



## POLICIES

### GOAL

The goal of the Tuition Assistance Program is to provide access to Park for children from families of a variety of financial and economic backgrounds. Park has never wanted the cost of education to interfere with the ability of a student to attend our school. Since the primary responsibility for financing education rests with the family, all families are expected to make a contribution toward the cost of their child's education at Park. However, to provide greater access and inclusivity, Park strives to bridge the gap that might exist between what families can afford to pay and the actual cost of a Park School education.

Park seeks to work in partnership with families regarding the Tuition Assistance Program. Our hope is that through honest and on-going dialogue, the needs of both families and Park will be well served by this program.

### OBJECTIVES

- As a leading independent school, we seek to enroll students who have distinctive academic talents, personal strengths, and potential to develop and contribute in a variety of ways to the Park community.
- As a school whose educational purposes require a rich variety of perspectives and viewpoints, we seek to enroll students with varied backgrounds and life experiences.
- As a school with a prominent role in the Baltimore educational community, we seek to financially support students coming from a variety of schools and programs, including charter, public, and religious schools.
- As a school committed to its enrolled students, we seek to continue to provide tuition assistance to currently funded students as long as financial need is shown each year; and to open the application process to other enrolled families, as needed.
- As a school in a competitive marketplace, we seek to provide tuition assistance to newly accepted students who help us meet enrollment goals.

### ELIGIBILITY

Park School's Tuition Assistance Program accepts applications for students enrolling in Second-Year Kindergarten through Grade 12. Funding for Second-Year Kindergarten is limited and assessed as we consider the overall budget and enrollment needs of the school.

Tuition Assistance funding for students who have enrolled without the use of tuition assistance is highly limited. **It is important to understand that our program is budgeted on a multi-year basis according to current participation and planned new enrollment.** Therefore, families enrolling at Park without the use of tuition assistance are expected to contribute at full tuition amounts in subsequent years. In the case of a change in family circumstances, including enrolling additional children at Park, or any other school requiring tuition, families may apply for tuition assistance consideration. Tuition Assistance funding under these conditions is limited and assessed according to the overall budget and tuition assistance needs at the student's grade level.

## PRIORITIES FOR FUNDING

Available tuition assistance funds are allocated first to currently funded students.

Next, the school considers the needs of both enrolled families who are seeking funding for the first time and newly accepted families together as we attempt to meet the objectives of the tuition assistance program.

All newly accepted students, including siblings of currently enrolled students and children of alumni, have equal standing for tuition assistance consideration.

## CONFIDENTIALITY

The Park School safeguards the confidentiality of all financial information supplied by applicants. Furthermore, the school does not publicly identify participants in the program, except to the extent that parents voluntarily agree to be identified (i.e. Tuition Assistance Ambassadors, event volunteers, etc.) or when parents accept a named award on behalf of their child which requires public recognition or acknowledgement (i.e. Malone Scholar, Acworth Scholar, etc.).

Information about a family's participation in the Tuition Assistance Program may be shared with school division principals and/or program administrators for the purpose of supporting the needs of students during the school year. Such information is shared only on an as-needed basis.

## RESPONSIBILITIES

### SCHOOL RESPONSIBILITIES

- To adhere to the National Association of Independent Schools' *Principles of Good Practice for Financial Aid Administration* available at [www.nais.org](http://www.nais.org).
- To ensure separate and distinct admission and tuition assistance processes. Park determines eligibility for admission prior to determining a tuition assistance decision.
- To measure the effectiveness of our progress toward the goals and objectives of this program.
- To strive for transparency and clear communication regarding policies, responsibilities, procedures, and guidelines.
- To make available tuition assistance application materials annually, in the late fall, to families currently participating in the Tuition Assistance Program.
- To make available application materials upon request to current and applicant families who wish to apply to the program.
- To answer questions and provide assistance with completing forms, including the technology required to submit the online portion of the application.
- To consider additional financial support for expenses such as fees, transportation, after school extended day, and books when requested by a family.
- To communicate to families how to apply for school trip funding and other auxiliary school expenses.

## PARENT RESPONSIBILITIES

### First-Time Tuition Assistance Applicants:

- To request application materials from the Admission Office and to schedule a meeting with the Director of Enrollment Management and Tuition Assistance (*currently enrolled families who intend to apply for tuition assistance for the first time*).
- To indicate the intention to apply for tuition assistance by informing the Admission Office at the time of application (*families applying for admission*).

