

# YOUR FINANCIAL AID AWARD

Carleton College

NEW  
STUDENTS  
2012–2013

- **FINANCIAL AID POLICY STATEMENT**

## Financial Aid Policy Statement

Carleton assumes that parents have the primary responsibility for financing their student's education. Implied in that philosophy is an expectation that students will participate in financing their Carleton education. The Office of Student Financial Services will do what it can to enable a student to matriculate and to continue for a total of 12 terms or until graduation, whichever occurs first.

## Initial Awards

Awards based on our analysis of financial aid data using estimated figures are considered Initial Awards and are not credited to student accounts. Awards labeled "Initial" will be considered as such until Carleton receives all required material verifying or correcting estimated data.

It is important that students and their parents provide accurate and timely information. We will check to make sure that figures on the PROFILE and FAFSA are consistent with submitted federal tax documents. In addition, the federal government will select some recipients for a more complete verification process. Those individuals will be contacted separately and should respond accordingly.

All untaxed income must be reported properly on the PROFILE and FAFSA. Once we have verified the accuracy of the application data, students will receive a letter or revision finalizing their award. In selected cases, Carleton reserves the right to request copies of tax returns directly from the IRS.

- **YOUR FINANCIAL AID AWARD**

## Carleton Grants

Carleton grants are institutional funds given to students as a means of meeting their financial need. These grants are made available through College donors and from the general operating budget. At a later time, students may be notified of which specific endowment or gift to the College provided their grant funding. Some students may be asked to write a thank you note to the donor(s). Carleton grants are applied to student accounts once the aid award has been finalized, accepted, and signed. The College does not expect students to repay these grants or maintain a specific grade point average. However, students need to maintain satisfactory academic progress (*i.e., remain off academic suspension*) throughout the year to ensure continued funding.

## State Grants

**Minnesota State Grant:** Minnesota residents apply by completing the FAFSA. Eligible students will be sent a questionnaire to complete and return in order to confirm their residency and eligibility.

Minnesota State Grant recipients should be aware that the definition of a full-time student for State Grant purposes is 15 credits per term. Students who take fewer than 15 credits in any term will find their State Grant reduced. (*Note: Carleton students normally carry 18 credits per term.*)

- **LOAN INFORMATION SHEET**

- **UNDERSTANDING NEED ANALYSIS**

- **WORK PREFERENCE FORM** (*if applicable*)

## Federal Grants

**Pell Grants:** Students apply for federal Pell Grant funding by completing the FAFSA. Official notification of Pell Grant eligibility will be sent to the student in the form of a Student Aid Report (SAR). Students should review the SAR for accuracy of data and notify the federal Department of Education of any corrections.

## Supplemental Education Opportunity

**Grants (SEOG):** Students apply for federal SEOG funding by completing the FAFSA. These limited grants are awarded to students with the greatest demonstrated need.

## Loans

Students should refer to the loan chart in this packet if a loan is part of their award. Loan application information and instructions will be included with the student's finalized award letter beginning in June. Although the recommended loan appears on the aid award, no assumptions will be made about a student's intention to accept a loan, and it will not be applied to a student's account until the funds are received in the Business Office. Students may apply for these loans at any time during the year. Federal regulations require that all first-time federal Direct Stafford and Perkins loan borrowers complete the applicable entrance counseling requirement(s) and promissory note(s) before funds will be disbursed and credited to a student's account. Federal Direct Stafford and Perkins loans are made directly with the student and no cosigner is necessary.

Detailed information can be found by visiting <http://go.carleton.edu/loans>.

### **Student Employment**

Students may receive student employment as part of their financial aid package. Students eligible for student employment may work on campus or, if they have been awarded Minnesota or Federal Student Employment, at a non-profit off-campus position. Students who receive student employment as part of their financial aid package are given preference as positions become available. Normally, first-year students will work 8 hours per week and upper class students 10 hours per week.

By mid-August, first-year students with finalized awards will receive an e-mail directing them to the Hub to view their work assignment for the upcoming academic year. Federal regulations require that all new students with authorized student employment must have a completed Employment Eligibility Verification (Form I-9) on file in the Human Resources Office within three days of employment. A W-4 Withholding Allowance Certificate also must be on file. All income earned is subject to applicable federal and state income tax laws. Students will receive their W-2 forms in January. Students will be paid via direct deposit to their checking or savings account for the hours worked during a payroll period. If they wish to apply all or a portion of their earnings toward their student tuition account, arrangements must be made with the Business Office. The maximum amount of a student's employment award is the amount listed on the financial aid award. Students are not permitted to exceed the amount of their work award.

