

Academy of Our Lady of Mercy Lauralton Hall

Milford, Connecticut



Financial Aid Program Policies and Procedures Manual

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Mission Statement

The Academy of Our Lady of Mercy
is a Catholic college preparatory school founded in 1905
by the Sisters of Mercy.

Lauralton Hall's unique mission is to foster
a community atmosphere
enriched by the Mercy tradition and to educate young women to
pursue knowledge, recognize truth, and respond to the
needs of others.

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INTRODUCTION

The purposes of publishing the Financial Aid Program Policies and Procedures Manual for the Academy of Our Lady of Mercy, Lauralton Hall are: (1) to make the program evident and clear to all interested parties within and outside the Lauralton Hall community; (2) to clarify the rationale for the program's existence; and (3) to set forth the parameters of participation for all who would seek financial assistance for the education of their daughters at Lauralton Hall.

HISTORY AND RATIONALE FOR THE PROGRAM

Inherent in Lauralton Hall's philosophy and mission, there exists an obligation to seek to extend its educational programs to those qualified students of diverse racial and socioeconomic backgrounds who have the ability, but not the economic means, to pay the associated costs.

Lauralton Hall provides a need-based financial aid program. Consistent with the school's mission, this program promotes and provides access to its educational programs to families who

would be unable to avail themselves of a Catholic, college preparatory education without financial aid.

FINANCIAL AID OFFICE

The Director of Enrollment Management is responsible for the overall administration and operation of Lauralton Hall's financial aid program and for maintaining its integrity. The Director of Enrollment Management chairs the committee that makes final decisions on the allocation of funds. The Director of Enrollment Management or committee member delegate will have these additional responsibilities:

- the program budget
- dispensing information on the financial aid process
- maintaining records
- corresponding with families
- corresponding with Facts Management Company (FACTS)
- analyzing and recomputing (if necessary) the FACTS Family Financial Profile
- verifying, however necessary, submitted application information
- requesting additional information from families
- setting up and conducting meetings, as necessary, with applying families
- making recommendations for financial aid awards to the Committee in accordance with the policies of the program

THE COMMITTEE

The Committee consists of the President, Director of Administration/CFO, and the Director of Enrollment Management. The responsibility of the committee is to execute policy for the program as established by the Board of Trustees, and attend meetings as scheduled by the Director of Enrollment Management. The President will report to the Finance Committee of the Board of Trustees.

FINANCING A LAURALTON HALL EDUCATION THROUGH ASSISTANCE

BUDGET

The budget for financial aid, established for the ensuing academic year by the Board of Trustees at their December meeting, is derived from a portion of annual giving income as well as endowed and non-endowed funds. If it is demonstrated and documented that a family qualifies for financial aid, they will be considered for grants derived from the financial aid budget.

GRANTS

Financial aid grants are solely need-based awards that do not have to be repaid. Most often they are partial; rarely does a grant cover the full cost of tuition and fees.

SPECIAL NEED-BASED FINANCIAL AID GRANTS

Many individuals, organizations, corporations, and foundations contribute to Lauralton Hall's financial aid program and have established certain grant criteria. When awarded, these special grants comprise part or a student's entire total financial aid package.

GENERAL POLICIES

CONFIDENTIALITY

Philosophically Lauralton Hall is opposed to any practice publicly identifying recipients of aid or distinguishing them from others. The Director of Enrollment Management and the Committee treat financial information submitted by parents with strict confidence. Occasionally certain faculty or staff will need to know who is receiving financial aid, but will not have access to parental financial information. With respect to incidental fees, specific faculty/staff involved in the planning inform the Principal of the fees and the Committee ensures that financial aid students receive appropriate financial assistance.

There are two exceptions to confidentiality. First, it may be requested that the student write a personal thank you letter to the donor of the Lauralton Hall fund providing her financial aid.

Second, the student may be required to help at annual school sponsored events. Additionally, parents may be asked to assist as volunteers in fundraising events.

NEED-BLIND CONSIDERATION AND ACCEPTANCE

Lauralton Hall strongly believes in providing equal opportunity for acceptance to all financial aid applicants. Therefore, no student is denied acceptance because of a need for financial aid.

NEED-BASED AID

Families applying for financial aid must demonstrate need through application to Facts Management Company (FACTS). The FACTS "Calculated Payment Expected per Student" is based on a family's ability to meet educational expenses.

MERIT SCHOLARSHIPS

Lauralton Hall has a need-based financial aid policy. However, some donors' gifts are awarded on criteria based on qualifications in addition to need. Also, some scholarships may be awarded based on academic achievement tests and are classified as such.

DURATION OF COMMITMENT

Lauralton Hall is committed to longevity of enrollment among its students who receive financial aid. Every attempt is made to meet the needs of returning financial aid students from year to year who demonstrate continuing need. This effort extends to keeping pace with increases in tuition and fees.

