidential Form. The Committee then determines the award to be granted based on the available financial aid budget.

All communications regarding financial aid must be done through the Business Office.

Appeals must be submitted in writing to the Financial Aid Committee **within ten days from the date of the decision letter.** The Financial Aid Committee will review written appeals based on additional written documentation provided that it was not included in the original financial aid application. If there is no additional documentation, the request for an appeal will not be considered.

IV. FINANCIAL AID CALENDAR

10/01/2013	Financial aid renewal notices are emailed to returning families for the 2014-2015 academic year.
10/31/2013	RSS <u>Confidential Report</u> due to TADS for returning families.
10/31/2013	TADS Application is due. In addition, the following document must be submitted to TADS for returning families: -2012 Form 1040 tax forms along with corresponding W-2 and according schedules; business owners must also send business filing. -Signed tax form 4506-T.
12/05/2013	Approximate date that the 2014-2015 Financial Aid budget is set by the Finance Committee and approved by the Board of Trustees at the December Board meeting.
12/15/2013	Approximate date that 2014-2015 conditional Financial Aid award decisions begin to be rendered to all families by the Financial Aid Committee, with offer letters to those eligible.
12/31/13	All Financial Aid awards processing, including appeals, closed to returning families after this date.
1/15/2014	RSS <u>Confidential Report</u> due to RSS Business Office for new students applying to the school.
1/15/2014	TADS Application is due. In addition, the following document must be submitted to TADS for new students applying to the school: -2012 Form 1040 tax forms along with corresponding W-2 and according schedules; business owners must also send business filing. -Signed tax form 4506-T.
1/17/14	Approximate date 2014-2015 Enrollment Contracts begin to be mailed to returning families.
2/7/2014	Approximate date signed re-enrollment contracts due to RSS Business Office with a 15% deposit payment.
3/1/2014	2013 Tax filing information due for all families (returning and new) and the beginning of random auditing of financial aid correspondence submitted to the school.

****This calendar is subject to change at the sole discretion of the administration of the school.***

V. PRINCIPLES OF GOOD PRACTICE

Rudolf Steiner School's financial aid policies and practices shall be guided by the following National Association of Independent Schools (NAIS) principles of good practice.

The primary concern of independent schools must always be for the welfare of their current students and prospective students. The principles of good practice are in keeping with the commitment of NAIS to promote access and encourage diversity, as well as its belief that member schools should distribute financial aid funds based upon demonstrated financial need. These principles are intended to promote orderly and professional financial aid procedures.

1. In the administration of its financial aid program, RSS admits students without regard to race, religion, national origin, gender, or sexual orientation.
2. RSS shall strive through its publications and communications to provide students and families with factual information about the total yearly cost of attending its institution and about its aid opportunities, financing opportunities, policies and procedures.
3. RSS shall recognize that the primary responsibility for financing a student's independent school education rests with his or her family.
4. RSS shall use a uniform methodology to assess annually, in a consistent and equitable manner, each family's ability to pay for education.
5. RSS shall require adequate documentation of family resources when determining need.
6. RSS shall not use financial need as a consideration in determining a student's eligibility for admission.
7. RSS shall notify applicants of financial aid decisions after receipt of the signed enrollment contract and deposit.
8. RSS shall allow applicants sufficient time to select from the offers of financial aid from all the schools to which they have applied.
9. RSS shall make every effort to meet the demonstrated need of all admitted or enrolled financial aid applicants.
10. RSS shall not exceed in its offer of financial aid the amount needed to meet the difference between the resources determined to be available to the family and the student's total educational expenses.
11. RSS shall not set different standards of behavior and academic performance for its financial aid recipients.
12. RSS shall make every effort to continue to meet the demonstrated need of a student until graduation unless he or she no longer demonstrates need.
13. RSS shall have a review procedure for families who wish to request additional funding.