### **Aid Revisions Based on Outside Scholarships/Grants**

Students are expected and encouraged to apply for outside scholarships, with the understanding that their aid package will be adjusted to remain within a family's calculated need. Under Carleton's outside aid policy, private scholarships reduce the student's self-help awards (loan and/or student employment) on a dollar-for-dollar basis. For example, if a student receives an outside scholarship in the amount of \$1,000, we will reduce the student's loan by this same amount. If a student's loan is totally eliminated,

any additional outside aid will decrease the student employment award. The exception to this policy involves federal Pell Grants, Minnesota State Grants, and other need-based state grant programs. Students may request in writing to reduce their student employment first, to keep their loan at the maximum legal limit, or to replace a need-based loan with a non need-based loan.

The College will not authorize need-based financial aid in addition to the outside award(s) if the total amount of outside aid equals or exceeds the student's demonstrated financial need. We will assume that all outside aid will be sent directly to the Office of Student Financial Services to be credited to the student's account. Please notify our office if this is not the case.

Students should send us a written list of outside awards expected for the coming year. Awards will be applied to a student's tuition account only upon receipt of a scholarship check.

### **Accepting Your Award**

Return a signed and dated copy of the initial financial aid award, as well as any subsequent revisions, to the Office of Student Financial Services.

Any accepted loans will be processed only after Student Financial Services receives notice that an accepted student has electronically submitted on the Hub an acceptance of finalized award or revision. In addition, any applicable entrance counseling and/or promissory note requirements must be completed.

### **Crediting Aid to Your Account**

Students whose financial aid files are finalized and from whom we have received an applicable loan application will have their fall term aid credited to their account. All aid, with the exception of student employment, is credited to the student's account as follows: 33 percent fall term, 33 percent winter term, and 34 percent spring term.

## **UNDERSTANDING NEED ANALYSIS**

In order to help parents and students understand how Carleton makes financial aid decisions and to acquaint families with the principles of our need analysis, we offer the following brief explanation of the major factors involved with this process. We assume that both the parent(s) and student will contribute toward college expenses. We use a standard formula based on the information reported on the PROFILE to determine the expected family contribution (EFC). The EFC takes into account both student and parent contributions. The EFC is not something most families can realistically take out of one year's income; most families finance their share of college costs through a combination of savings, current income, and loans.

### **Parent Contribution**

Parents are expected to contribute a portion of all income and assets, after appropriate allowances are made. One factor is income from all sources, making allowances for essential expenses such as reasonable living costs; federal, state, and local taxes; unusually high medical expenses; and educational expenses for other children. The expected parent contribution

### **Noncustodial Parent**

Carleton requires noncustodial parents to complete and submit the Noncustodial PROFILE to the College Board. Access to this form will be sent to the student and should be forwarded to the noncustodial parent.

### **Special Circumstances**

Unusual circumstances that affect a student's ability to afford Carleton should be reported to the Office of Student Financial Services in writing. Be as specific as possible to give us a clear understanding of your situation.

### **Determination of Financial Aid for Subsequent Years**

Students will receive aid throughout their undergraduate years at Carleton as long as they continue to make satisfactory progress toward their degree and continue to demonstrate financial need. Normally, financial assistance is not extended beyond 12 terms.

No awards are renewed automatically. Students must re-apply each year for financial aid and all loans. Both students

and their parents must submit signed copies of their previous year's federal tax returns and supporting W-2s to the College Board upon their request. Application information will be available on the Student Financial Services Web site each subsequent year.

If students marry while attending Carleton, financial aid will continue to be based upon their parents' financial resources.

Students or their parents must report to us any significant changes in their family's financial situation as soon as they occur. This includes increases of \$1,000 or more in income or assets.

### **Student Rights and Responsibilities**

Students have many responsibilities when applying for financial aid. They are expected to submit all required forms in a timely manner. All reported information must be accurate. A prompt response to any request for information is essential. These requests are often necessary to complete a financial aid award or to meet federal/state guidelines. Most communications from the Office of Student

Financial Services will be made directly with the student.

Carleton treats every family's financial situation as fairly and equitably as possible when completing a financial aid award. However, we are aware that a family's finances can change unexpectedly, hampering their ability to contribute to college expenses. In such cases, students have a right to request in writing a review of their award. Any review will be consistent with the standard principles and practices used in determining every award.

Students also have a right to speak with a financial aid officer in the Office of Student Financial Services. Please contact us to schedule an appointment or to inquire about your concern.

Students and parents should know that the information provided to determine a financial aid award will remain confidential within the Office of Student Financial Services and other appropriate Carleton offices. Release of specific student information to other entities will be made only with proper authorization from the student.

is based on a graduated rate similar to the federal income tax structure that applies a lower rate (22 percent) to the first dollars of available income and progressively higher rates to additional dollars of discretionary income.

