



# demystifying Financial Aid

CollegePrep



## HOW DOES FINANCIAL AID WORK AT COLLEGE PREP?

Providing access and affordability to a College Prep education helps create an inclusive and equitable community. Our generous financial aid program ensures that talented students from a wide range of socioeconomic backgrounds can attend College Prep.

We know that cost is on the minds of many families who are considering independent schools. Tuition for the 2022-23 school year is \$51,990. This year, 26% of College Prep students receive financial aid. Awards range from \$3,500 to full tuition with an average grant of more than \$30,000. Awards also cover a proportional amount of non-tuition expenses such as books, laptop fees, trips, and more.

Financial aid awards are grants that do not need to be repaid. Our need-based program is open to all families.



Total FA Budget:

**\$3.1M**

Average Grant

**\$30,800**

**26%**

of Students  
Receive Aid



**13**

Endowed  
Scholarships

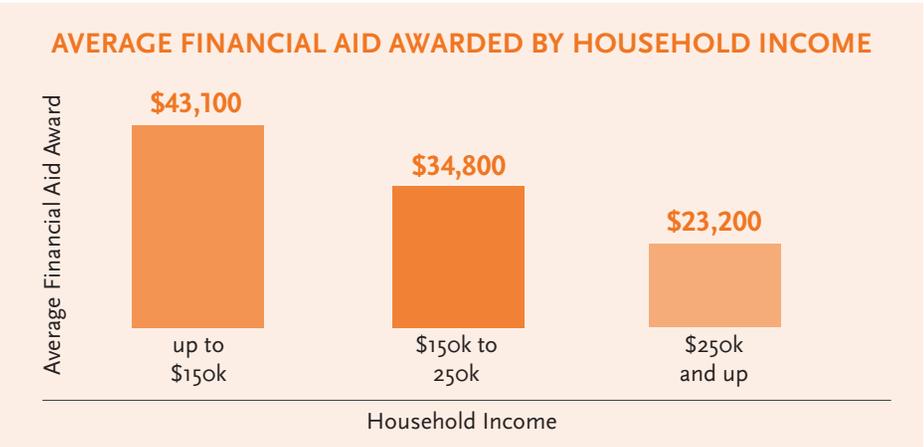
**\$200,000**

Median Annual  
Income of Families  
Receiving FA

Max Grants Cover

**100%**

of Tuition



## HOW IS FINANCIAL AID CALCULATED?

College Prep requires all financial aid applicants to complete a Parents' Financial Statement (PFS) and submit federal tax returns through the School and Student Services (SSS) online application. Financial aid is granted one year at a time and an application is required for each year of attendance. Families whose financial circumstances remain relatively unchanged from year-to-year can expect similar levels of support annually. Once enrolled, financial aid is never contingent upon a student's academic performance.

College Prep strives to meet 100% of each family's demonstrated need and encourages all families who cannot afford our tuition to apply for financial aid. The amount of tuition a family pays after financial aid is applied should be a meaningful contribution that directs a significant portion of a family's discretionary income towards their child's education. Among the many factors that impact a family's ability to pay for tuition are income, expenses, assets, liabilities, family size, and total tuition obligation.

### ANNUAL INCOME

In most cases, income is the primary factor that determines how much a family is expected to contribute towards independent school tuition. Income includes taxable sources, such as salary, wages, and interest/dividend earnings, as well as nontaxable sources such as pre-tax contributions to retirement plans, dependent care benefit programs, and more. There is no income cap to apply for aid as every family's circumstance is different.

### FAMILY SIZE AND TUITION

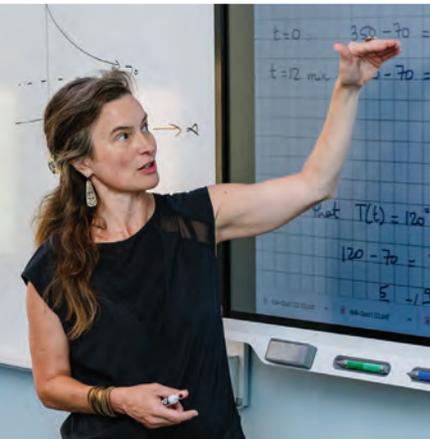
A generous portion of each family's income is protected to cover monthly expenses (including housing, food, transportation, and more) and to recognize the high cost of living in the Bay Area. The amount of income protected varies by family size. Other important factors in determining an award at College Prep include the number of children in the family who attend tuition charging schools and each family's total tuition obligation.

### ASSETS

Assets are treated more gently than income in the financial aid formula. Assets are most commonly held in the form of home equity and investments (including brokerage and cash accounts and 529 plans, but not including traditional retirement accounts such as 401k, 403b, or IRAs). In some cases, assets may be offset by liabilities, with special consideration given to past student loan debt incurred by the applicant's parents. The school caps the amount of home equity in the financial aid calculation to help families who may have outsized home equity due to the nature of the Bay Area housing market.

