

## Financial Aid FAQs

*Should my family consider applying for financial aid – is there an easy way to determine if we'll be eligible?*

In general, the school encourages families to apply if they have concerns about their ability to afford full tuition. Frustrating though it may be, it is not possible to generalize either about an income cut-off or the amount of assistance a family might expect. The formula used to calculate a family's ability to pay is complex and considers many factors. The school utilizes a third party, the School and Student Service for Financial Aid (SSS) of Princeton, New Jersey, for this reason in the determination of eligibility for financial aid. Applications are submitted online directly by the family to SSS and SSS provides recommendations to the school regarding a family's ability to afford tuition based on these submissions. Families who qualified for and received financial aid in previous academic years must re-qualify annually. Families who elect not to submit financial aid forms through SSS will automatically be set at full tuition for each student's grade level.

*What components define eligibility for financial aid?*

Each family's financial situation is considered thoroughly and confidentially to ensure attention to special circumstances.

**Income** – If two parents reside in separate households, the income of both households are considered in the calculation. Both custodial and non-custodial parents (regardless of legal settlements) are required to submit the Parents' Financial Statement. Lack of information from either parent will prevent determination of eligibility.

**Assets** – If a family has major assets and/or investments, an income supplement may be added to gross income in calculating the amount that families can pay.

**Family size** – Living allowance estimates take into account the number of people in the students' household(s) and base estimated housing, food, etc. on this number. Income is adjusted by these expenses to calculate the available discretionary income.

**Unusual expenses** – The formula for determining eligibility takes into account certain unusual expenses such as the care of an aging grandparent, parent educational loan payments, parent starting new business, etc.

**Other discretionary costs** – The formula expects a family to allocate to tuition only a portion of funds available for discretionary spending.

Your financial need is the result of the tuition costs at the school minus your (calculated by SSS) family contribution. If that calculation shows need (tuition costs are greater than your ability to contribute), you are eligible for an award. However, it is critical to understand that being eligible is no guarantee that the school is able or obligated to give you a grant.

*Where does funding for financial aid come from – SSS?*

It is a common misconception that the funds to cover AWS' financial aid come from SSS – or from the government or an endowment fund restricted for this purpose. SSS is an organization used strictly to determine eligibility in the most objective manner available to the school. SSS provides no funding for financial aid to our school. AWS budgets for the fact that a percentage of our annual tuition revenues will be reduced for families who are unable to afford full tuition and occasionally makes use of donations which are restricted for this purpose.

*Does applying for financial aid require anything more than filing the application with SSS?*

Yes. It is important to notify the business office that you have applied for financial aid by returning the **Financial Aid Request Form** (available on the school's website) to the school. If the SSS results are not received by the school at the time the enrollment contract is sent out, the request form will notify the business office that we should hold the contract pending SSS results. If you own a business or farm you must complete the business/farm section of the Parents' Financial Statement. Finally, everyone who receives a financial aid award must submit a copy of their tax return. For the 2019-2020 school year, you must submit a copy of your 2018 tax return by the due date of April 15<sup>th</sup>. **Any financial aid awarded on an enrollment contract is contingent based on substantiation of your SSS application figures by your**

**tax return.** If the numbers reported on your SSS application substantially differ from the tax return, your financial aid award may be revised or even revoked.

*What if we are not required to file with the IRS or have been granted an extension of time to file our tax return with the IRS?*

AWS uses your tax return to substantiate the information you provide on the SSS Parent Financial Statement. It is a requirement of our policy in order to qualify for assistance. The IRS' willingness to waive your requirement to file or to grant an extension to file has no bearing on AWS' financial aid application process. Many schools do not grant any financial aid award without receipt of the parents' tax return. Because SSS' system is able to estimate your taxes based on your income for purposes of making a preliminary recommendation, AWS will make a preliminary award on re-enrollment contracts based on estimated taxes. However, our deadline to submit your tax return is April 15<sup>th</sup> and your application is not complete and your award final until we receive your return. **We reserve the right to revoke a financial aid award that has not been substantiated with a tax return by the deadline.**

*What if I'm divorced and my "ex" is not in touch with us or doesn't want to fill out the forms?*

Because the need-based aid process is centered on the parents' ability to pay, not their willingness to pay, we typically do not exempt an unwilling parent from filing an application without an understanding of the extenuating circumstances. If you have reason to believe that it will not be possible for both parents to submit applications, you should contact the school to explain the situation and be prepared to provide documentation, if possible.

