

Financial Assistance Packet

Dear Parent/Guardian:

This packet is being sent to you because your son's application has been accepted by Teen Challenge and you have requested a financial assistance packet.

It is Teen Challenge's goal that no one will be turned away because of inability to pay full tuition. Our average cost per enrolled student is estimated to be about \$2500 per month (\$83.33 per day). Through aggressive fundraising efforts and because of the generous contributions that we receive each month from various individuals, churches, and businesses, we have been able to lower the amount of tuition that we charge to \$1500 per month.

Even at the lowered rate, we realize that many families simply cannot afford to make a direct payment of \$1500 per month to Teen Challenge. In our efforts to ensure that no one is turned away because of an inability to pay full tuition, we have come up with different funding options/methods by which the tuition fee can be covered. The different options and their explanations are as follows:

1) Direct Payment

The first and most obvious option is the direct payment option. This is where all or part (see combination option) of the student's tuition is paid each month via credit card or by automatic withdrawal from the parent/guardian's checking or savings account. An automatic draft form is enclosed in this packet.

2) Financing

Families also have the option of funding all or part of their child's tuition through financing. Financing is available to Teen Challenge students and their families through Clark Behavioral Health Financing. It is recommended that those with lower credit scores obtain a co-borrower when applying for the loan.

You can fill out a loan application from Clark Behavioral Health Financing by going online to www.clarkbhf.com. Please note that filling the application out online is the fastest way to get your application processed. If you do not have internet access then a hard copy is attached to this document. When you fill out the application please request funds for 14 months tuition since this is the standard amount of time that it takes for a student to complete our program. If your son completes the program, is withdrawn from the program, or is dismissed before 14 months all unused funds will be returned to the lender. Families that utilize the financing option and who pay for the full 14 months up front with the loan funds will qualify for the 10% discount and save \$2,100 off their child's tuition.

3) Scholarship Funding

In an effort to help families with the tuition costs of their child, the board of directors of Teen Challenge has created a Scholarship Fund.

Concept

Parents/Guardians partner with Teen Challenge in obtaining donations to the ministry. As a result of these additional donations, Teen Challenge is able to provide scholarships to their child thereby reducing the costs associated with their child's tuition.

How does it work?

Parents/Guardians ask individuals, churches, and businesses to contribute to the ministry of Teen Challenge while their child is in the program. Those willing to contribute in this way are asked to fill out *Scholarship Donor Forms* (Contained in this packet). The forms are then returned to Teen Challenge where they will be kept on file. Teen Challenge uses these forms to determine how much additional funding will be coming in through scholarship donations. Subsequently, these forms are also used to estimate how much Teen Challenge can afford to offer a student in scholarships. See the table below for an example.

Example

Scholarship Donor	Amount of Monthly Commitment
<i>Uncle Jim</i>	<i>\$50</i>
<i>Grandma Smith</i>	<i>\$100</i>
<i>First Community Church</i>	<i>\$200</i>
<i>Sylvia (Friend at Work)</i>	<i>\$25</i>
<i>Metro Builder Supply</i>	<i>\$150</i>
Total Amount of Monthly Scholarship Donor Commitments =	\$525

Estimated amount that Teen Challenge
Can afford to Scholarship this student = \$525 per month

Who should I ask to become a Scholarship Donor?

Some of our past students’ families obtained donations from the following:

- Friends
- Work Associates
- The company where they work.
- Friends at Church
- Relatives
- The child’s school
- Churches
- Businesses
- Doctor’s offices
- Etc.

What happens if the donors do not follow through on their commitments?

Unfortunately, Teen Challenge cannot offer scholarships above the amount that they actually receive in scholarship donations. Parents/guardians will be required to make up the balance.

What happens if more money is raised than was anticipated?

In general, the amount of scholarships that Teen Challenge determines they can offer a child is based on the Scholarship Donor commitment forms they receive. Parents/Guardians may ask Teen Challenge to reassess how much the ministry can afford to offer in scholarships to their child whenever new scholarship donors are found and new commitment forms are submitted.