14. RSS shall refrain from and discourage others from making any public announcement of financial aid status or the amount of financial aid awarded to a student.
15. RSS shall safeguard the confidentiality of all financial information supplied by a family.

VI. KEY POINTS OF FINANCIAL AID ADMINISTRATION

1. In all cases, financial aid is to be used in support of the School's mission.
2. All RSS financial aid is need-based. Financial need is defined as the difference between what it costs to attend RSS and a family's ability to pay.
3. Financial aid is awarded on a first-come, first-served basis, based on the available financial aid budget. **Financial aid applications that are submitted after the deadline might not be considered.**
4. Each year families receiving financial aid must re-apply for the upcoming year and submit updated financial information in order to be considered for a new award. ALL OVERDUE BALANCES MUST BE SATISFIED TO BE CONSIDERED FOR FINANCIAL AID. **The amount of the award may vary from year to year as a result of the available budget and the family's ability to contribute toward tuition.**
5. **Grants of financial aid are not intended to cover 100% of the cost of tuition. All families are expected to contribute to the cost of their student's independent school education.**
6. Non-faculty/staff children are eligible for financial aid from grades 1 through 12.
7. Financial aid is intended for tuition and additional school related instruction (i.e. music lessons, tutoring) only. Financial aid is not awarded for other fees, School trips or School lunches.
8. The report from TADS regarding a family's capabilities is calculated by TADS, based on the information provided by the family on the TADS Application, and is reviewed by the Financial Aid Committee. This report serves only as a guideline in making financial aid decisions. This report does not bind RSS to any specific award. It is possible that the actual amount awarded by RSS will be less than the stated need as designated by TADS.
9. **The Financial Aid Committee makes awards only after a student is admitted to RSS.**
10. Families of students receiving financial aid are strongly encouraged to pay their portion of tuition through Sallie Mae (AMS). Please review their brochure for more information.
11. Each year all families who are receiving, or wish to receive financial aid, must provide signed copies of IRS Form 1040 with all schedules, signed IRS Form 4506, and

complete and submit the PFS by the deadline in order to be eligible for consideration for financial aid.

KEY POINTS OF FINANCIAL AID ADMINISTRATION (CONT'D)

- 12. The School reserves the right to request additional financial information at any time.**
13. Financial aid may be withheld from families or students who are not timely in completing the required financial aid forms, in paying account balances, or who are not meeting acceptable standards of academic performance or behavior that results in expulsion. Students receiving financial aid will not be held to a different behavioral or academic standard than other students who are not receiving financial aid.
- 14. RSS attempts to meet demonstrated need, but because of limited financial aid, funds typically meet only a portion of the need indicated by TADS. RSS is able to meet no more than 80% of the amount TADS recommends.**
- 15. The maximum award that RSS is able to give will not exceed 80% of total tuition.**
16. All members of the Financial Aid Committee will receive copies of this policy and the latest edition of the NAIS Handbook, Financial Aid Administration for Schools.
17. Financial Aid Committee members have attended a TADS workshop or webinar on best practices on administering financial aid.

VII. FINANCIAL AID BUDGET

Each year's financial aid budget will be developed through a process involving the Business Office, Admissions Office, Financial Aid Committee, and the Finance Committee.

The final budget for all School revenue and expenditures will be consolidated and prepared by the Finance Committee of The Board of Trustees and submitted to the full Board for approval.

The financial aid budget for the 2013-2014 School year is equal to roughly 17-20% of the gross tuition revenue and is subject to change only upon approval from the Board of Trustees.

VIII. RECORD KEEPING AND REPORTING

The Financial Aid Committee shall maintain complete records relating to formal financial aid requests and the School's response. This information will be retrievable by grade level, division, in dollars and percentages by gender, ethnicity, income or other characteristics as required by The National Association of Independent Schools (NAIS). Records will also be compiled in such a way as to provide information which identifies the number of families receiving aid and those who do not by the aforementioned classifications, where applicable. Records will also provide information showing the number and percentage of families applying and qualifying for financial aid who cannot be accommodated due to a lack of financial aid funds and those families who decline such aid as is offered.

