

SPRUCE STREET SCHOOL

FINANCIAL AID MANUAL

Adopted
May 20, 2009

Revised
May 15, 2019

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INTRODUCTION

The purpose of this manual is to clearly state the guiding policy and procedures approved by the Board and the administration of the school in the management of the school's financial aid program. Additionally, it is to assist the Financial Aid Committee in carrying out the tasks associated with the yearly financial aid process.

The School's goal is to provide a consistent message to parents, students, faculty, board members, and administration regarding financial aid. As such, the School endorses the Principles of Good Practice for Financial Aid Administration as outlined in Appendix A.

As policies and procedures change from time to time, this manual will reflect those changes and provide guidance for the awarding of financial aid.

PHILOSOPHY AND OBJECTIVES

Spruce Street School's Financial Aid Program has a two-fold purpose: to provide mission-appropriate students an opportunity for a high-quality education that might otherwise be unobtainable for them, and to further the mission of the school by supporting the creation of a diverse school community. All children regardless of their family's ability to pay will be considered for admission, and the Board dedicates specific funds in each year's budget to support this goal.

FINANCIAL AID COMMITTEE

The Financial Aid Committee consists of the Head of School, Assistant Head of School, and Business Manager. In addition, the Head of School at his/her discretion may appoint other committee members.

FUNDING PRIVATE SCHOOL EDUCATION

Spruce Street School recognizes that the primary responsibility for financing a student's independent school education rests with the student's family. All families are asked to contribute financially to their child's education in a meaningful way. Financial aid awards are intended as a supplement to family resources, so are made not only to families whose ability to pay school costs is extremely limited, but also to those who may need only a minor subsidy. Financial aid at Spruce Street School is awarded based on a family's demonstrated financial need. In no case will a student who does not qualify be awarded aid, nor will a student ever be awarded aid in excess of her or his computed need.

CONFIDENTIALITY

Because family-provided information pertinent to a financial aid determination is of such a personal nature, it is imperative that the School adhere to the highest standards of confidentiality throughout the financial aid process. The school will ensure that access to individual family

records will be limited to the Financial Aid Committee. In general, records will be reviewed only by the Head of School and—once names and other personally identifying information are removed—by the Financial Aid Committee. The Financial Aid Committee will not disclose to anyone outside the Committee the identity of any student who has applied for and/or been awarded financial aid.

In the case of separated and/or divorced parents, the School will not disclose any information to either parent regarding the other parent's finances.

POLICY

Admissions & Acceptance

Without considering the financial needs of students, teachers will create a pool of mission-appropriate students and tier those students into groups based on many criteria. In a separate meeting, the Financial Aid Committee will determine the aid award for every student who has applied for aid based on the policies described herein.

From the pool of students whom the teachers have chosen as mission appropriate, candidates for financial aid will be given an offer of admission along with a full aid award, up to the budgeted allocation, in the order in which they were tiered by the teachers.

The admissions process is focused on identifying mission-appropriate students, while financial aid awards are made based on a family's financial need and the school's ability to support that family. The School does not see a benefit to accepting students who need aid without also having appropriate aid to support their need.

Waiting List

Any student who is placed on the admissions waiting list and also requires financial aid will also be placed on the financial aid waiting list. As spaces and/or funds become available, all of the students who have been placed on the financial aid waiting list will be considered for aid. The financial aid list will be made according to the School's enrollment need. Consideration will also be given to the current distribution of financial aid by grade level.

Returning Students Receiving Financial Aid

Spruce Street School will attempt to offer the same proportion of tuition aid to all returning students as long as the need continues. If the family's ability to contribute to the student's education increases, the level of aid awarded will decrease accordingly. If the family's ability to pay decreases, the school will make every effort to increase the level of aid awarded.

Returning Students Requesting Aid for the First Time

The School will accept financial aid applications from returning students who have not received financial aid in the past. However, the School cannot guarantee that it will be able to meet the financial need of these students. It is the School's expectation that families who enroll their child at the School paying full tuition will continue to do so. If the School is unable to meet the family's request, it will place the student on the financial aid waiting list.

Unmarried, Separated, and Divorced Parents

Financial Aid at Spruce Street School is determined by a family's ability to meet educational expenses. The Financial Aid Committee will consider the assets of all parents—whether married, living together, or separated—to determine a student's need for aid. If a parent has remarried, the School will also consider the assets of the step-parent, always bearing in mind the obligation of parents and step-parents to other children in the family.

Financial aid is based on need, not on a willingness or unwillingness to pay. Divorced and separated parents retain the obligation to contribute to the education of their children, whether or not there is legal agreement between them to do so. While a divorce settlement may stipulate the exact amount each parent must contribute toward educational costs, or which parent is responsible for costs and for how long, the School does not consider such guidelines when determining aid, and instead requires each parent to contribute as much as its calculations show the parent can afford. In some instances, this amount is less than the court's decision; in others, it may be more. The Committee will not change the evaluation of need due to an assertion that one parent has disclaimed responsibility for educational expenses. However, the Committee may waive the requirement of financial information from a non-custodial parent and his or her spouse when the non-custodial parent's whereabouts are unknown, or when the non-custodial parent has given no financial support to the student for more than two years and has made no contact with the student during that time.

