



SCHOOL & STUDENT SERVICES BY N AIS
Helping Schools Help Families



Family Guide to Financial Aid



You've made the decision to invest in an independent education for your child.

Paying for an independent education can be expensive. But did you know that tens of thousands of students in independent schools across the country receive more than a billion dollars to reduce tuition and other costs of schooling?

Thousands of schools provide financial assistance to ensure that the students they've admitted have a realistic chance to enroll, regardless of their financial circumstances. With the right planning and information, families can identify available financial aid options. And take the necessary steps to make an independent education for their children more affordable.

This guide will help you become familiar with the financial aid process. It defines terms you need to know and walks you through the process of applying for financial aid. It offers sample financial aid package calculations. And it provides you with questions to ask schools. All the information you need to ask the right questions and make informed decisions about your financial aid options is right here.

Your first question:

Is my family eligible for financial aid?

Financial aid is monetary assistance that schools provide to reduce educational costs for families. Most financial aid is provided directly from the schools and is most commonly provided on the basis of financial need. Need is defined as the difference between educational expenses and the family's ability to pay those expenses.

Many families mistakenly believe they do not qualify for financial aid. However, there is no specific income level at which a family is no longer eligible for aid. Eligibility is based on many factors, so you should always investigate the possibility of receiving financial aid if you feel you cannot pay all of the costs yourself.

Start with the schools. Find out if the schools you are interested in offer financial aid. Visit their websites or call their admission or financial aid offices. Each school can send you forms and any other information you need to apply for financial aid. Then ask each school questions about:

- **Deadlines for admission and financial aid (they may be different):** Schools may not consider your child for financial aid or may provide reduced grants if you miss their deadlines. Each school sets its own deadlines.
- **Approach:** Most schools believe that families have the primary responsibility for financing their child's education to the extent they can. NAIS's Principles of Good Practice for Financial Aid Administration supports this approach. Some schools expect every family to pay a minimum amount even if the family is awarded financial aid.
- **Costs:** Knowing the true cost of a full year of education will help you plan your finances. Beyond tuition, additional costs may include uniforms, fees, meal plans, books, supplies, trips, transportation, clubs and sports.

More questions:

Throughout the financial aid process, talk with the financial aid administrators at every school you are applying to. Ask questions, explain your situation and discuss your concerns. Because schools have different financial aid policies and budgets, answers will vary from school to school. The financial aid administrators can help you understand how the process works and the possible options for your family.

- What is the **application deadline** for financial aid consideration?
- Are the admission and financial aid processes at this school **combined or independent** of one another?
- What **types of financial assistance** does the school offer? Does the school offer tuition payment plans or loan programs?
- Do I need to submit an **income tax return** or other forms as part of the financial aid process?
- Are there additional forms that I need to fill out if **I own a business or farm**?
- How are my financial status and my ability to pay evaluated if I am **separated or divorced**?
- What is the school's policy regarding meeting **full financial need**?
- Does the school require a **minimum contribution** from families, or can financial aid cover all school costs?
- If my child receives financial aid for one year, what is the school's policy for granting aid in the **following years**?
- What **costs, beyond tuition**, might families expect?



The options:

What types of financial assistance are available?

There are basically four ways to make it easier to meet independent school costs: need-based financial aid, merit awards, tuition payment plans and tuition loans.

Need-based financial aid: The vast majority of financial assistance given by schools comes in the form of need-based grants. Schools typically require families to complete an application to determine the family's ability to contribute to educational expenses. Schools that subscribe to the School and Student Services By NAIS (SSS) program use the Parents' Financial Statement (PFS) to help make that determination. Families who demonstrate need may be provided with a grant to lower the amount they must pay to the school. These grants offset tuition and other expenses. They do not need to be repaid. The money comes directly from the school's financial aid budget. Grant amounts may vary considerably, based on the size of the school's financial aid budget, its tuition costs and its philosophy for awarding aid.

Merit awards: Some schools offer special awards or scholarships based on criteria other than economic circumstances. The most familiar example of a non-need-based award is the merit award. Merit awards recognize outstanding talent in areas such as athletics, art, music and academics. Terms for eligibility and renewal are different from those for need-based aid. Also, funding is more limited, making competition to receive merit awards more difficult. If the school offers merit programs, ask about the specifics. Don't be surprised if a school does not offer merit-based awards.