This information plus any other that the committee deems appropriate will be compiled in such a way as to be readily retrievable for the purpose of evaluating and reporting the use of financial aid funds and in determining how financial aid supports the School's mission. Each year the Finance Committee shall provide key statistical data to the Board of Trustees reflecting fund use and mission appropriateness. **All financial aid information is held in the Business Office as highly confidential.**

IX. HOW FINANCIAL AID IS AWARDED

RSS is a member of TADS which assists independent schools in determining a family's financial need. The family contribution report is computed by TADS and sent to RSS (and to the family if they so request). The contribution report provides the School with a general assessment of a family's ability to pay for education.

Important Notes:

1. **The contribution report is reviewed by the Financial Aid Committee and serves only as a guideline in making financial aid decisions.**
2. **The contribution report does not bind RSS to any specific award.**
3. **It is possible that the actual amount awarded by RSS will be less than the stated need as designated by TADS.**
4. **The Financial Aid Committee makes awards only after a student is admitted to RSS.**

Financial need is defined as the difference between what it costs to attend RSS and a family's ability to pay. Major factors in determining financial need include, but are not limited to, income, assets (including home equity, college funds, and investments), family size, and the number of children attending tuition-charging institutions, excluding daycare, preschool, and graduate school.

The family of a student currently enrolled, must complete the TADS Application online at <http://www.tads.com/>. TADS supports RSS' green initiatives to reduce the amount of paper used in the school's administration. TADS will also mail a paper copy of the application for families to fill out. You must contract TADS directly to request the application as RSS does not keep a supply at the school. TADS will provide specific instructions about how to submit a paper application. **The TADS Application must be completed by October 31, 2012; all additionally required information must also be submitted to TADS by then.** Parents of the prospective student will do this by no later than **January 15, 2013**.

For an application to be considered complete, you must submit RSS' Confidential Report form to TADS. In addition, you must also submit to TADS, signed copies of the last tax deadline's Federal Tax Return and the student's Tax Return (if applicable), including all schedules and IRS Form 4506 (Request for Copy of Transcript of Tax) by the financial aid deadline. Upon review, certain other documents, including other tax returns, schedules or trusts may be required in order to fairly determine need.

The financial aid award will be awarded contingent upon complete cooperation from the families providing all information required by the School to determine their need for financial aid. All families will be subjected to an audit conducted by the school, prior to the finalization of any financial aid award. To comply, all families must file the 2012 taxes by no later than **March 1, 2013** and will submit copies of the 2011 tax returns and all schedules or business tax returns and schedules (if applicant is a principal) by this deadline.

In deference to students who have been waitlisted for financial aid, families to whom financial assistance is awarded are expected to accept or decline the award within two weeks from the date of the decision letter. In the event the family fails to comply with this

and other reasonable requirements, the Financial Aid Committee reserves the right to award the assistance to an alternate candidate.

X. HOUSEHOLD AND FAMILY STRUCTURE POLICIES

It is our belief that it is the family's primary responsibility to pay for an independent school education. Below are the financial aid policies related to specific family situations that may impact the financial aid committee's determination of the family's ability to contribute to the student's independent school education.

Policies for Divorced/Separated Parents

Each situation is unique and will be handled on an individual basis. In dealing with divorced or separated parents, the goal of the Financial Aid Committee is to obtain as much information as possible from both parties, as well as from the spouses of either or both. **All forms will be sent to the custodial parent** and the custodial parent should then forward forms to the non-custodial parent. This will avoid embarrassment for both the parent and the School. In subsequent years, non-custodial parents may request that the Financial Aid Committee send the forms directly to them. This will be handled on a case-by-case basis. The same documentation is required of both parents. If a non-custodial parent refuses to comply, the Financial Aid Committee will determine if the family would be considered for financial aid.