### MULTI-HOUSEHOLD FAMILIES

Financial aid is determined by a family's ability to pay, not their willingness, and requires the active participation of a student's entire family, including parents, guardians, and stepparents. If a student has more than one household, each household is required to complete a separate financial aid application. These expectations are in place regardless of any legal agreements between family members. The school is happy to speak with any noncustodial parent who is reluctant to provide their information to SSS. If the noncustodial parent's location is unknown, College Prep will ask the applying parent to provide verification from a third-party.



# CASE STUDIES

Below are examples that demonstrate how different factors can impact a financial aid award. While these examples can be helpful in estimating the range of awards, every family situation is unique, and these conditions capture a small portion of what is considered in the application.

A family of four (two adults and two children) making \$100,000 or less annually with typical assets can expect to pay no tuition at College Prep. A family of four making \$460,000 or more annually can expect to receive no financial aid. What about a family whose income is between \$100,000 - \$460,000? This is College Prep's affordability range and these families can expect to receive financial aid.

## FOR A FAMILY OF FOUR WITH TYPICAL ASSETS, THE AFFORDABILITY RANGE FOR COLLEGE PREP CHANGES DEPENDING ON INCOME LEVELS:

- A family making \$100,000 or less would pay \$0 in tuition (full grant of \$51,990)
- A family making \$200,000 would pay \$11,000 in tuition
- A family making \$300,000 would pay \$26,000 in tuition
- A family making \$400,000 would pay \$41,500 in tuition
- A family making \$460,000 would pay \$51,990 in tuition (no financial aid award)

## THE AFFORDABILITY RANGE FOR COLLEGE PREP CHANGES DEPENDING ON FAMILY SIZE:

- A family of two (one adult and one child) can expect to pay no tuition if their income is less than \$70,000. If their income is between \$70,000 - \$425,000 they will likely receive some financial aid.
- A family of three (two adults and one child) can expect to pay no tuition if their income is less than \$75,000. If their income is between \$75,000 - 430,000 they will likely receive some financial aid.

## THE AFFORDABILITY RANGE FOR COLLEGE PREP CHANGES DEPENDING ON ASSETS:

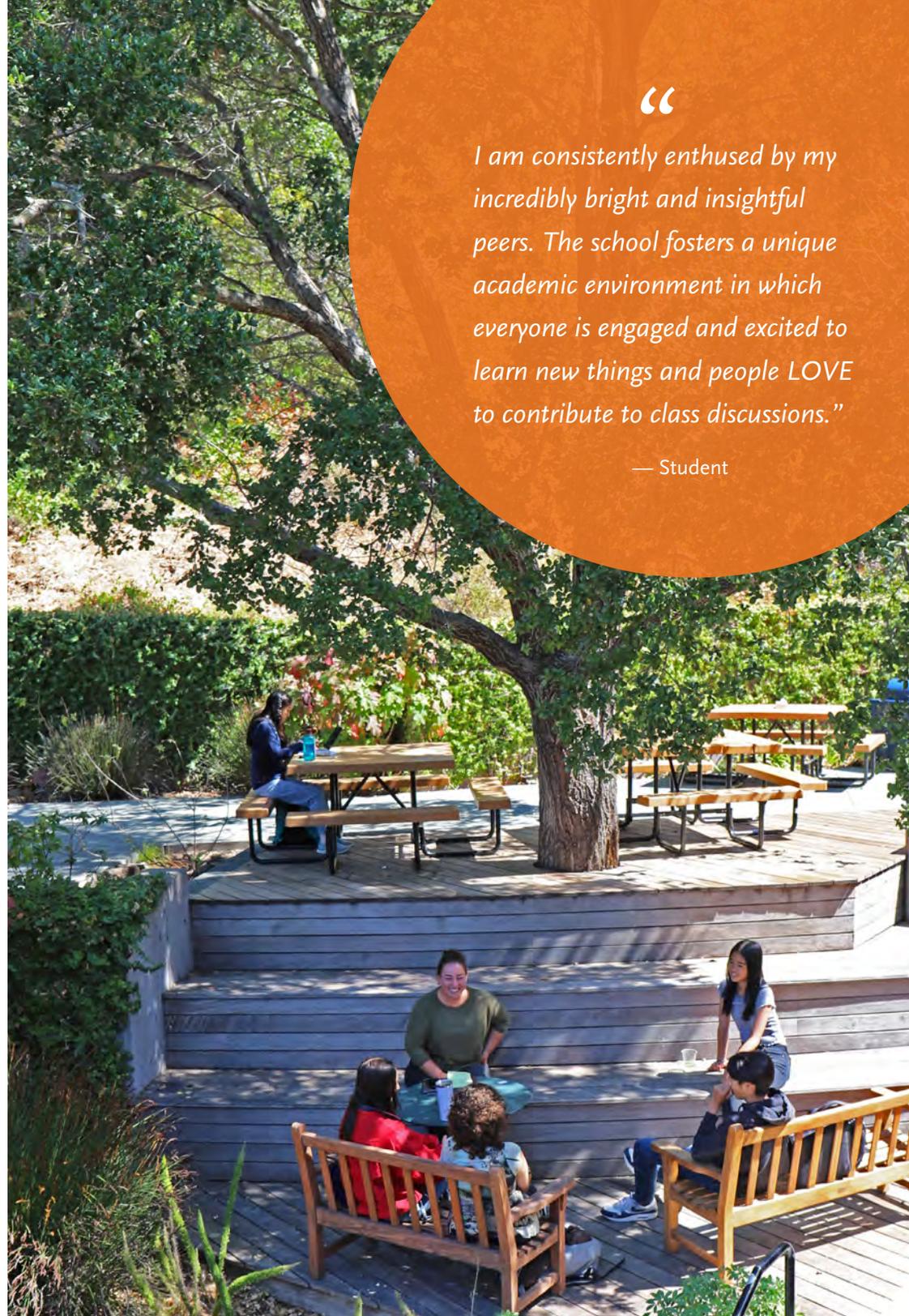
- A family of four (two adults and two children) with income of \$200,000 and no assets can expect to pay about \$6,500 in tuition
- The same family with \$250,000 in assets can expect to pay about \$10,000 in tuition
- The same family with \$500,000 in assets can expect to pay about \$15,500 in tuition
- The same family with \$1,000,000 in assets can expect to pay about \$27,500 in tuition