Many families require assistance beyond what a school can offer through need-based grants and merit-based awards. They might seek other financial planning options, such as tuition payment plans and tuition loan programs:

Tuition payment plans: Payment plans are typically coordinated between a financial services company and the school. With a payment plan, you can participate in a monthly payment schedule, which may be easier to manage than the standard one or two lump sum payments typically required by schools.

Tuition loan programs: Loan programs are usually coordinated between the family and a lender. These programs can make tuition payments more affordable by spreading payments over a longer period of time than tuition payment plans allow.

Go to sss.nais.org to find a list of companies that offer tuition payment plans and tuition loan programs. Contact them for additional information, including current fees and rates. Talk to the schools. They may recommend certain plans and providers.

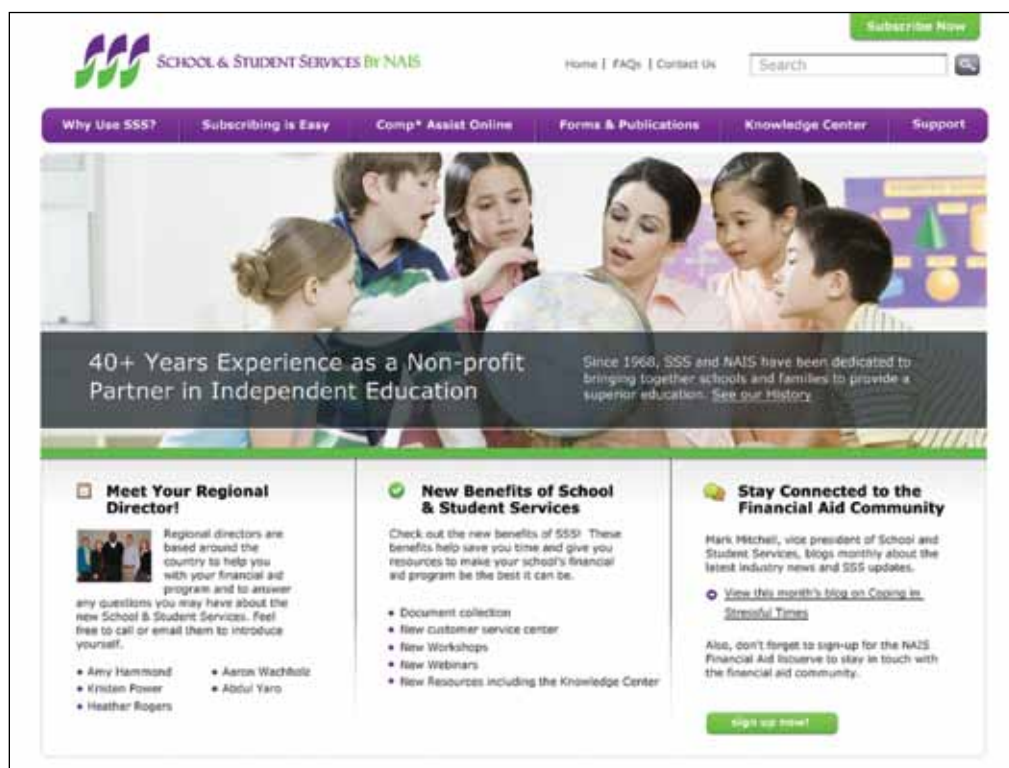
The process:

Applying for financial aid through SSS By NAIS.

The School and Student Services (SSS) program is provided by the National Association of Independent Schools. For more than 2,400 schools, SSS By NAIS provides an objective and consistent method of determining a family's ability to contribute to educational expenses.

For families, SSS By NAIS services and resources can help ease the process of applying for financial aid.

The Parents' Financial Statement (PFS) is the cornerstone of the financial aid application process. It is offered online or in print, and is designed to be clear and user friendly. The common application can eliminate duplicate efforts; you can complete just one PFS to apply for aid at multiple schools for all of your children.