The following policies apply to divorced/separated situations:

1. Both the custodial and non-custodial parent must complete the TADS application.
2. The non-custodial parent will be required to submit copies of his or her 1040 with all schedules, W-2's, a signed form 4506, and Business Form with appropriate tax returns, if applicable.
3. If the non-custodial parent refuses to submit the necessary information to the Financial Aid Committee, the application for financial aid **may not be processed**.
4. If the custodial parent is not in communication with the non-custodial parent, forms *may not* be required from the non-custodial parent. A letter of verification from an independent party (minister, attorney, social worker, etc.) will be required for documentation and should be submitted to TADS.
5. A copy of the divorce decree is required and must be submitted directly to TADS.
6. RSS reserves the right to review each situation on a case-by-case basis.

Couples Living Together but Not Married

In situations where couples are living together but not married, RSS requires complete financial information from both parties. If the child is from a former marriage of either party, forms will still be required from the non-custodial parent, if applicable.

Children Living With Other Relatives

Children who are living with grandparents or other relatives will be reviewed on a case-by-case basis. If parents are still living and are claiming the child on their tax return, the parents must complete financial aid forms. If other family members have legal custody, forms will be required of the custodian, using his/her financial information, along with proof of custody.

If the custodian of a child is an organization, a determination will be made as to how financial information will be obtained.

Other Relatives Living in Custodial Household

Relatives living in the custodial household who contribute to the household finances will be required to complete financial aid forms. Household expenses of the custodian that are mitigated by contributions of a relative living in the household will be taken into consideration when reviewing the family's ability to contribute to the child's private school education.

Grandparents

As noted above, it is the family's primary responsibility to pay for an independent school education. This financial obligation may extend to the grandparents whenever possible. It is the School's expectation that a family with financial means through support by its extended family utilize that financial support for education expenses before applying for financial aid.

XI. EMPLOYMENT AND WORK RELATED POLICIES

Self Employed Parents

All parents who own a business will be required to furnish a copy of their current business tax return. They must file a Schedule C or C-EZ with their Tax Return. They must submit this schedule to TADS. TADS may require additional information to assist with processing an application, such as cash flow statements, balance sheets, and any other information relevant to the business.

Parents Who Do Not Work

When one parent does not work and there are no pre-school children at home we will impute a minimum annual salary of \$15,000. Many families sacrifice in order to make independent school education a top priority.

An exception will be made if the parents are caring for a disabled or critically ill child or relative. Consideration will also be given for the parent that is home-schooling their other children.

XII. ASSESSING NEED

In order to fairly evaluate a family's need for financial aid, we must carefully review the TADS' analysis, copies of tax returns, along with all accompanying schedules and attachments for the year upon which the needs-analysis is based.

The returns and schedules are used to verify actual line items from the tax returns that are included on the TADS Application and provide clearer understanding of the family's financial condition.

The student's tax return (if any) shall also be required. The student's tax return shows the student's earned income as well as income from other sources such as trusts.

The School's analysis of need is supported by TADS' calculations which may be based on financial information that is from earlier in the year. Changes in the family's ability to contribute may have occurred which require current information in order to more fairly determine need. Changes may include loss or gain of employment, a death in the family or other event with significant financial impact. These changes should be brought to the Financial Aid Committee, and the level of need may be adjusted accordingly. Please note that the school will also conduct a random audit of a finite percentage of all applicants to assist with this process.

No financial aid can be awarded or finalized until all requested materials are received.

Points to Consider:

Depreciation

Depreciation shown on a schedule does not reflect an actual cash disbursement or loss.

Depreciation (or Loss) shown for a rental property or small business--which is not the primary source of family income-might result in adjusting income upward for purposes of determining the family's ability to pay.

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

Depreciation of non-real estate assets such as machinery and equipment used in a business which is the primary income source for the family reflect the necessary provision for replacement and will not result in income adjustment.