If a large surplus of donations has been raised as a result of the family's fundraising efforts, the family may request that Teen Challenge reassess how much it can afford to scholarship their child. If a change is made in the set scholarship amount, it will be from that point forward.

Teen Challenge attempts to set scholarship amounts that will remain consistent each month for the duration that the child is in Teen Challenge. Large one time gifts are often averaged out over the course of 14 months when determining how much scholarship Teen Challenge can afford to offer each month.

Making sure the contributions scholarship donors make are tax-deductible.

It is important to remember that these scholarship donors are making donations to the Teen Challenge Scholarship Fund. They are not making tuition payments for your child. Donations to the Teen Challenge Scholarship fund are tax deductible. Tuition payments are not.

In order to insure that scholarship donors get full tax credit for their contributions, they should **not** place the child's name on the memo line or anywhere on the check. This could be construed by the IRS as a tuition payment and might be a problem for the donor when submitting his/her tax return. Instead, donors are welcome to put the child's name on a sticky note or on a separate piece of paper when making contributions to the scholarship fund.

4) Special Assistance

You may apply to Teen Challenge for special financial assistance once all other avenues have been exhausted. A complete current financial statement including most recent tax return and current payroll stubs must be submitted before special assistance will be considered. Once the current financial statement is received, a determination will be made as to how much special assistance can be offered.

Please note that parents/guardians must first apply for financial assistance through Clark Behavioral Health Financing before Special Assistance will be considered. They must also have found at least 3 scholarship donors who would be willing to contribute to Teen Challenge while their child is enrolled. Please use the *Scholarship Donor Form* contained in this packet.

The ability of Teen Challenge to offer Special Assistance is largely determined by the level of funding that Teen Challenge receives through other sources and agencies (i.e. donations to the ministry, grants, etc.). For this reason Teen Challenge cannot guarantee that such funding will be available for your child at the time application for admission is made.

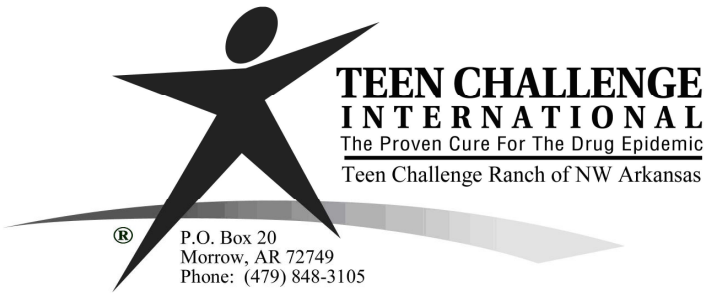
5) Combination

Funding is not limited to any one option. Tuition costs may be paid using a combination of the above listed options. For example, an individual could pay half the tuition by direct payment and then fund the remaining tuition costs through scholarships and/or financing.

Please review all of the options carefully. If you have any questions regarding any of the above options please do not hesitate to call.

Sincerely,

Jennifer Grim, Intake Director
Teen Challenge Ranch of NW Arkansas
Phone: 479-848-3105 Fax: 888-844-1669
mail@arkansasteenchallenge.org



FINANCIAL ASSISTNACE AGREEMENT

I agree to do the following to obtain financial assistance from Teen Challenge Ranch of Northwest Arkansas:

Please initial each step

- ___ A. Apply for a loan with Clark Behavioral Health Financing and obtain a co-borrower if necessary.
- ___ B. Obtain no less than 3 Scholarship Donations for my son
- ___ C. Fill out Financial Assistance Worksheet
- ___ D. **All financial assistance paperwork must be completed and turned in no later than 1week prior to the date of admission.**

Parent/Guardian Signature

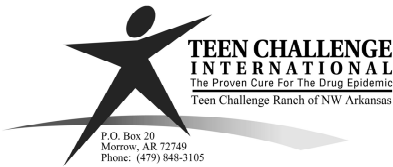
Date

Parent/Guardian Printed Name

Witness Signature

Date

Witness Printed Name



Scholarship Donor Form

Thank you for your willingness to help provide scholarships to students at Teen Challenge Ranch of NW Arkansas. Teen Challenge depends upon donors to help cover the normal operating expenses for each student accepted into the program. These expenses are estimated to be \$2500 per month (approximately \$83 per day) for each student enrolled. Your monthly donation to Teen Challenge will help to offset some of these expenses and will go a long way in changing a young man's life. After completing this form please return it to the family as soon as possible.