PERFORMANCE RIDER

Lauralton Hall is opposed to academic performance riders philosophically and in practice. An admitted financial aid student is held to the same standards and requirements-no more, no less-than those whose parents pay the full cost. Students receiving financial aid are eligible for all the benefits and services available to the student community.

ALLOCATION OF FUNDS

Since Lauralton Hall encompasses grades nine through twelve, it is our policy to provide financial aid for students in all grade levels.

In the interest of maintaining the enrollment of current students, first priority on funding financial aid awards will be as follows:

1. previous financial aid recipients.
2. current students requesting financial aid for the first time.
3. newly-admitted students.

When evaluating the needs of newly admitted students, the financial aid committee may look at certain criteria. Special consideration may be given to siblings of current or former students, relatives of alumnae, Catholic students or students who contribute to the diverse texture of the Lauralton Hall Community.

Consideration will also be given to the following factors: an assessment of past tuition payment history, student behavior, amount of awards already received or designated for the student, and number of children attending Lauralton Hall from the same family.

PARENTAL RESPONSIBILITY

Luralton Hall strongly believes that the prime financial responsibility for a child's education rests with the parents. Lauralton Hall is not in a position, philosophically or financially, to assume the financial obligation of a custodial parent, non-custodial parent, or stepparent who chooses to step away from the situation. Aid is based on a family's ability to meet educational expenses, not willingness or unwillingness to pay.

It is the position of Lauralton Hall that separated or divorced parents retain the obligation to contribute to the educational expenses of their children, whether or not there is a legal agreement between them to do otherwise.

A student's ability to contribute to the cost of tuition maybe considered. It is the position of Lauralton Hall that a family's financial status may require the student to work to contribute to tuition payments. It is also the position of Lauralton Hall that families requesting financial aid consider this as they financially plan for tuition payments. This will especially be considered for students ages 16 or older.

MINIMUM PAYMENT

Financial aid budget constraints preclude the granting of full tuition and fee scholarships except in rare situations. In most cases, the family must be responsible for a portion of the cost. The amount of financial assistance offered to a student will be calculated using the following criteria: (1) The total amount of tuition; (2) The FACTS estimate of need or the family's estimate of need, whichever is lower; and (3) a minimum tuition payment of ten percent of the total , a \$750 registration fee per student, and \$250 activity/technology fee.

EDUCATION EXPENSES

The committee considers the total annual tuition to Lauralton Hall in determining financial aid grants. Tuition of siblings not attending Lauralton Hall is considered up to the amounts allowed under FACTS. Education expenses for adults are not taken into consideration.

CHILD SUPPORT IN CASES OF SEPARATION OR DIVORCE

Child support is considered as an expense to the payer and income to the payee.

BARTERING

Lauralton Hall is often asked by parents to consider bartering professional services in lieu of tuition payments. This arrangement is prohibited by the IRS and therefore not allowed by Lauralton Hall.

WORK STUDY PROGRAM

Lauralton Hall does not have a Work Study program for students to offset tuition payments.

HOME EQUITY

Lauralton Hall treats home equity as an asset. It provides a measure of financial security, creates loan leverage, and presents a family enjoying home ownership an advantage over those who are not homeowners - building a "savings account" while utilizing mortgage interest as a tax deduction.

CAPITAL GAINS

Capital gains are included and treated as income for financial aid purposes.

DEPRECIATION

The policy of Lauralton Hall is to disallow loss against income that is due to business depreciation, since doing so constitutes a loss on paper.

TRUST FUNDS AND MONETARY GIFTS

Luralton Hall considers trust funds and monetary gifts ó to parents or children - an asset, though they may be restricted or earmarked for college or other specifics. Their existence indicates that a greater amount of the family's income is available to pay the costs associated with a Lauralton Hall education.

FINANCIAL AID WAITING LIST

The financial aid budget is currently not able to service all accepted students who demonstrate financial need. Those for whom financial aid is not available are placed in a waiting category to be considered, should additional funds materialize. It will be the responsibility of the parents to inform Lauralton Hall if they do not wish to have their daughter remain on the financial aid waiting list.

FACTS MANAGEMENT COMPANY (FACTS)

Though FACTS provides Lauralton Hall with a calculation of financial need, it is a recommendation only. The school is not in a position to automatically meet the difference between the FACTS report and the cost of a Lauralton Hall education. FACTS recommends and assumes that each member school will review, reanalyze and, if necessary, recompute the data in accordance with its in-house policies and procedures.

FINANCIAL AID APPLICATION

It is necessary that all families apply each year for financial aid, and that they demonstrate continued need. The complete financial aid application link is available on the Lauralton Hall website www.luraltonhall.org under the Admission tab-Financial Aid. Returning families wishing first-time consideration must apply online after November 1 each year.

APPLICATION PROCEDURES

All parents wishing consideration for financial aid for the education of their daughter at Lauralton Hall must adhere to all set dates. Parents of applicants for admission must be mindful that they do not wait for an admission decision before completing the process, but that they complete both processes simultaneously.