We also examine parent assets when determining the expected family contribution, because a family with assets is in a stronger financial situation than a family with similar income but no assets. We consider savings and investments, as well as home equity, real estate, and business and farm assets. Allowances are subtracted from assets for unanticipated emergency expenses and anticipated postsecondary school costs for the family. We do not expect families to deplete their assets in order to finance an education, but assets are important in determining a family's overall financial strength. We expect families to use only a small percentage of their total assets for college expenses. Based on a graduated structure like income, the percentage ranges from 3 to 5 percent of total assets.

If the parents are separated or divorced, we use information from the custodial parent to determine an initial EFC. We also ask the noncustodial parent to submit the Noncustodial PROFILE,

and that parent's data is analyzed. A contribution from the noncustodial parent is normally expected.

### **Student Contribution**

Because education should be a top priority, students are expected to contribute a greater percentage of income and assets than their parents. We assume that students will work during summer and term breaks and save the majority of their earnings for college expenses. Carleton assumes a minimum student contribution of \$2,000 for the first year. Additionally, students are expected to apply 25 percent of the value of their assets toward their education.

### **Final Determination of an Award**

Carleton tries to make a fair and accurate determination of a family's ability to finance an education. We consider as many factors as possible, including income, assets, and the number of children in college, with allowances for a variety of extenuating circumstances.

Note: A more detailed explanation of the need analysis we use is available upon request.

## Checklist

Please review and complete these steps to finalize your Carleton Aid Award:

- 1.** When you receive an award letter, sign, date, and return one copy to the Office of Student Financial Services.
- 2.** If you have not already done so, complete the College Board Financial Aid PROFILE. Find the form online at [www.collegeboard.com](http://www.collegeboard.com). List Carleton College (school code: **6081**) on the PROFILE Registration. We will receive the results directly and you will receive an acknowledgement letter from the College Board.
- 3.** Send signed copies of your and your parents' 2011 federal tax returns, including all schedules and W-2s, to College Board's Institutional Documentation Service (**IDOC**) upon their request.
- 4.** For federal funding, complete the 2012–2013 Free Application for Federal Student Aid (FAFSA) **after** submitting your 2011 federal income taxes. Find the form online at [www.fafsa.gov](http://www.fafsa.gov). List Carleton College federal school code: **002340**. This will allow you to use the IRS data retrieval to auto-fill your taxable financial data.
- 5.** After you complete the FAFSA, you will receive a Student Aid Report (SAR). Check the SAR carefully to ensure accuracy. If necessary, make corrections and resubmit as directed on the SAR. Keep a copy for your records.
- 6.** Complete all appropriate loan applications. For more information on the loan application process, see the "Loans" section of this brochure.
- 7.** Respond promptly to any requests for information or data from the Office of Student Financial Services.

**The deadline for receipt of all required material to finalize an award is June 1, 2012.**

**Special Note:** The federal and state financial aid programs are described as of December 2011. It is possible that legislation for these programs may change for the 2012–2013 year and have an impact on your initial award at Carleton. If any changes occur, we will notify you about them and revise your aid award accordingly. In doing so, we will attempt to minimize any change to your award while complying with new federal and state rules.

# Carleton College

## Contact Information

### Office of Student Financial Services

One North College Street  
Northfield, MN 55057

**Phone:** 507-222-4138

**Fax:** 507-222-4269

**E-mail:** [financialaid@carleton.edu](mailto:financialaid@carleton.edu)

**Web site:** <http://go.carleton.edu/applynew>

### Rodney M. Oto

Associate Dean of Admissions and  
Director of Student Financial Services

### Michael Kotchevar

Senior Assistant Director

### Revae Nelson

Assistant Director

### Kris Parker

Assistant Director

### Cynthia Diessner

Loan Specialist

### Dana Edwards

Assistant to the Director

### Liz Rowley

Administrative Assistant

## Additional Resources

### College Board

[www.collegeboard.com](http://www.collegeboard.com)

### CSS/Financial Aid PROFILE Application

[profileonline.collegeboard.com](http://profileonline.collegeboard.com)

### FAFSA Online Application

[www.fafsa.gov](http://www.fafsa.gov)

### U.S. Department of Education,

### PIN Registration

[www.pin.ed.gov](http://www.pin.ed.gov)

### Scholarship Search

[www.fastweb.com](http://www.fastweb.com)

### Federal Student Aid

[www.studentaid.ed.gov](http://www.studentaid.ed.gov)

### Minnesota Office of Higher Education

[www.ohe.state.mn.us](http://www.ohe.state.mn.us)