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 continue for a total of 12 terms or until graduation, whichever occurs first.

Your Financial Aid Award

Most of the financial aid awards at Carleton are based on need. To determine your need, we used information provided on the CSS PROFILE and FAFSA that you submitted to apply for assistance. In certain cases, other documents (i.e. W-2s, tax forms, etc.) were requested to verify data on your applications. All requests for assistance are given full consideration and are reviewed as objectively as possible using a standard assessment to determine a student’s need (see Understanding Need Analysis, below). In addition, we are also sensitive to each individual family’s circumstances, knowing that differences do exist depending on income level, asset holdings, family size, geographic location, and many other factors. In short, we attempt to be as fair as possible to all of the applicants for financial aid, while recognizing the differences of every student’s unique circumstances.

Students who qualify for assistance will have a financial aid award calculated and available on The Hub for review and acceptance. Those with aid awards should note carefully the information below, including how to interpret an aid award and the rights and responsibilities that come with accepting that award. Those students not qualifying for need-based aid may request student employment by submitting a Work Preference Form on our website. They will be considered for positions as jobs become available. In addition, students interested in non-need-based loans may inquire at the Office of Student Financial Services or consult our website.

Navigating Your Financial Aid Award

Need help understanding your financial aid award? Here’s a short video to help.

go.carleton.edu/navigate

There are 4 main parts to your aid award. We will explore each one and provide explanations of how you should interpret the components of your aid award.

1. Estimated Cost for 2018–19
2. Your Financial Aid Award
3. Additional Notes and Options
4. Accepting Your Award

We encourage everyone to review your aid award carefully to make sure you have a good understanding of what is being offered to you.

Carleton Grants/Scholarships

Carleton grants/scholarships are institutional funds given to students as a means of meeting their financial need. These funds are made available through College donors and the general operating budget. At a later time, students may be notified of which specific endowment or gift to the College provided their funding. Some students may be asked to write a thank you note to the donor(s). Carleton grants/scholarships are applied to student accounts once the aid award has been accepted on The Hub. 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. At the completion of the FAFSA, eligible students may be prompted to complete an online questionnaire for the Minnesota State Grant program. 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.)

Federal Grants

Pell Grant: 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 with any corrections.

Supplemental Education Opportunity Grant (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 online if a loan is part of their award. Although the recommended loan(s) will appear on the aid award, no assumptions will be made about a student’s intention to accept the loan(s), and no loan funds
will be applied to a student’s account until they are received in the Business Office. Students may apply for these loans at any time during the academic year. Federal regulations require that all first-time Direct Stafford loan borrowers complete the applicable entrance counseling requirement(s) and promissory note(s) before funds can be disbursed and credited to a student’s account.

Federal Direct Stafford loans are made directly with the student and no cosigner is necessary. Detailed information can be found online at go.carleton.edu/loans.

Parents interested in a Direct PLUS loan and students or parents interested in alternative loans can find information on these and other sources online at go.carleton.edu/altloans.

Student Employment

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

In mid-August, students with financial aid awards will receive an e-mail with their job assignment for the 2018–2019 academic year. Federal regulations require that all students with authorized student employment must have a completed Employment Eligibility Verification (Form I-9) and W-4 Withholding Allowance Certificate on file with Human Resources before starting to work.

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. Students may request in writing to have their student employment reduced first. Pell Grants, Minnesota State Grants, and other need-based federal and state programs will not be adjusted.

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 account only upon receipt of the scholarship funds.

Accepting Your Award

Students accept their initial award and any subsequent revisions online. Students will be notified of the need to accept an award or revision by e-mail and will access the aid award through The Hub. Any accepted loans will be processed only after Student Financial Services receives notice that a student has submitted their acceptance of an award or revision and completed any applicable entrance counseling and/or promissory note requirements.

Crediting Aid to Your Account

Students who have accepted their financial aid award on The Hub and have completed the necessary loan application(s) will have their aid credited to their student account. All aid, with the exception of student employment, is applied as follows: 33 percent fall term, 33 percent winter term, and 34 percent spring term.

The Business Office will notify you of any balance due for each term. Credit (or negative) balances will be refunded to students, upon request.

Other Notes About Your Award

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

Students must re-apply each year for financial aid and all loans. Application information will be available on the Student Financial Services website 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.

Report in writing any unusual circumstances that affect a student’s ability to afford Carleton. Be as specific as possible and provide documentation to give a clear understanding of the situation.

Off-Campus Study Programs

Students who receive financial aid from Carleton and/or other sources may apply their aid to any College-approved off-campus study (OCS) program. The Office of Student Financial Services maintains the following policies (which are subject to change according to available funding): apps.carleton.edu/campus/sfs/applying_aid/aid_ocss/
**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 also 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 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.

**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 CSS PROFILE to determine the expected family contribution (EFC)—the family’s share of college costs. The EFC takes into account both student and family contributions. The family contribution 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 borrowing.

**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 is based on a graduated rate similar to the federal income tax structure that applies a lower rate (23 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 contribute only a small percentage of their assets toward college expenses. Based on a graduated structure like income, the percentage ranges from 3 to 5 percent of total assets.

When a student has two living biological or adoptive parents, both parents are responsible for supporting the student through college, even if they are no longer married or together. In such cases, the parent (and step-parent, if applicable) with whom the student lives most of the time provides their household information on the CSS Profile. The data is used to determine the family contribution from that household. The second parent (and step-parent, if applicable) will complete their CSS Profile with their household information and a family contribution will be determined. Note that financial information from each respective parent and household is kept confidential and not shared without permission.

**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, saving the majority of their earnings for college expenses. Carleton assumes a minimum student contribution of $2,100 per 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, or visit go.carleton.edu/needanalysis.