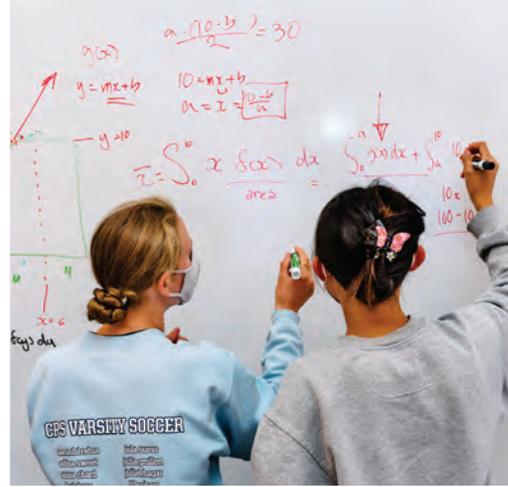
- A family of four (two adults and two children) can expect to pay no tuition if their income is less than \$100,000. If their income is between \$100,000 - \$460,000 they will receive likely some financial aid.
- A family of five (two adults and three children) can expect to pay no tuition if their income is less than \$125,000. If their income is between \$125,000 - \$490,000 they will likely receive some financial aid.

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*I am consistently enthused by my incredibly bright and insightful peers. The school fosters a unique academic environment in which everyone is engaged and excited to learn new things and people LOVE to contribute to class discussions.”*

— Student





### WHAT ABOUT NON-TUITION EXPENSES?

- Most non-tuition expenses are included in tuition with the exception of books, a laptop fee, and bigger trips.
- Families who receive financial aid also receive a proportional amount of assistance for these non-tuition expenses.
- College Prep requires tuition refund insurance and pays 100% of the premium for all families who receive financial aid, regardless of the amount.



## AVERAGE TUITION PAID BY HOUSEHOLD INCOME

INCOME RANGE	% OF GRANTS AWARDED	AVERAGE TUITION PAID
\$0–125,000	22%	\$7,500
\$125,001–250,000	28%	\$17,000
\$250,001–350,000	28%	\$22,000
\$350,001+	22%	\$35,000

## HOW TO APPLY FOR FINANCIAL AID

- Attend a virtual financial aid information session: November 9 at 4:00 pm, December 9 at 10:00 am, or January 5 at 6:00 pm.
- By January 12, 2023, complete the Parents' Financial Statement (PFS) on the School and Student Services (SSS) website and upload completed 2021 Federal Tax Form 1040 including all schedules, W2's, and supporting documents to your account. College Prep's SSS code is 2485. The fee to submit your PFS is \$60. Fee waivers are automatically granted to families who qualify.
- By February 24, 2023, upload completed 2022 Federal Tax Form 1040 including all schedules, W2's, and supporting documents to your SSS account.
- Friday, March 17, 2023: Financial aid awards released along with admission decision letters after 4:00 pm via Ravenna.
- Thursday, March 23, 2023: Signed enrollment agreements and non-refundable deposits due by 10:00 am for financial aid recipients.
- Questions? Contact the Financial Aid Office at 510.420.2345 or [financialaid@college-prep.org](mailto:financialaid@college-prep.org). SSS customer service may be reached at 800.344.8328 or [sss@solutionsbysss.com](mailto:sss@solutionsbysss.com).