### All Tuition Assistance Applicants and Program Participants:

- To complete the tuition assistance application process thoroughly, meeting all deadlines.
- To complete the tuition assistance application process annually to remain eligible for tuition assistance understanding that financial circumstances can change from year to year.
- To contact the Tuition Assistance Office with questions or to request help with forms.
- To appeal the amount of an award or denial of an award in writing to the Director of Tuition Assistance explaining your concern. The Director will refer the correspondence to the Tuition Assistance Awards Committee and, within two weeks, will communicate the decision of the Committee.
- To make a concerted effort to keep school billing accounts up-to-date on a monthly basis.
- To promptly communicate and stay in contact with the Business Office and Tuition Assistance Office should unanticipated financial challenges make it difficult to stay current in school billing accounts or to meet financial obligations to the school.
- To promptly notify the Tuition Assistance Office should a family's financial circumstances change during the year (including an inheritance, change in marital status, job change, etc.) as such a change may require reevaluation of the award.
- To apply for school trip assistance for each school trip, according to the Trip Assistance Policy, if needed.

## ADMINISTRATIVE RESPONSIBILITIES

- To oversee the implementation of tuition assistance policies and guidelines and, as needed, to recommend changes to the Board of Trustees.
- To regularly test the validity of Park's Tuition Assistance Program: Policies, Responsibilities, and Guidelines.
- To ensure the program reflects the School's stated mission and is consistent with its strategic plan.
- To provide information to the Board of Trustees regarding the effectiveness of the program.
- To provide general consultation as needed to the Tuition Assistance Awards Committee.
- To review all applications, adhering to the School's policies and guidelines.
- To make final award determinations.
- To review appeals.

## OFFICE SUPPORT FOR THE TUITION ASSISTANCE PROGRAM

- To coordinate the School's program with SSS.
- To meet and correspond with families. The Office recognizes that numbers alone may not accurately or fully describe a family's circumstances and welcomes the opportunity to meet to discuss individual situations.
- To prepare documentation needed for the Tuition Assistance Awards Committee to make decisions.
- To coordinate the Tuition Assistance Ambassadors Program.
- To provide help, both consultative and technical, for families completing the application process.
- To maintain records and prepare reports.

## VOLUNTEER SUPPORT FOR THE TUITION ASSISTANCE PROGRAM

- To represent the broad spectrum of families participating in the tuition assistance program across race, family structure, socio-economic status, and geography.
- To encourage open, honest, and respectful two-way communication between parents and administrators.
- To advise and work in concert with the Tuition Assistance Office to promote an inclusive and welcoming community for all.

## GUIDELINES FOR DETERMINING AWARDS

Park School recognizes that families applying for tuition assistance have made education a priority. Therefore, parents are expected to contribute according to their means, taking into account total income, assets, number of dependents, and other appropriate factors. After a family completes all steps in the online *School and Student Service for Financial Aid* (SSS) application, SSS will generate the *Report of Family Contribution* (RFC). The goal of the SSS methodology is to determine the amount of discretionary income a family has and then to indicate the percentage of that discretionary income available to cover the cost of education.

A note about discretionary income from the [SSS Computational Manual \(Fall 2014\)](#):

As with other national systems of financial aid need analysis, the concept of discretionary income is the foundation of the computation performed by SSS. At the point at which the family has one dollar of discretionary income, the family begins to make choices over the expenditure of this discretionary income. Below that point, the family has virtually no discretion as to its spending. Resources are available only to cover essential expenses and no contribution for education can be expected from the family. Once the family has discretionary income, the family choices may not be easy. However, the choice to contribute to educational expenses is one decision, among many, that the family can begin to make. As discretionary income increases, the family's purchasing power grows, and SSS assumes that a greater percentage of discretionary income is available for education.

Park begins with the SSS determination and uses it as a guideline. The School also considers information families include on the *Park School Supplemental Tuition Assistance Form* as well as other verbal or written information the family shares. Complexities and unique circumstances of each family situation are acknowledged and considered in making a final decision.

To promote the most fair and consistent allocation of available funds, the School adheres to the following guidelines regarding these special circumstances:

#### CALCULATION OF FAMILY INCOME

The primary responsibility for financing education rests with families. Tuition assistance is intended only to supplement the family's ability to contribute to the costs of education.

#### **Non-Working or Under-Employed Parent**

The School will not subsidize the educational costs of a family whose members choose, for purposes of a desired lifestyle, not to work at a level which their education and abilities permits.

For purposes of calculating a family's ability to contribute to the cost of education, an amount may be added to the family income which represents our best estimate of the reasonable earning expectation of the non-working or under-employed spouse. At a minimum, the cost of a full tuition will be added as non-taxable income to the SSS calculation.

