

FINANCIAL AID POLICY & PROCEDURES

Overview & Statement of Purpose: A German International School New York ("GISNY") education is an important investment in our students' futures and requires careful financial planning and considerable sacrifice for many families. The purpose of GISNY's financial aid program is to help bridge the gap between the actual cost of a year's tuition and what a family can realistically afford to pay toward this cost, thereby broadly supporting the school's commitment to educational achievement and democratic ethic.

However, GISNY's ability to provide financial aid is limited and must strike a balance between competing ideals. GISNY's goals include, but are not limited to, keeping nominal tuition levels as affordable as possible. On the other hand, GISNY is committed to conservative fiscal stewardship and the long-term financial equilibrium of the school. With regard to financial aid specifically, GISNY receives minimal or, in some years, no outside funding for financial aid. Most funding for financial aid comes from other GISNY families' tuition revenues. These considerations limit how much aid GISNY can offer.

Nevertheless, to the extent that GISNY funds permit, and with the above ideals in mind, financial assistance will be made available annually to students whose parents are able to demonstrate financial need. The school works with every family to try to help them realize their dream of a GISNY education for their children.

Policy:

- I. **Need-Based Eligibility:** GISNY Financial Aid ("FA") is need-based, not merit-based, and is available to supplement family resources for those whose ability to pay school costs is limited. FA should be viewed separately from any merit-based scholarships for academically qualified students. Merit-based scholarships fall outside the scope of this policy document.
- II. **Required Demonstration of Need:** Eligibility for FA is based on a family's demonstrated need. In order to determine the financial need of a family, GISNY will utilize independent services such as the School and Student Service for Financial Aid ("SSS"; <http://sssbynais.org/parents>) by the National Association of Independent Schools ("NAIS") and tools such as the Parents' Financial Statement ("PFS") or Recommended Family Contribution ("RFC") Report that require financial documentation such as federal tax returns and other financial statements to be submitted. All applicants must fully cooperate with all disclosure requests and submitted materials will be cross-checked to verify accuracy to GISNY's satisfaction.
- III. **Grants:** All FA is given in the form of grants for 1 (one) year which do not have to be repaid.
- IV. **Limitations on Financial Aid:** GISNY does not commit to meet all established need of all qualifying applicants ad infinitum. FA is limited in many aspects including but not limited to
 - a. **Budget:** FA is limited to the extent that the school's budget allows. Annually, GISNY will budget an amount for tuition assistance ("Tuition Assistance Budget") and the school administration will operate within those limits. The school will make best efforts to size the Tuition Assistance Budget in a consistent way year by year so as to facilitate consistent application of funds toward qualified recipient families over time but cannot guarantee to budget any amounts beyond one year.
 - b. **1-Year Tenor:** FA grants do not guarantee qualification for years beyond the fiscal year in which the FA award is granted. Applicants must re-apply and re-establish need every year.
 - c. **Maximum 90% Award:** GISNY will not award any full scholarships. Maximum FA will be limited to 90% of annual Tuition. Tuition is defined as the nominal amount of the published, applicable GISNY annual tuition including

any applicable early payer discounts (assuming applicable deadlines are met) but excluding all other expenses such as application and registration fees, books, transportation costs, extracurricular activities, etc.

- d. **No grant** can be awarded if tuition is directly or indirectly reimbursed through a third party i.e.: employer, company or trust

V. **Non-Discriminatory Policy:** GISNY awards aid in an objective, uniform and non-discriminatory manner, treating cases as equally as possible and without regard to race, gender, ethnicity, national origin, religion, sexual orientation or family structures.

VI. **No “Need-Blind” Admissions Policy:** The limitations on GISNY’ ability to provide FA do not allow GISNY to be “need-blind” in its admissions policy. GISNY may not be able to accommodate certain applicant families that may be eligible for FA but whose admission and acceptance of FA would unduly constrain GISNY’ ability to meet its broader FA goals including continuing to provide FA to existing families dependent on FA for their children’s continued attendance at GISNY. In this respect, the current and projected future encumbrance of the school’s Tuition Assistance Budget will be taken into account in FA award decisions.

VII. **Tuition Assistance Committee:** Decisions regarding the eligibility for FA and the distribution of the Tuition Assistance Budget are determined by the Tuition Assistance Committee (“TAC”) in accordance with the letter and spirit of these Policies & Procedures.