Late Filing

When a family is filing their tax return late, they are required to submit by the next tax filing deadline IRS Form 4868 - Request For Automatic Extension. This form contains an estimate of income and taxes due. Late filers are required to submit a copy of Form 4868 to RSS. In addition, the school will require a copy of the last filed tax return. The school reserves the right to amend any award in which there is a significant difference in income between the last filed tax return and the present one, regardless of when the most current return is filed.

ASSESSING NEED (CONT'D)

Officer Shareholder Loans & Business Evaluation

Loans to officers or shareholders of a business are not considered income for tax purposes but do represent cash available to the recipients. IRS Form 1120S - Sub Chapter S Corporation and IRS Form 1065 Partnership Return, (both with schedules and attachments) can provide useful information for determining the financial strength of the business. It may be helpful to review the company's balance sheet and operating statement as well.

By carefully analyzing and evaluating the information on the tax return, and related schedules and documents, we can more nearly ascertain the flow of disposable cash or income available to the family and more accurately determine level of need.

Stock Options

Family members who hold options to purchase shares at below market prices may purchase, then sell shares, thereby producing income or in some instances, use options to collateralize loans to fund education costs.

XIII. REVIEW OF OTHER ASSETS

Good stewardship of those funds available for financial aid requires our close scrutiny and best effort to assure proper use.

Retirement Funds

When reviewing those financial assets of a family which are shown as savings or investments for retirement, we evaluate need with consideration for the parent's age, current lifestyle and reasonable retirement requirements as well as future potential for retirement savings. An overly aggressive savings effort which results in a request for financial aid might not be a fair and appropriate use of financial aid resources. Recalculation based on adjustments in income or net worth may be appropriate.

Home Equity

The TADS Application takes into consideration the equity that a family has in a primary residence as well as other assets when rendering a family contribution report. It is not our intent to cause parents to sell their home in order to support a child's costs of education. However, a family that has chosen to direct income toward the acquisition of certain assets rather than toward the costs of education may be expected to direct a larger portion of current income towards educational expense, reflecting their greater financial strength.

REVIEW OF OTHER ASSETS (CONT'D)

Trust Funds

If the family's tax return shows income or interest from a trust, or gains on the sale of trust assets, or their appreciation in value, RSS will request a copy of the trust agreement for further review of these assets.

Trusts are administered by a trustee and will have specific terms controlling the disbursement of trust income or assets. Many trusts, however, provide the trustee with reasonable discretion in disbursing trust funds for certain essential purposes. With information gained from a review of the Trust Agreement or from discussion with the trustee, appropriate decisions can be made regarding valuation of the trust in the analysis of the family's overall financial condition and ability to pay. Detailed information regarding trust holdings may also be obtained by requesting a copy of the trust tax return (IRS Form 1041).

XIV. NON-FINANCIAL AID STUDENTS REQUIRING FINANCIAL AID

Every reasonable effort will be made to retain students whose families encounter financial difficulty. If the need for financial aid results from short-term unemployment or illness, with good prospects for re-employment or recovery, emergency aid might be made available to help this family.

If the change in the family's financial condition is more permanent, then their request for financial aid may be treated as a request for a financial aid grant and processed accordingly. If the request is caused by a divorce an appropriate evaluation of the two households' ability to contribute will be made and level of need determined.

XV. CONFIDENTIALITY

Rudolf Steiner School will treat as highly confidential all financial information provided by families. This information will be reviewed only by those persons directly involved in the financial aid decision making process or in its administration.

XVI. APPEALS

Appeals must be submitted in writing to the Business Office to the attention of the Financial Aid Committee within two weeks of notification. The Financial Aid Committee will review written appeals based on additional written documentation provided that it was not included in the original financial aid application. **IMPORTANT NOTE: If there is no additional documentation, the request for an appeal will not be considered.**