The screenshot shows the homepage of the School & Student Services By NAIS website. At the top, there is a navigation bar with links for Home, FAQs, and Contact Us, along with a search bar and a 'Subscribe Now' button. Below the navigation bar is a main banner featuring a photograph of a woman and several children looking at a globe. The banner text reads: '40+ Years Experience as a Non-profit Partner in Independent Education' and 'Since 1968, SSS and NAIS have been dedicated to bringing together schools and families to provide a superior education. See our History.' Below the banner are three columns of content: 'Meet Your Regional Director!' with a list of names (Amy Hammond, Aaron Wacholz, Kristen Power, Abdul Yaro, Heather Rogers); 'New Benefits of School & Student Services' with a list of benefits (Document collection, New customer service center, New Workshops, New Webinars, New Resources including the Knowledge Center); and 'Stay Connected to the Financial Aid Community' with a link to 'View this month's blog on Coming to Successful Times' and a 'sign up now!' button.

Here's how it works:

1. You can go to sss.nais.org to begin completing your PFS online, or request that the schools to which you are applying send you a printed Parents' Financial Statement (PFS).
2. On the PFS, you indicate which schools should receive your information. This way, you only have to fill out one form to apply to several schools.
3. The PFS collects information such as family size, total income, savings, investments, indebtedness, medical and dental expenses, any unusual expenses and other assets such as home equity.
4. Submit the PFS online or mail in the completed PFS. Be sure you submit it in time to meet all the schools' deadlines!
5. Step-by-step instructions are offered along the way, as well as a toll-free helpline (800) 344-8328. A PFS worksheet is available in English and Spanish at sss.nais.org.
6. SSS analyzes the information on the PFS to estimate the family's ability to contribute to educational expenses.
7. The schools will receive the results of the analysis as soon as the PFS is completed online and in less than a week after the printed PFS is received by mail. You may also request that SSS By NAIS send you its evaluation of your PFS.
8. The school uses the results, and any other information it requires, to make its final financial aid award decision. SSS By NAIS does not determine the amount of financial aid you receive.

Additional Information: Schools may request additional documents – for example, a copy of your most recent tax return to verify the information on the PFS. Ask what documents the school requires and by when. Ask each school whether it prefers your additional documents be sent directly to SSS By NAIS or to the school.

Completing your PFS:

Whether you are completing your PFS online or in print, clear instructions are available to help you complete it quickly and accurately. Find out how the school wishes you to complete your PFS – online or in print – and by what date!

PFS In Print

With the printed PFS, you'll receive easy-to-understand instructions that align specifically with the corresponding section of the PFS. These instructions help you navigate your tax forms as well.

C Family Income

6 Basic Tax Information

6A Tax returns for current year (2009) are: Completed Estimated

6B Income tax filing status for 2009: 1. Single 2. Married, joint return 3. Married, filing separately 4. Head of household 5. Do not file

6C How many federal income tax exemptions did you or will you claim for 2009? _____

6D IRS total itemized deductions from IRS schedule A _____

6E Total federal tax paid (2009 IRS 1040 or 1040A) _____

7 Total Taxable Income

	2009	Estimated 2010
7A Salaries and wages for Parent/Guardian A in AI	\$ _____	\$ _____
7B Salaries and wages for Parent/Guardian B in AI	\$ _____	\$ _____
7C Taxable dividends and/or interest income from 1099 statements(s)	\$ _____	\$ _____
7D Alimony received or estimated (do not include child support)	\$ _____	\$ _____
7E Other taxable income	\$ _____	\$ _____
7F Untaxed portion of payments to IRA	\$ _____	\$ _____
7G Keogh plan payments and self-employed SEP deduction	\$ _____	\$ _____
7H Other IRS allowable adjustments to taxable income	\$ _____	\$ _____

PFS Online

If you complete the PFS online, you'll benefit from:

- Password protection, ensuring confidentiality of your information and allowing you to return any time to keep working on your application
- Real-time processing of application results for faster turnaround
- On-screen help and an error-checking process, which warns you of potential mistakes
- Adaptive approach that presents only those questions you need to answer
- Easy-to-use worksheets to help you calculate amounts