I understand that the Teen Challenge program is designed to run from 12 to 18 months (depending on the progress of the student). I am committing to send in a monthly donation of \$_____ to the ministry of Teen Challenge as long as _____ remains in the program.
(Child's Name)

Donor's Name _____

Mailing Address _____

City: _____ State: _____ Zip Code: _____

Phone (_____) _____ Email _____

Signature _____

In order to make sure that your contributions are tax deductible, please **do not** put any student's name anywhere on the check. Instead, you may attach a sticky note or letter with the name of the student whose family has contacted you and asked you to become a scholarship donor.

Teen Challenge Ranch of NW Arkansas is a faith-based, non-profit corporation. It offers its services to troubled teenage boys and their families and does not discriminate on the basis of race, color, or national origin. If you need more information about Teen Challenge or if you have any questions, please do not hesitate to contact us at 479-848-3105. Office hours are Monday-Friday from 8:30-4:30 Central Standard Time.

Choose Your Giving Option

Please, automatically debit my credit card each month.

 _____ Visa  _____ Mastercard

(Card Number)

_____/_____
(Expiration Date)

(Signature)

*Please, automatically debit my Bank Account each month.

(Financial Institution Name)

(Address)

(City/State)

(Zip)

(Routing Number)

(Account Number)

Type of Acct: ___ Checking ___ Savings

(Signature)

**Please attach a voided check*

I will be sending in my gift each month.

Please make your check out to:

Teen Challenge
PO Box 20
Morrow, AR 72749

Thank you for your willingness to help troubled and hurting teenage boys.

Financial Assistance Worksheet

Students Name: _____

Responsible Party (Parent/Guardian): _____

Teen Challenge Monthly Tuition: \$1,500.00

1) Scholarship Funding:

The following scholarship donors have committed to contribute to the Teen Challenge Scholarship Fund while my child is enrolled at Teen Challenge.

Donor	Amount of monthly donation
_____	_____
_____	_____
_____	_____
_____	_____

Total amount of monthly donations raised: _____

Estimated amount that Teen Challenge will be providing in scholarships each month: \$

2) Financing:

The amount of tuition that I will be financing through Clark Behavioral Health Financing or other source(s):

Total for 14 months = \$ _____ ÷ 14 = \$

3) Special Assistance:

I have exhausted all other options for payment and am asking Teen Challenge to raise the additional following amount each month toward my child's tuition:

Monthly Special Assistance: \$

4) Direct Payment:

I will personally be contributing the following amount each month toward my child's care.

Total monthly amount of Direct Payment: \$

Remaining Tuition Balance *(Subtract items 1-4 from \$1500):* \$
Amount should equal \$0

Financial Assistance Worksheet

Students Name: _____

Responsible Party (Parent/Guardian): _____

Teen Challenge Monthly Tuition: \$1,500.00

1) Scholarship Funding:

The following scholarship donors have committed to contribute to the Teen Challenge Scholarship Fund while my child is enrolled at Teen Challenge.

Donor	Amount of monthly donation
Uncle Jim	\$50
Grandma Smith	\$100
First Community Church	\$200
Sylvia (Friend at Work)	\$25
Metro Builder Supply	\$150

Total amount of monthly donations raised: \$525

Estimated amount that Teen Challenge will be providing in scholarships each month: \$525.00

2) Financing:

The amount of tuition that I will be financing through Clark Behavioral Health Financing or other source(s):

Total for 14 months = \$10,500 ÷ 14 = \$750.00

3) Special Assistance:

I have exhausted all other options for payment and am asking Teen Challenge to raise the additional following amount each month toward my child's tuition:

Monthly Special Assistance: \$0.00

4) Direct Payment:

I will personally be contributing the following amount each month toward my child's care.

Total monthly amount of Direct Payment: \$225.00

Remaining Tuition Balance (Subtract items 1-4 from \$1500): \$0.00

Amount should equal \$0