- a. The TAC will be chaired by GISNY’ Business Manager who will form a committee of not less than 3 (three) people on an annual basis from appropriately qualified and independent employees of the school such as the Head of School, Assistant Head of School, Head of Lower School, director of admissions and/or controller, as the case may be.
- b. The Business Manager will ensure all members of the TAC are independent and have no potential conflicts of interest such as personal interests in any of the applications, relationships to applicants, etc.
- c. Considering the significant room for parent involvement in and parental interaction with the GISNY Board of Trustees, GISNY board members will be excluded from the TAC as a matter of principle.
- d. The work of the TAC will be inspected annually by GISNY’s independent auditor to confirm adherence to the Policy and Procedures.
- e. The TAC will provide to the Finance Committee of the Board of Trustees annually at the end of every application and award period
 - i. an attestation that the TAC has established applicants’ needs and allocated amounts under the Tuition Assistance Budget in accordance with the Financial Aid Policies & Procedures,
 - ii. the results of the TAC inspection by GISNY’ auditor in written form or, alternatively, through a presentation directly by the auditor to the Finance Committee or Board of Trustees, and
 - iii. a summary of GISNY FA activity including data such as total FA applicants, number of FA application rejections, number of recurring and new recipients, the aggregate value of awards, the range and average of established need and awards and other information as requested for Tuition Assistance Budget planning purposes.

VIII. **Confidentiality:** The confidentiality of all FA applications and awards will be safeguarded by the TAC. No recipients of FA will be publicly revealed, no financial information supplied by applicants nor personally identifying recipient information will be revealed except with parental permission.

Procedures:

- I. **Standardized Process & Deadline:** The TAC will publicize and adhere to an annual, standardized application process including an application for FA with a deadline for submission of no later than April 15.
- II. **SSS:** The TAC will apply standardized means-testing in the form of the NAIS RFC and other applicable tools to establish need. This requires the full cooperation of applicants in disclosing financial information.
 - a. All information requested in the SSS must be provided by the applicant families. Tax returns, PFS, RFC and other forms should be compared by the TAC to supporting documentation such as W-2s and 1099s to verify accuracy.
 - b. The SSS process and documentation may not always provide the full context of an applicant family's full financial condition. In order to have the most accurate assessment possible of a family's financial situation, GISNY reserves the right to request additional information including personal narratives, letters of support or attestation from third parties, IRS form 4506 which recalls certified copies of tax document from the IRS directly and other information deemed appropriate by the TAC.
 - c. Financial information is required from both custodial and non-custodial parents. Single parents unable to obtain information from a non-custodial parent must request a waiver of this requirement.
 - d. Applications which do not include all requested materials cannot be considered for review and adjudication of awards.
- III. **Allocation of FA:** Once all qualifying families' need has been established as of May 1 ("Aggregate Need"), TAC will fulfill the Aggregate Need within the constraints of the Tuition Assistance Budget.
 - a. Should the Tuition Assistance Budget suffice, all families may receive the assistance for which they qualify.
 - b. Should the Aggregate Need be in excess of the Tuition Assistance Budget, the available assistance is applied ratably to all those with established need as of May 1. In this case, those qualified families receive a percentage of their individually established need represented by the formula (Tuition Assistance Budget / Aggregate Need).
- IV. **Emergency FA:** The granting of emergency financial aid is made challenging by the above-mentioned limitations on budget and GISNY does not commit to hold in reserve funds for emergency requests. However, families that have gone through a recent, significant, and often temporary change in their financial circumstances, such as job loss, that makes continued attendance at GISNY impossible without assistance, may apply to the TAC for Emergency FA outside the normal deadlines.
- V. **Audit:** At the end of each fiscal year, the TAC will make available to GISNY's independent auditor all files related to FA applications and the adjudication of awards. As part of the annual financial audit, the auditor will choose for inspection a random sample of at least 1/3 (one third), but not less than 5 (five), of all FA applications for which assistance was granted by the TAC. The auditor will provide, together with the results of the school's annual audit, a review indicating the results of this inspection and whether, to the best of the auditor's knowledge, the random sample indicates adherence to the Policies and Procedures as well as any discrepancies found. This review may be delivered verbally to the Finance Committee or to the Board of Trustees or prepared in written form at the discretion of the Finance Committee.