WELCOME Jane Smith | Job ID: 2008 | Logout | [SCHOOL.PFS.ORG](#)

Deadline: New Applicants: January 07 | Returning Applicants: January 07

Quick Find: _____

Helpdesk: (800) 344-8328 | Email: support@ees.org

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PFS Online

- Overview
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- Household Information
- Applicant Information
- Select Subscriber Schools
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- Parent/Guardian Income**
 - Basic Tax Information
 - Total Taxable Income
- Business/Farm Information
- Total Subscribable Income
- Student Income
- Family Assets & Debts
- Additional Family Information
- Pay For and Submit PFS
- Check Application Status
- Print PFS Cover Sheet

D. Parent/Guardian Income (1 of 4)

(*Required field.)

7 Basic Tax Information

7A Tax returns for current (2009) year are: Completed Estimated

7B Income tax filing status: Please Select...

7C How many federal income tax exemptions did you or will you claim for 2009? _____

7D IRS total itemized deductions from IRS Schedule A

	2009	Estimated 2010
7D	\$ _____	\$ _____

7E Total federal tax paid (2009 IRS 1040 or 1040A)

	2009	Estimated 2010
7E	\$ _____	\$ _____

[Back] [Save and Continue]

Parent Status Check

Whether you complete your PFS online or in print, you can set up an account online to self-check the status of documents you are required to submit. Stay in control of managing the financial aid process.

The big picture:

How SSS By NAIS fits into the school's financial aid operation.

Keep in mind that SSS By NAIS does not award financial aid. Rather, SSS By NAIS is a service for schools that calculates an amount of money a family can contribute toward education based on the methodology it uses and the information you provide. Schools make the final decision about the actual financial aid award, and these awards come directly from the school's budget.

Applying for financial aid does not guarantee that you will be eligible for financial aid. Nor does being eligible guarantee that there will be financial aid available. The amount of aid offered by the school depends on your family's financial circumstances, the school's available financial aid funds and its policies.

Making an independent education a reality.

A high price tag doesn't always mean a high-quality education is out of your reach. If you ask the right questions, know your options and apply on time, you very well may get the help you need to make an independent education possible.



A few scenarios:

Financial aid packages.

To offset the difference between the educational costs and your family's ability to contribute (as determined by the PFS), a school may offer you a financial aid package. This package may contain one or more elements to meet all or a portion of your demonstrated financial need.

Consider this example:

Summary of Need

\$15,000	Tuition and other costs
<u>- \$5,000</u>	Amount the family can contribute (as determined by the school and SSS By NAIS)
\$10,000	Financial need/aid eligibility

Scenario A: The school determined that your family can afford \$5,000 of its \$15,000 tuition. A financial aid package may represent a single source of financial assistance (one \$10,000 grant), or it may be assembled from a number of sources. For example:

\$7,000	Grant from school
<u>+ \$3,000</u>	Merit scholarship
\$10,000	

Scenario B: Sometimes an aid package still does not meet the full need you've demonstrated. Using the same sample in which a family has demonstrated it can pay \$5,000 of the total \$15,000 due, a family applying to a school that has limited financial aid funding may see a package that looks like this:

\$6,000	Grant from school
<u>+ \$1,000</u>	Scholarship
\$7,000	Total aid (\$3,000 in unmet aid)

The family must find \$3,000 in addition to the \$5,000 the school determines that the family can pay. And, remembering that the family bears primary responsibility to pay for private school, it must plan its resources accordingly. Many families find options such as tuition loan programs helpful in meeting gaps the school cannot fill.

Resources:

Find these financial aid resources and more at [sss.nais.org](https://www.sss.nais.org):

- Tips and advice on completing the process smoothly
- Lists of K-12 scholarship/grant providers, tuition loan programs and tuition payment plan providers
- Downloadable PFS forms in English and Spanish
- Downloadable Business/Farm Statement

If you have any questions as you complete the Parents' Financial Statement, please call the SSS By NAIS toll-free helpline at (800) 344-8328. Hours are Monday – Friday 9 am to 8 pm Eastern Standard Time and Saturday 9 am to 4 pm Eastern Standard Time.



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sss.nais.org