Parents making an application for financial aid consideration are held accountable for reading all of the materials contained in the packet prior to completing financial aid form online. The Director of Enrollment Management is available to speak or meet with any parents who have questions and/or concerns about the required forms, process, or timetable. A phone call to the Director of Enrollment Management is the first step in gaining assistance.

Procedures to be followed by parents in completing the application process for financial aid should be followed closely in the following stated order:

1. Figures from the completed tax forms are used to complete the FACTS online application form. A letter of explanation may be written giving any additional information considered pertinent by the parents in making their financial situation known and clear to the Financial Aid Committee.
2. The online FACTS application form must be completed and appropriate forms sent before November 15.

It is important that parents keep a copy of each form submitted in connection with the financial aid application process. In reviewing an application for financial aid, the Financial Aid Committee will utilize all information submitted by the parents and any further clarification or documentation requested, as well as any and all information that may be available or forthcoming from any source. In the case of lack of clarity or discrepancy, the parents will be notified.

It must be emphasized that any and all policies and procedures related to Lauralton Hall's financial aid program are intended to ensure and maintain its need-based foundation and integrity.

POLICIES APPLICABLE TO SPECIAL SITUATIONS

PARENTS VOLUNTARILY REDUCING INCOME

Lauralton Hall maintains a policy of not subsidizing with financial aid a parent's voluntary reduction of income - i.e. voluntarily terminating employment or separating from employment to become self-employed. It is assumed that the parent has considered the impact that this would have on their ability to afford Lauralton Hall costs, and that they are aware of the possible separation of the child from Lauralton Hall. This situation would call for recalculation of the FACTS application and FACTS "Calculated Payment Expected per Student", where the previous income would not be deducted from the total family income.

PARENTS RETURNING TO SCHOOL

If a parent leaves employment to return to school, it is considered a conscious, voluntary reduction of income after taking into account the potential impact on the ability to afford Lauralton Hall costs. Though this situation would reduce parental income and create greater financial need, Lauralton Hall is not in a position philosophically or financially to subsidize the parent's decision. If a parent leaves employment to return to school, there is no allowance for the tuition paid on behalf of the parent.

SEPARATED AND DIVORCED PARENTS

Lauralton Hall expects parents to pay the educational costs to the full extent that they are financially able. That principle applies to all parents, including those who are separated or divorced. Lauralton Hall is not bound by a divorce decree or legal document excusing a parent from financial responsibility for a child's educational expenses, or the fact that a parent has disclaimed financial responsibility for the student.

Remarriage of either natural parent creates a new family unit with new relationships, but since the natural parents still have a parental obligation, the income and assets of the entire family unit are seen to have a bearing on the natural parents' ability to contribute to the educational expenses of the children.

MID-YEAR CHANGES IN FAMILY FINANCIAL STATUS

Lauralton Hall recognizes that an unexpected negative change in a full-tuition paying family's financial circumstances during the course of an academic year can necessitate the need to request consideration for financial aid. Should this occur a family is welcome to complete the online application. However, with funds being disbursed as early as December, the family will

be placed on the financial aid waiting list, possibly joining enrolled financial aid recipients hoping to receive additional assistance.

AWARDING AND ACCEPTING FINANCIAL AID

Financial aid decisions are made for an amount for the entire year and take into account the total cost of tuition at Lauralton Hall. Parents are advised not to accept the financial aid award offered unless they are in a financial position to pay, when due, all balances of tuition, transportation, fees, and other charges not covered by the financial aid package.

When a parent accepts a financial aid award - so indicated when the contract is signed, dated and returned to the Business Office - it is assumed by Lauralton Hall that the parents and student have read, understood, and accepted all of the stipulations as stated on the applicable award forms. Parents must adhere to all enrollment deadlines (deposit and contract) failure to do so may result in a withdrawal of the award.

RESCINDING FINANCIAL AID

Tuition grants are based on the financial resources of the family, limited financial aid resources of Lauralton Hall, and required school expenses.

Determination of the grant is based on information provided by the family directly to Lauralton Hall and the FACTS online application form, and the recommendation of Lauralton Hall and FACTS, which analyses the financial statement. If Lauralton Hall determines that the provided information is materially inaccurate or misleading, Lauralton Hall reserves the right to rescind the grant at any time.

In addition, the continuation of financial aid or academic awards can be jeopardized if the tuition account is not kept current. If Lauralton Hall's periodic review of the tuition account indicates a failure to keep tuition payments timely, future financial aid or academic awards can be rescinded.

APPEAL PROCESS

Parents who are denied financial aid or receive an amount of financial aid that they find to be questionable can make their concerns known to the Director of Enrollment Management in writing, stating the reason for their concern. The Director of Enrollment Management will refer the correspondence to the Financial Aid Committee and, subsequently, will inform the parents of the committee's decision.