*Why is the amount of taxable income used by SSS to calculate my family's ability to contribute to tuition different from the amount of taxable income on my tax return?*

Again, AWS uses your tax return only for the purposes of substantiating what you reported on the SSS Parent Financial Statement. It is the SSS calculation of your family's ability to contribute to tuition expense that provides the foundation for distribution of assistance. SSS currently serves over 1,900 schools and has been providing these services for over 40 years. We trust that they provide a consistent and balanced system to distribute financial aid. Some allowable deductions to your taxable income have no impact on your SSS calculation, while SSS factors in expenditures that impact your ability to contribute to tuition - but which the IRS does not consider deductible for tax purposes.

*When will we find out the tuition determination for our family?*

The amount of the financial aid award and tuition amount to be paid to the school is indicated on the enrollment contract. In the event that a family is not eligible for financial aid, the business office will notify the family to expect a full-tuition enrollment contract.

*Does AWS take into account what I pay for tuition for children not enrolled at AWS?*

The SSS Parent Financial Statement asks about all of your children, where they go to school, and how much you pay for their schooling. When reporting how much you pay to send your children to school (public/private K-12 or college), be sure to include all tuition/fees costs, not just those associated with your AWS students. Occasionally, we will request that you provide documentation of the amount you pay to other schools to substantiate your award.

*What happens if I need financial aid but missed the financial aid application deadline?*

You will most likely find that the school has already utilized the bulk of its budget on those applicant families who applied by the deadline. However, occasionally additional financial aid dollars become available and you will not be considered eligible if you have not submitted a completed application. I would advise you to apply if you need assistance – even if assistance is not currently available. However, if a full tuition enrollment contract is issued, it is important to understand that it is a legal document. **You should never execute an enrollment contract if you are unable to pay the stated amount of tuition.** We recommend that you telephone the business office to discuss what options may still be available to you for financial aid.

*Will our tuition reduction equal the amount of financial aid our SSS report indicates we're eligible to receive?*

Unfortunately, it probably will not. In a given year, the amount of demonstrated financial need among AWS families typically far exceeds the school's budget for financial aid. We look first at a family's need as determined by the SSS report. However, we also have internal eligibility limits that we apply. Our financial aid grants apply only to tuition and do not cover fees. We also apply a maximum of 60% of tuition we will discount, regardless of the SSS determination. Finally, once we've determined the maximum assistance our families *could* receive based on both our internal standards and those of SSS, *if* we had the ability to fund all of that need, we then allocate our limited financial aid budget across all qualified applicants.

*What if we received a financial award but still don't think we can pay the amount of tuition and fees required?*

Please phone the business office to discuss your situation before making a financial commitment you cannot fulfill – or making a decision to leave the school for financial reasons.

*If we are new to AWS, will our financial aid application influence the likelihood of acceptance to the school?*

The financial aid process is separate from the admissions process. Your application for financial aid will not impact your student's acceptance to the school. However, it is important to understand that, due to the need for assistance in our community, **we cannot allocate financial aid awards to students until such time as they have been accepted and offered an enrollment contract.** Unfortunately, sometimes the school utilizes its entire financial aid budget early in the spring. This means that we may not be able to offer tuition assistance, even if you applied prior to the deadline. In this situation, we may inquire about your need for assistance before scheduling an interview and/or student visit. The admissions and financial aid application processes require an investment of time and resources that can be stressful for children and parents. We do not want applicant families to devote those resources if enrollment is out of reach for a family without the availability of assistance from the school.

*Does financial aid continue throughout a student's years at AWS?*

Families must reapply annually. However, provided family circumstances remain the same and the school's resources can continue to support financial aid need, priority consideration is given to currently enrolled families provided they meet all submission/decision deadlines.