

RUDOLF STEINER SCHOOL TUITION ASSISTANCE POLICY

TUITION ASSISTANCE MISSION STATEMENT

Rudolf Steiner School (RSS) offers tuition assistance to enroll students in line with the school's mission who could not otherwise afford to attend and to increase the socio-economic diversity of its student body. As a matter of policy, RSS admits students without regard to race, religion, national origin, gender, or sexual orientation. RSS' tuition assistance funds are reserved for families who have no other alternative sources of aid.

TUITION ASSISTANCE POLICY STATEMENT

All aid is awarded on the basis of financial need as demonstrated through the analysis of documents evaluated by an independent company named TADS. RSS reserves the right to request additional financial information at any time. To qualify for any of the few scholarships currently awarded by RSS, families must qualify for tuition assistance of at least 60%.

The National Association of Independent Schools (NAIS) Principles of Good Practice for Financial Aid Administration asserts that "each family bears the primary responsibility for financing a student's education costs" and "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." The School believes that all families, regardless of their individual situation, must contribute financially to their child or children's education. While a Tuition Assistance award may make it possible for a child to attend, it will also require families to carefully plan, budget and sacrifice in order to demonstrate that School tuition is a financial priority.

Families requesting Financial Aid must be prepared to make lifestyle sacrifices when they request support from the School. Part of our review of applications for Aid will include a thorough consideration of each family's financial choices with regard to discretionary income. If the Tuition Assistance Committee believes these choices are not in keeping with making the Rudolf Steiner School a financial priority for tuition, the School reserves the right to refuse to consider an application for Aid, or to decrease the amount of an award that might otherwise be provided.

Tuition assistance awards are based on the recommendations of TADS. Tuition assistance is funded by general operating income. With the goal of achieving socio-economic diversity, the School aims to commit 17-20% of its operating budget to tuition assistance. RSS is not always able to meet 100% of the 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.

Aid is applied proportionately to the periodic tuition payments, but can be withdrawn if a family is not current in all payments to the School. Students must meet the academic and behavioral standards set by the school for all students. Expelled students may forfeit awards.

Priority in financial awards is given to returning students and siblings. Once awards for returning families have been established, those for new families will be considered. Awards will be made until all budgeted funds have been allocated for the following school year.

Final decisions regarding awards are made by the Tuition Assistance Committee. Appeals may be made to the committee within two weeks of the date of a granted award. Written appeals will be reviewed on the basis of additional written documentation not provided in the original application. Without additional documentation an appeal may not be considered.

TUITION ASSISTANCE COMMITTEE

The Tuition assistance Committee is a committee made up of RSS employees. The committee meets 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 tuition assistance budget.

PRINCIPLES OF GOOD PRACTICE

Rudolf Steiner School's tuition assistance 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 tuition assistance funds based upon demonstrated financial need. These principles are intended to promote orderly and professional tuition assistance procedures.

APPLYING FOR TUITION ASSISTANCE

To apply for tuition assistance, applications must be submitted online to TADS at <http://www.tads.com/>. Applications for returning families are due by October 31. Applications for newly enrolling families are due by January 15.

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 year'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 tuition assistance deadline. Upon review, certain other documents, including other tax returns, schedules or trusts may be required in order to fairly determine need. The school will only review documentation submitted to TADS. For information security reasons, RSS will shred any hard copies of documentation submitted directly to school, unless the school specifically requests it.

Tuition Assistance will be awarded contingent upon complete cooperation from the families providing all information required by the School to determine their need for tuition assistance. All families may be subjected to an audit conducted by the school, prior to the finalization of any

tuition assistance award. All families must file the most recent tax returns no later than March 1 for awards to be granted in the subsequent school year.

Returning families to whom financial assistance is awarded are expected to accept or decline the award within two weeks of the date of the decision letter. In the event the family fails to comply with this, the Tuition Assistance Committee reserves the right to auto-accept the award on behalf of the family and issue an enrollment contract with an according award. In addition, the committee reserves the right to award the assistance to an alternate candidate.

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 tuition assistance policies related to specific family situations that may impact the Tuition Assistance Committee's determination of the family's ability to contribute to the student's independent school education.

Policies for Divorced/Separated Parents

In dealing with divorced or separated parents, the goal of the Tuition Assistance Committee is to obtain as much information as possible from both parties, as well as from the spouses of either or both. The custodial parent is responsible for ensuring that non-custodial parents access and submit all necessary forms and documentation to TADS. In subsequent years, non-custodial parents may request that the Tuition assistance 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 Tuition Assistance Committee will determine if the family will be considered for tuition assistance and the base award will not exceed 50% of tuition.

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 tuition assistance 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 tuition assistance 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 primarily the family's 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 tuition assistance.

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 \$25,000. 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 who is home-schooling their other children. Consideration will be given to situations involving disabilities and their impact on the ability to work.

Sometimes families will make a decision to decrease the family income voluntarily (e.g., one parent returns to school, leaves work to pursue a less lucrative career or become self-employed, parent opts to invest in a business venture, etc.). RSS will not fund those decisions and, in most cases, RSS will continue to impute an income level equivalent to the prior level. Voluntary family income decreases will receive lowest priority for additional funding. Unpaid leave or termination of employment following the birth of another child, a major illness, disability, etc., will not be considered a 'voluntary' decrease in income. (See note about income added for unemployed parents.) Unemployment income will be considered in aid calculations and must be included on application forms. In the case of the ongoing unemployment of a parent, the parent may be asked to demonstrate the active search for reasonable employment.

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.

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 be asked to purchase and sell shares, thereby producing income or, in some instances, to use options to collateralize loans to fund tuition.

Retirement Funds

When reviewing those financial assets of a family that 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. Supporting an aggressive savings effort that results in a request for tuition assistance is not a fair and appropriate use of tuition assistance resources.

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.

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 may 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).

NON-TUITION ASSISTANCE STUDENTS REQUIRING TUITION ASSISTANCE

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

If the change in the family's financial condition is more permanent, then their request for tuition assistance may be treated as a request for a tuition assistance 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.

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 tuition assistance decision making process or in its administration.

TUITION ASSISTANCE CALENDAR

10/01 Tuition assistance renewal notices are emailed to returning families for the next academic year.

10/31 TADS Application is due for returning families including the RSS confidential form and all necessary documentation.

12/05 Approximate date that the next school year Tuition assistance budget is set by the Finance Committee and approved by the Board of Trustees.

12/15 Approximate date that conditional Tuition assistance award decisions are rendered to returning families.

12/31 All Tuition assistance awards processing, including appeals, closed to returning families after this date.

1/15 TADS Application, including the RSS confidential form and all necessary documentation, is due for prospective families applying for aid.

1/17 Approximate date Enrollment Contracts are provided to returning families.

2/7 Approximate date signed re-enrollment contracts due to RSS Business Office with a 15% deposit payment.

3/1 2013 Tax filing information due for all families (returning and new) and the beginning of random auditing of tuition assistance correspondence submitted to the school.

3/30 Conclusion of tuition assistance audits conducted by the school.