#### **Parent Starting New Business**

If the basis for financial need arises due to the startup of a new business, the School will consider offering some tuition assistance for a period of up to two years. For the third year and beyond, Park will add, at a minimum, the cost of a full tuition as non-taxable income.

#### **Parents Returning to School**

If the basis for financial need arises due to a parent returning to school, Park considers some tuition assistance for a limited time period, but takes into account the possibility of the parent pursuing the degree at night or on weekends. An amount may be added to the family income which represents our best estimate of the reasonable earning expectation of the parent enrolled in school. At a minimum, the cost of a full tuition may be added as non-taxable income to the SSS calculation.

#### **Parents who are Separated or Divorced, Parents Never Married, and Stepparents**

In calculating the family's ability to pay, the required financial forms must be completed and submitted by both legal parents. If there are other adults living in the household such as a stepparent, Park may also request financial information for such other adults so that a full and accurate picture of the parents's ability to contribute to the cost of education can be determined.

In determining ability to contribute to educational expenses of dual households, a separate evaluation of each parental household will be completed. The sum of these evaluations will be used in determining the family's ability to pay. Child support will be considered as non-taxable income for the payee.

**Please note:** The school is not bound by any verbal or written agreement specifying a parent's responsibility for educational expenses. Tuition assistance is determined by the parents' and/or family's *ability* to pay, which may or may not be the same as willingness to pay.

## CALCULATION OF FAMILY INCOME, CONTINUED

### **Grants are determined by the family's ability to pay, not by applicants' willingness to pay.**

If information is not forthcoming from a parent or other adult, the Director of Enrollment Management and Tuition Assistance will contact him/her directly to ascertain the reason. Should a non-custodial parent refuse to submit the required forms, an amount may be added to the family income which represents our best estimate of the reasonable earning expectation of that parent. At a minimum, the cost of a full tuition may be added as non-taxable income to the SSS calculation.

Requirement of non-custodial parent participation may be waived in those instances where it is determined that the non-custodial parent has had little or no contact with the child for a period of two or more years and has not provided support beyond court-ordered child support during that period. In order to substantiate this lack of contact by the non-custodial parent and to extend a waiver, Park requires a notarized or court certified statement indicating sole legal custody or an educational directive from the applicant parent. As a precursor to obtaining a court certified document, Park may accept a written statement from a non-family member who is aware of the family situation in a professional capacity. This might include a doctor, school official, lawyer, member of the clergy, or social worker. A waiver form is available online and from the Admission Office.

### **Legal Guardianship**

In the case of legal guardianship, Park looks first to the assets of the child, but may require a contribution from the guardian depending on his/her financial status.

## CALCULATION OF FAMILY ASSETS

The Tuition Assistance Awards Committee takes into account additional factors in the calculation of a family's ability to pay tuition. These factors include, but are not limited to:

### **Home Equity and Other Assets**

The SSS Needs Analysis take into consideration the equity that a family has in a primary residence as well as other assets. It is not our intent to cause parents to sell their home in order to support a child's cost of education. However, accessing home equity is one option for some families.

### **Retirement Funds**

When reviewing those financial assets of a family that are shown as savings or investment for retirement, we consider a parent's age and reasonable retirement requirements, as well as future potential for retirement savings. An overly aggressive savings effort which results in a request for tuition assistance might not be considered a fair or appropriate use of discretionary income. In that case, a recalculation based on adjustments in income or net worth may be necessary in order to determine need.

### **College Funds and Student Assets**

Park, like SSS, assumes that the primary reason for accumulating student assets is saving for educational expenses, including lower, middle, and upper school, as well as college. To determine the amount of the student contribution, SSS divides the student assets by the number of years remaining in school plus four years of college. Park accepts the determination of student assets offered by SSS, but reserves the right to request documentation for verification.

## CALCULATION OF FAMILY ASSETS, CONTINUED

### **Special Note Regarding 529 Savings Plans**

As of January 1, 2019, tax reform measures enacted by Congress resulted in an expansion of the 529 college savings plans. Eligible education expenses now include K-12 tuition. Parents are permitted to take 529 Plan distributions of up to \$10,000 per beneficiary per year for tuition at an elementary or secondary private, independent, or religious school. In addition, rollovers are now permitted from 529 plans to Achieving a Better Life Experience (ABLE) accounts. Qualified distributions for K-12 tuition expenses are federally and Maryland State tax free.

### **Depreciation**

Park does not consider depreciation as reported on tax documents because, in most cases, it represents a paper loss.