Non-Working Parents

Private education is a family choice that may require sacrifices from the family. In the case of a parent who chooses not to work when all children in the household are in grade levels at or above kindergarten, a minimum income based on full-time employment (2,080 hours per year) at Seattle or Washington State's current minimum wage will be imputed in calculating the family's gross income figure for the year. The Financial Aid Committee may decide to impute a higher level of income to calculate gross income, based on factors such as prior employment, training, and education. The Financial Aid Committee may waive this imputation if there is a disability of either the non-working parent or another household member that requires the non-working parent forgo employment.

Non-Discrimination with Respect to Financial Aid Applicants

Spruce Street School does not discriminate on the basis of race, creed, color, sex, religion, age, national origin, marital status, disability, gender identity, sexual orientation, or use of trained dog guide or service animal by a person with disability.

Applicants for and recipients of financial aid are not held to special or separate standards or subject to other requirements beyond those applicable to every other student at the School. Instead, they are expected to meet the same standards of performance that all other students are expected to meet. To be eligible for financial aid, and to continue to receive aid, students must demonstrate financial need and meet all of the requirements of continued enrollment.

CALCULATION OF NEED

Calculation of financial need is an extremely complex determination that involves evaluation of a family's finances, including income, expenses, assets, and liabilities. Each year the School will establish a computation method for calculating financial aid. As with most independent schools, the School generally uses an outside vendor to collect financial data and calculate need. Families applying for financial aid must complete an application and provide detailed documentation of income, expenses, assets, and liabilities. All families are required to follow the same documentation and application procedures. No student is given more aid than the calculation demonstrates is needed.

Income

Includes: salary, dividends, interest, alimony, child support, student income, trust fund income, cash/gifts from relatives, and other income.

Expenses

Includes: rent/mortgage, household expenses, auto/transportation, medical, child-care, education, insurance, taxes, and other expenses.

Assets

Includes: current checking/savings account balances, home value, real estate, business ownership, investments, retirement funds, trust fund assets, vehicles, boats, and other assets.

Liabilities

Includes: mortgage, equity loans, consumer debt, and other liabilities.

STATISTICAL INFORMATION

Statistical information regarding financial aid applicants, award amounts, percentage of students receiving financial aid, and other relevant data are collected and reviewed by the Financial Aid Committee each year. These data and statistics are also presented to the Board. The goal of collecting these statistics is to review the level of need of the school community and evaluate the continuing ability of the institution to meet that need.

ADOPTION AND REVISION

Any revisions to this policy require Board approval.

The Board of Trustees approved the original version of this policy on May 20, 2009.

The Board of Trustees approved the revised version of this policy on May 15, 2019.

Appendix A

Principles of Good Practice: Financial Aid Administration

Revised and approved by the NAIS board in 2017.

Recognizing that each family bears the primary responsibility for financing a student's education costs, NAIS's Principles of Good Practice for Financial Aid Administration are designed to serve as guideposts in developing professional policies and orderly procedures among schools. Through these principles, NAIS affirms its belief that 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. Furthermore, these principles reflect the standards of equity and fairness NAIS embraces and reassert NAIS's ongoing commitment to access and diversity.

1. The school adheres to all applicable local, state, and federal laws and regulations, including those that require nondiscriminatory practice in administering its financial aid policies.
2. The school operates within the context of both short- and long-range financial aid budget and policy goals.
3. The school uses objective research to measure the effectiveness of its progress toward its goals, and communicates the outcomes to its constituents as appropriate.
4. The school provides clear and transparent information to families through outreach, education, and guidance on all aspects of its financial aid process and the factors that influence admission and aid eligibility.
5. The school determines eligibility for admission without regard to a student's application for financial aid.
6. The school commits to providing financial aid dollars to applicants who demonstrate that their family resources are insufficient to meet all or part of the total educational costs.
7. The school continues to provide support to students as long as they demonstrate financial need.
8. The school maintains the same standards of behavior and academic performance for recipients of financial aid as it does for nonrecipients.
9. The school enacts documented procedures that ensure a fair, consistent, and equitable assessment of each family's ability to contribute toward educational expenses.
10. The school makes and communicates financial aid decisions in a manner that allows families to make timely, careful, and fully informed enrollment decisions.
11. The school establishes administrative and accounting procedures that distinguish the school's need-based financial aid program from tuition assistance programs that are not based on financial need.
12. The school safeguards the confidentiality of financial aid applications, records, and decisions while respecting the right of each family to discuss its own financial aid outcomes in an appropriate manner.
13. The school supports collaboration between the financial aid office and other offices within the school.
14. The school supports collegial relationships with other schools and organizations for professional development, exchange of best practices, and other information sharing as appropriate.

The NAIS Principles of Good Practice for member schools define high standards and ethical behavior in key areas of school operations to guide schools in becoming the best education communities they can be, to embed the expectation of professionalism, and to further our sector's core values of transparency, excellence, and inclusivity. Accordingly, membership in NAIS is contingent upon agreement to abide by the spirit of the PGPs.